

STA/STPA/SAC  
GOVERNING BOARD  
STSC FOUNDING BOARD  
MEMBER PACKET  
REGULAR MEETING  
SEPTEMBER 28, 2017

SouthTech Charter  
Academy, Inc.

SouthTech Preparatory Academy, Inc.

SouthTech Success Center, Inc.

Founding Board

Jim Kidd, Superintendent

John-Anthony Boggess – Deputy Superintendent/Acting  
Principal

Nicole Handy, STPA Middle School Principal

**SOUTHTECH CHARTER ACADEMY, INC.**  
**SOUTHTECH PREPARATORY ACADEMY, INC.**  
**SOUTHTECH SUCCESS CENTER, INC.**  
**STA/STPA Governing Board/SAC/STSC Founding Board Meeting Agenda**  
**September 28, 2017**

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**1. Call to Order**

**2. Pledge of Allegiance**

**3. Roll Call: Board Secretary – Confirm Quorum Present**

Donna Baize	Aram Bloom	Roger Dunson
Nancy Ernst	Russell Feldman	Dan Heller
Diane Heinz	Carl McKoy	James Notter
Suzanne Nicolini		

**4. Open Meeting Act Statement**

Chairperson asks if public notice has been made.

**5. Public Presentation:** Welcome aboard Officer Ray McDonald, our new school police officer!

The auditors will present their audit report.

Mr. Boggess will present student Yuliana Osorio with an award given to her from Future Medical Leaders.

**6. Approval of the Minutes for the STA/STPA Governing Board/SAC-STSC Founding Board Meeting on August 10, 2017.**

Introduced by: \_\_\_\_\_ Seconded by: \_\_\_\_\_

All in favor: \_\_\_\_\_ Opposed: \_\_\_\_\_

**7. Treasurer's/Financial Report for STA/STPA: Current monthly Bank Reconciliation and Disbursement Report**

**8. Reports**

**a. Superintendent**

**b. Deputy Superintendent/Principal – STA/STPA/Adult Ed**

**c. Principal – South Tech Academy**

**d. Principal – South Tech Preparatory Academy**

*Mrs. Handy will present STPA's Student Assessment Data*

**e. Committees – STA/STPA/STSC Nominating Committee**

**9. Public Comments on Agenda Items – Five (5) Minutes Maximum Each Person**

SouthTech Academy

SouthTech Preparatory Academy

**10. Introduction of Consent Agenda for SOUTHTECH ACADEMY – Superintendent Jim Kidd:**

**Old Business**

None.

**Administrative Items**

**A-1** I recommend that the Board approve submitting the names of personnel eligible for the Best and Brightest Scholarship Program prior to the deadline on November 1, 2017.

**Personnel Items**

**B-1** I recommend that the Board approve the Personnel actions for the previous month.

**Financial Items**

**C-1** I recommend that the Board approve and ratify the monthly Charter school bank account reconciliation for month ending July 31, 2017 as required by the Sponsor.

**C-2** I recommend that the Board approve and ratify the Charter school monthly Disbursement Report for month ending July 31, 2017 as required by the Sponsor.

**C-3** I recommend that the Board approve and ratify the monthly financial statements for month ending July 31, 2017 as required by the Sponsor.

**C-4** I recommend that the Board approve the audited financial statements for the fiscal year end June 30, 2017.

**C-5** I recommend that the Board authorize the Superintendent to create a contracted position to assist the Superintendent in providing project management and coordination for the SouthTech Academy relocation to the Odyssey campus project.

**Emergency Items**

None.

**11. Poll Board for Items to be Pulled for Comment or Questions**

**12. Approval of Consent Agenda Except for Items Pulled**

Introduced by \_\_\_\_\_ Seconded by \_\_\_\_\_  
All in favor \_\_\_\_\_ Opposed \_\_\_\_\_

**13. Approval of Each Pulled Item (Item-by-Item) – *Introduction by Superintendent***

**14. Public Comments on non Agenda Items – *Five (5) Minutes Maximum Each Person***

**15. Introduction of Consent Agenda for SOUTHTECH PREPARATORY ACADEMY – *Superintendent Jim Kidd***

**Old Business**

None.

**Administrative Items**

**PA-1** I recommend that the Board approve submitting the names of personnel eligible for the Best and Brightest Scholarship Program prior to the deadline on November 1, 2017.

**Personnel Items**

**PB-1** I recommend that the Board approve the Personnel actions for the previous month.

**Financial Items**

- PC-1** I recommend that the Board approve and ratify the monthly Charter school bank account reconciliation for month ending July 31, 2017 as required by the Sponsor.
- PC-2** I recommend that the Board approve and ratify the Charter school monthly Disbursement Report for month ending July 31, 2017 as required by the Sponsor.
- PC-3** I recommend that the Board approve and ratify the monthly financial statements for month ending July 31, 2017 as required by the Sponsor.
- PC-4** I recommend that the Board approve the audited financial statements for the fiscal year end June 30, 2017.

**Emergency Items**

None.

**16. Poll Board for Items to be Pulled for Comment or Questions**

**17. Approval of Consent Agenda Except for Items Pulled**

Introduced by \_\_\_\_\_ Seconded by \_\_\_\_\_  
All in favor \_\_\_\_\_ Opposed \_\_\_\_\_

**18. Approval of Each Pulled Item (Item-by Item) – Introduction by Superintendent**

**19. Public Comments on non Agenda Items – Five (5) Minutes Maximum Each Person**

**20. Introduction of Consent Agenda for SOUTHTECH SUCCESS CENTER FOUNDING BOARD – Superintendent Jim Kidd: NO AGENDA.**

**21. Poll Board for Items to be Pulled for Comment or Questions**

**22. Approval of Consent Agenda Except for Items Pulled**

Introduced by \_\_\_\_\_ Seconded by \_\_\_\_\_  
All in favor \_\_\_\_\_ Opposed \_\_\_\_\_

**23. Approval of Each Pulled Item (Item-by Item) – Introduction by Superintendent**

**25. GOVERNING BOARD IN THE CAPACITY OF SCHOOL ADVISORY COUNCIL (SAC)**

**South Tech Academy:**

**School Improvement Steering Committee (SISC) Report – Russ Feldman, Chairperson; Donna Baize, Suzanne Nicolini, Alternate Chairpersons**

**Introduction of the SouthTech Academy SAC Consent Agenda – Russ Feldman, Chairperson – NO AGENDA.**

**26. Poll SAC for Items to be Pulled from the SAC Consent Agenda for Comment or Questions: N/A**

**27. Approval of SAC Consent Agenda Except for Items Pulled: N/A**

Introduced by: \_\_\_\_\_ Seconded by: \_\_\_\_\_  
All in favor: \_\_\_\_\_ Opposed: \_\_\_\_\_

**28. Approval of Each Pulled Item (Item-by Item) – Introduction by Russell Feldman, Chairperson N/A**

**29. South Tech Preparatory Academy:**

**School Improvement Steering Committee (SISC) Report –Diane Heinz, Chairperson**

**Introduction of the SouthTech Preparatory Academy SAC Consent Agenda – Diane Heinz, Chairperson – NO AGENDA.**

**30. Poll SAC for Items to be Pulled from the SAC Consent Agenda for Comment or Questions: N/A**

**31. Approval of SAC Consent Agenda Except for Items Pulled: N/A**

Introduced by:\_\_\_\_\_Seconded by:\_\_\_\_\_

All in favor:\_\_\_\_\_ Opposed:\_\_\_\_\_

**32. Approval of Each Pulled Item (Item-by Item) – Introduction by School Improvement Steering Committee Chairperson, Diane Heinz. N/A**

**33. Board Comments**

**34. Motion to Adjourn**

Introduced by:\_\_\_\_\_

All in favor:\_\_\_\_\_ Opposed:\_\_\_\_\_

Time\_\_\_\_\_

**SOUTHTECH CHARTER ACADEMY, INC.**  
**SOUTHTECH PREPARATORY ACADEMY, INC.**  
**SOUTHTECH SUCCESS CENTER, INC. FOUNDING BOARD**  
**August 10, 2017 Minutes of the Regular Governing Board/SAC Meeting**

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1. *Call to order* by Mr. Notter at 7:10pm
2. *Pledge of Allegiance*
3. *Roll Call* by Donna Baize:

Present: Aram Bloom, Donna Baize, Nancy Ernst, Russell Feldman, Diane Heinz, Dan Heller, Suzanne Nicolini, James Notter, Carl McKoy Absent: Roger Dunson

**Quorum**

4. *Open Public Meetings Act Statement* – The meeting has been properly noticed.
5. *Public Presentation:* Mr. Notter commended the Governing Board and staff of what he said is one of the finest charter schools, and that there is much of which to be proud, especially in how the Board and staff functions. He commended how Mr. Kidd, the leader of the programs and the leader of this school, has functioned in the years that Mr. Notter has been fortunate to be on the Board. Mr. Notter said one of the hardest things he has had to do in his 39-year career in education was to say a parting word for somebody that he has valued personally, as well as professionally. Over the summer, Mr. Kesten made a legal and family decision that he had to leave the Governing Board, as his wife was going to be a teacher in SouthTech Schools. Mr. Notter had a special plaque to present to Mr. Kesten, but first asked each of the Board members to say a few words to him. Each Board member thanked Mr. Kesten for his service and he received many accolades from his colleagues for his contribution as a Board member and former Board Chair. Mr. Kidd stood in honor of Mr. Kesten and told him that they have had an interesting 12 years together and have walked in the fire several times, been in grief over losing Board members, saw many changes and experienced much. Mr. Kidd told Mr. Kesten that he appreciates the support he received from him, and his perspective, that at times was not the same as Mr. Kidd's, but even when they disagreed, they found mutual ground to get together. Mr. Kidd said that Mr. Kesten has been a professional and personal friend. He said that Mr. Kesten had made many contributions to the Board and Mr. Kidd greatly appreciates all he has done, especially for the students, the staff, the schools in general and the public at large. Mr. Kidd thanked him for agreeing to be a resource in the future.

Mr. Kesten requested to speak. He thanked everyone for their thoughts and consideration, and that the last 12 years of serving on the Board have been a pleasure for him. He did mention in his resignation to Mr. Kidd that as soon as the law changes, he would want to come back to serve on the Board. He welcomed his services as a consultant to the Board at any time. Mr. Kesten said that he loves what we have done over the last 12 years and before that for the students in this area, Palm Beach County, and for what SouthTech and SouthTech Schools have accomplished. He thanked the Board, the staff, the administration and the kids for the pleasure that brought to him as a member of the Board.

Mr. Kidd presented a plaque to Mr. Kesten and everyone enjoyed cake in his honor.

6. *Approval of the minutes from the SouthTech Academy and SouthTech Preparatory Academy Governing Board/SAC/STSC Founding Board meeting on June 22, 2017.*

**Motion by: Mrs. Ernst Second by: Mrs. Nicolini**

**All in favor. Motion carries.**

7. *Treasurer's/Financial Report:* Mr. Heller reported that the STA/STPA Finance Committee met prior to the Board meeting at 6pm and they recommend approval for SouthTech Academy Items C-1 through C-6, and for SouthTech Preparatory Academy, they recommend approval for Items PC-1 through PC-5.
- 8A. *Chief Executive Officer Report:* Mr. Kidd began his report by welcoming three members of the SouthTech Preparatory faculty that were present and he thanked them for attending. He had them stand to be introduced: Mr. Brandon Stair, Rock & Roll Academy; Nicole Brown, Technology Instructor, and Mrs. Brown said that her daughter graduated from SouthTech Academy; and Nafeesa Shahid, Reading Instructor, who commented that this is the first middle school that she actually loves.

Mr. Kidd reminded the Board members to complete the paperwork for the auditors that Mrs. McNerney gave to them.

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**Facility Committee – Odyssey:** Mr. Kidd said that he met with the Facility Committee prior to the Board meeting. The School Board approved the closing of Odyssey and refurbishing it for SouthTech and Mr. Kidd said that now is when things will get interesting, as now it moves into a completely new perspective. Mr. Kidd said that tomorrow he would meet with one of the Assistant Superintendents over at Prep. He would like to see the facility and Mr. Kidd gave Mrs. Handy a heads' up. Mr. Kidd said that we would come out well because of the long history this Assistant Superintendent has had with Mr. Kidd, as well as with Mr. Boggess. He will work with us as much as he is allowed to try and make it happen. The Assistant Superintendent has an appreciation, first to the amount of work that must be done to get us in the facility, and then of the time constraints that are there. The District plans to have us in the facility by August, but it will be a work of progress.

**Task Force on School Testing:** Mr. Kidd and Mr. Boggess attended a Task Force on School Testing with two of the senators in Boca Raton. It was a good meeting and we had a good conversation with the senators, who would like to come to SouthTech to see what we are doing. The consensus on testing is first, that the state is doing way too much of it, and it has way too much impact on the life of the kids. Mr. Kidd related a story about a former student, who could not pass the Reading for FCAT, but went on to become very successful in the automotive field, where it is necessary to be able to read high level automotive technical books. He made the point to the senators that the ACT/SAT tests are standard tests all over the United States, and that Florida has the ACT as a possible fallback, if a student does not pass the FSA test. How is it that they can pass the standard ACT test and not be able to pass the FSA test? Mr. Kidd wanted to talk about the teacher certification testing, but they ran out of time. He said there is a teacher shortage because only fifty percent of the teachers who take the test are passing it. STA is in pretty good shape this year as far as filling positions, and Prep lacks one teacher position. The District still lacks 150. Mr. Kidd said he was telling the Board about these things because they need to be aware of it, because these are the kind of problems that we face every day. We have highly effective teachers in the classroom who cannot get over the hurdle for the math test. We are voters, we have a voice, and we need to use both of those powers to influence and try to get some of these things back in line. Mr. Kidd said we must get involved and be involved.

- 8B. *Director of Professional Programs Report – STA/STPA/Adult Ed Program:* Mr. Boggess told the Board he was not able to be present back in June, as they had the birth of their fourth child, Bay Lily Boggess. He said he was glad to be back for the start of the school year. Closing out 2017 and moving into 2018, STA received a B grade, and was 11 points away from the A grade. They were 61% of the school grade, and you need 62% to be an A, which equates to 11 points. We went up 18 points from last year and fell short in two key criteria areas; Social Studies and Science. It was not significant, but enough to bring us down in those two areas where we have traditionally been strong. We knocked it out of the ballpark was in math. In all three categories from proficiency, to gains, to lowest 25%, all of them went up significantly. Our Math Department really made a push to have extra tutorial and put together a strategy plan, integrating technology in ways that we have not been using it, and Mr. Boggess believes it really made a difference. Moving into SY18 is really three things combined. It is like having the anticipation of Christmas, the magnitude of the Super Bowl and the craziness of Black Friday, all wrapped up into one day. On Monday, we had the entire SouthTech School System in the Media Center to address what our vision is, who we are as an organization, what our mission statement is, and ultimately, how we are going to achieve that. Our staff hears us talk about stakes in the ground and where our vision is, and they believe it is good, but they probably ask themselves how all that connects with them, the employee, and how does it connect with the student that they have every day. Administratively, they looked at how they make that connection of where we are going in the next five years, with the ideas of Odyssey, with the expansion and growth, and with our strategic plan. We brought it all down to one core question – what is a core value here at SouthTech that all of this vision and our mission statement leads back to, and it is teacher-student relationship. When we talk about student success stories and creating

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those, how does it happen. It happens to authentic and genuine teacher-student relationship. Our teachers really know our kids and they ask probing questions – who they are as people; they know the extenuating circumstances in their life, they know the culture and barriers that they come from. Moreover, this is what sets us apart from any traditional public school out there. Therefore, we looked at a variety of things as to why SouthTech is different, and we pointed those out to the staff in the room. It all came back to – we have all made a choice to be here, whether it is the Superintendent of the School System, to our custodial staff, to our administration, our teachers and our students, and even the Board. To set the tone for this school year, we left it back to what we call, The Bulldog Way, for teachers and students that we are Respectful, Responsible and we are Ready to Learn. So we came up with “Make it An A - the Bulldog Way”. Mrs. Turenne is our resident cheerleader, and she helped lead it at our New Student Orientation. It is a fun way to prompt what it is that we are hoping to accomplish, and ultimately, to define what an A status means. A status means that we are striving for excellence and that every kid will hit proficiency levels. That is what the data is going to reflect and ultimately that is what this System is going to strive for. So from both a Director of Professional Programs to Principal, this is Mr. Boggess’ update for this evening.

8C. *Principal’s Report: Same as Director’s Report.*

8D. *Middle School Principal:* Mrs. Handy reported that the Prep school grade came in at a C. They went from less than 1% below a C to 2% below a B. We had 101 growth points, which is one of the largest in the county, and she believes in the state as well. Mrs. Handy said she is very proud of the staff and the students because they worked very hard for it. We continue to grow student-wise and staff-wise. We currently have 530-535 in the student information today and we have grown ten new staff members. We have need of one Language Arts teacher. Mrs. Handy said she is excited to have some new things going on at the middle school. This year, instead of the students taking eight academic courses, we have built into their schedules what we are calling a Standards Lab, where they will have the opportunity for 90 minutes every other day, to work on their test-taking skills, as well as reading and all ELA and Math standards. This will help with the overall academic performance for the students. Mr. Hardy is conducting a Personal Education Plan Orientation this evening at the middle school. The facility looks really nice and we are excited for Monday. She invited the Board to come by so that the staff could see the Board that is behind all their success. Mr. McKoy asked if the lab they are giving students will only be for struggling students or for all the students, and Mrs. Handy said for all students.

8E. *Committee Reports:* Mr. Notter asked Mr. Bloom to share his reports for both committee meetings that were held this month, since Mr. Bloom is Chair for both the President’s Contract Agreement and the By Laws Committee.

The President’s Contract Review Committee reviewed and has made a recommendation for approval for the renewal of Mr. Kidd’s contract. The committee did some research and looked into the history of the payments received, and make their recommendation as presented on the contract addendum in Item B-2.

The By Laws Committee also convened and there are a couple of recommended changes: One is a requirement of the IRS and is basic and the form language has been inserted in the By Laws as it appears on Item A-3. The second item is somewhat more complex and was voted on by one member of the committee because two sitting directors, Mr. Notter and Mr. Bloom, recused themselves. That particular By Law change is that we remove term limits in the By Laws, so that Mr. Notter and Mr. Bloom would be able to re-run for office. That is on the Consent Agenda and Mr. Bloom recommends that they pull that Item for discussion.



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9. *Public Comments on Agenda Items* – Five (5 Minutes Maximum Each Person)

**SouthTech Academy – None.**

**SouthTech Preparatory Academy – None.**

10. *Introduction of Consent Agenda for SouthTech Academy* – Mr. Kidd introduced the Consent Agenda, except for Item B-2, which was presented by Mr. Bloom:

**Old Business**

**None.**

**Administrative Items**

**A-1** I recommend that the Board approve the donations for the period from June 22, 2017 to August 10, 2017.

**A-2** I recommend that the Board approve the SouthTech Charter Academy, Inc. By Laws revisions.

**A-3** I recommend that the Board approve the SouthTech Charter Academy, Inc. By Laws revisions pertaining to IRS Code changes.

**A-4** I recommend that the Board approve the Charter School System Agreement for SouthTech Schools, namely, SouthTech Charter Academy, Inc., SouthTech Preparatory Academy, Inc. and SouthTech Success Center, Inc.

**Personnel Items**

**B-1** I recommend that the Board approve the Personnel actions for the previous month.

**B-2** I recommend that the Board approve the extension of the President/CEO's contract by addendum. **(INTRODUCED BY BOARD CHAIR)**

**Financial Items**

**C-1** I recommend that the Board approve and ratify the monthly Charter school bank account reconciliation for month ending May 31, 2017 and June 30, 2017 as required by the Sponsor.

**C-2** I recommend that the Board approve and ratify the Charter school monthly Disbursement Report for month ending May 31, 2017 and June 30, 2017 as required by the Sponsor.

**C-3** I recommend that the Board approve and ratify the monthly financial statements for month ending May 31, 2017 and June 30, 2017 as required by the Sponsor.

**C-4** I recommend that the Board approve the agreement with All Metro Health Care for the school nurse for the 2017-2018 School Year.

**C-5** I recommend that the Board approve the consulting agreement for specialized Exceptional Student Educational (ESE) services with Speech Rehab Services, LLC and authorize the President to sign the agreement.

**C-6** I recommend that the Board approve the SouthTech Academy Amended Budget for SY17.

**Emergency Items**

**None.**

11. *Poll Board for Items to be Pulled for Comment or Questions:* Ms. Heinz pulled Item A-2; Mr. Notter pulled Item B-2.

12. *Approval of SouthTech Academy Consent Agenda with exception of the items pulled:*

**Motion: Ms. Heinz Second by: Mr. Heller**

**All in favor. Motion carries.**

13. *Approval of Each Pulled Item (Item-by-Item):*

**Mr. Notter asked for a motion to bring Item A-2 to the floor.**

**Item A-2 I recommend that the Board approve the SouthTech Charter Academy, Inc. By Laws revisions.**

**Motion: Mr. Heller Second: Mr. Feldman**

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Mrs. Ernst asked about the term limits revision. Mr. Bloom explained that there is currently a term limit of three terms for the Chair and the Vice Chair. Both Mr. Notter and Mr. Bloom are serving their third term and the President/CEO has requested that the Board consider modifying the By Laws to remove the term limit restriction, due to the Chair and Vice Chair's extensive leadership and legal experience. Mr. Kidd gave the history of how this rule was initiated by the former Board Vice Chair Bob Howell at the school's inception.

**All in favor except Mr. Notter and Mr. Bloom, who recused themselves from the vote, as Mr. Notter said they also did in committee.**

**Motion carries.**

**Mr. Bloom introduced Item B-2 and recommended approval.**

**Item B-2 I recommend that the Board approve the extension of the President/CEO's contract by addendum. (INTRODUCED BY BOARD CHAIR)**

**Motion: Mrs. Ernst Second: Mrs. Nicolini**

Mr. Bloom said that the committee met and completed the President's Annual Evaluation, which was brought to and approved at the March 9, 2017 Board meeting. The committee discussed the current contract, actual salary and proposed cost of living increase and they recommend an increase to the salary of 5%, an increase in incentive and to maintain the built-in cost of living increases that are in the existing contract.

**All in favor. Motion carries.**

14. *Public Comments on non-Agenda Items: None.*

15. *Introduction of Consent Agenda for SouthTech Preparatory Academy* – Mr. Kidd introduced the Consent Agenda, except for Item PB-2, which was presented by Mr. Bloom:

**Old Business**

**None.**

**Administrative Items**

**PA-1** I recommend that the Board approve the SouthTech Preparatory Academy, Inc. By Laws revisions.

**PA-2** I recommend that the Board approve the SouthTech Preparatory Academy, Inc. By Laws revisions pertaining to IRS Code Changes.

**PA-3** I recommend that the Board approve the Charter School System Agreement for SouthTech Schools, namely, SouthTech Charter Academy, Inc., SouthTech Preparatory Academy, Inc. and SouthTech Success Center, Inc.

**Personnel Items**

**PB-1** I recommend that the Board approve the Personnel actions for the previous month.

**PB-2** I recommend that the Board approve the extension of the President/CEO's contract by addendum. **(INTRODUCED BY BOARD CHAIR)**

**Financial Items**

**PC-1** I recommend that the Board approve and ratify the monthly Charter school bank account reconciliation for month ending May 31, 2017 and June 30, 2017 as required by the Sponsor.

**PC-2** I recommend that the Board approve and ratify the Charter school monthly Disbursement Report for month ending May 31, 2017 and June 30, 2017 as required by the Sponsor.

**PC-3** I recommend that the Board approve and ratify the monthly financial statements for month ending May 31, 2017 and June 30, 2017 as required by the Sponsor.

**PC-4** I recommend that the Board approve the consulting agreement for specialized Exceptional Student Educational (ESE) services with Speech Rehab Services, LLC and authorize the President to sign the agreement.

**PC-5** I recommend that the Board approve the SouthTech Preparatory Academy Amended Budget for SY17.

**Emergency Items**

**None.**

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16. *Poll Board for Items to be Pulled for Comment or Questions:*  
Mrs. Baize pulled Item PA-1 and Mr. McKoy pulled Item PB-2.
17. *Approval of SouthTech Preparatory Academy Consent Agendas with the exception of Item PB-2 presented by Mr. Notter:*  
**Motion: Mr. Bloom      Second: Mrs. Ernst**  
**All in favor.      Motion carries.**
18. *Approval of Each Pulled Item (Item-by-Item):*  
**Mr. Notter asked for a motion to bring Item PA-1 to the floor.**  
**Item PA-1      I recommend that the Board approve the SouthTech Preparatory Academy, Inc. By Laws revisions.**  
**Motion:      Mrs. Ernst      Second: Mrs. Nicolini**  
**This item is identical to the SouthTech Academy Item A-2.**  
**All in favor except Mr. Notter and Mr. Bloom, who recused themselves from the vote.**  
**Motion carries.**
- Mr. Notter introduced Item PB-2 and recommended approval.**  
**Item PB-2      I recommend that the Board approve the extension of the President/CEO's contract by addendum. (INTRODUCED BY BOARD CHAIR)**  
**Motion:      Ms. Heinz      Second: Mrs. Ernst**  
**All in favor.      Motion carries.**
19. *Public Comments on non-Agenda Items: None.*
20. *Introduction of Consent Agenda for SouthTech Success Center – Mr. Kidd introduced the Consent Agenda, except for Item SCB-1, which was presented by Mr. Bloom:*  
**Administrative Items**  
**SCA-1      I recommend that the Board approve the SouthTech Success Center, Inc. By Laws revisions.**  
**SCA-2      I recommend that the Board approve the SouthTech Success Center, Inc. By Laws revisions pertaining to IRS Code Changes.**  
**SCA-3      I recommend that the Board approve the Charter School System Agreement for SouthTech Schools, namely, SouthTech Charter Academy, Inc., SouthTech Preparatory Academy, Inc. and SouthTech Success Center, Inc.**
- Personnel Items**  
**SCB-1      I recommend that the Board approve renewal of the President/CEO's FY17 negotiated contract. (INTRODUCED BY BOARD CHAIR)**
21. *Poll Board for Items to be Pulled for Comment or Question: Mr. Heller pulled Item SCA-1.*
22. *Approval of SouthTech Success Center Founding Board Consent Agenda with the exception of Item SCA-1.*  
**Motion: Mr. McKoy      Second: Mr. Bloom**  
**All in favor.      Motion carries.**
23. *Approval of Each Pulled Item (Item-by-Item):*  
**Item SCA-1      I recommend that the Board approve the SouthTech Success Center, Inc. By Laws revisions.**  
**Motion: Mr. Heller      Second: Mrs. Ernst**

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This item is identical to the SouthTech Academy Item A-2 and SouthTech Prep Item PA-1.

All in favor except Mr. Notter and Mr. Bloom, who recused themselves from the vote.

Motion carries.

Mr. Bloom recommended approval of Item SCB-1.

**Item SCB-1 I recommend that the Board approve a three-month extension of the existing President/CEO's contract and addendum until the September 14, 2017 Governing Board meeting.**

**Motion: Mrs. Ernst Second: Mrs. Nicolini**

**All in favor. Motion carries.**

Mr. Kidd asked Mr. Notter if he could speak and he asked Mr. Kesten, as a point of order, if he would look into and come up with some way, that when we have multiple items with the three-school systems, that we might be able to have a common agenda to prevent redundancy. Also, as soon as Mrs. McInerney does a DBA application, we are officially SouthTech Schools, as a system. He wanted Mr. Kesten to know that and to remind Mrs. McInerney to do that ASAP, and Melissa would work with her, if needed.

24. *Public Comments on non-Agenda Items: None.*

25. *Governing Board in the Capacity of School Advisory Council (SAC) for:*

***South Tech Academy: -***

***School Improvement Steering Committee (SISC) Report – STA SISC – Mr. Feldman, Chairperson; Mrs. Baize, Alternate Chairperson; Suzanne Nicolini, Alternate Chairperson.***

Mr. Feldman reported that the committee met from 6:00-7:00pm. The meeting was very well attended with parents and three new ninth grade parents. He thanked Little Caesar's for donating lots of pizza. Mr. Feldman mentioned that Little Caesar's is one of the school's biggest contributors. Here are the high points that Mrs. Nicolini can fill in if needed.

Media Center volunteers are needed. One of the grandparents at the meeting agreed to be our volunteer on Friday in the Media Center. We talked about the clothing drop box and the Shop-a-roo program. There will be a fundraiser held at Chipotle on Lantana and Jog on August 27 from 4-8pm. Fifty percent of the proceeds of your dinners will go back to SouthTech. The purpose of the fundraiser will be to assist in providing for the college tour for our seniors who cannot afford the trip. It will be a three-day trip through Florida. The School Improvement Plan was discussed and there is one major goal. The committee agreed that the goal would be to deliver effective and relevant instruction to meet the needs of all students, and then we will increase student achievement across all content areas.

Mr. Feldman said he was pleased to hear about the college and career acceleration increase – 97% of the students who graduated this year, exited with at least one certificate or an acceleration because of the course work that they took.

Mrs. Williams spoke about the STOP It Ap. The purpose of the Ap will be for students, parents or whomever to report potential harassment and abuse of other students in a very confidential matter. It was well understood by the parents. We do not really have an issue on our campus, which is a good thing, because many campuses do have it. Our campus is safe and the reports are minimal. This is one more step to reduce them to zero. Mr. Feldman said that much of the way the students behave is a reflection of our administration staff and our teachers in how they treat others. Mrs. Nicolini said that the Ap is also for the parents, if they see something questionable on FACEBOOK, they can put it on there anonymously. Mrs. Nicolini offered flyers on STOP IT for informational purposes.

Mrs. Ernst asked if STOP IT is in the District, or just something that SouthTech is doing. She asked where it came from. Mrs. Williams said that it came from one of our insurance companies and we got an account for both schools. A person can make an anonymous report right on their phone and it sends an immediate alert to

**SOUTHTECH CHARTER ACADEMY, INC.  
SOUTHTECH PREPARATORY ACADEMY, INC.  
SOUTHTECH SUCCESS CENTER, INC. FOUNDING BOARD**

**August 10, 2017 Minutes of the Regular Governing Board/SAC Meeting**

**Page 8**

the Dean of Students at SouthTech Academy or to SouthTech Prep, and Mrs. Williams can see all the reports and track how they handled the incident. It is not something that the District does. Mrs. Baize asked what is put in place to weed out false reports. Mrs. Williams said that there are ways to indicate whether it is a fake report. They do expect some of that in the beginning.

**Introduction of the SouthTech Academy SAC Consent Agenda – Mr. Feldman, Chairperson – NONE.**

26. *Poll SAC for Items to be Pulled from the SAC Consent Agenda for Comment or Questions:*

27. *Approval of SAC Consent Agenda Except for Items Pulled:*

Introduced by: \_\_\_\_\_ Seconded by: \_\_\_\_\_

All in favor: \_\_\_\_\_ Opposed: \_\_\_\_\_

28. *Approval of Each Pulled Item (Item-by Item) – Introduction by Chairperson:*

29. **Governing Board in Capacity of School Advisory Council (SAC) for:**

***South Tech Preparatory Academy*** – Ms. Heinz reported there was no meeting this month.

***School Improvement Steering Committee (SISC) Report*** – Ms. Heinz, Chairperson

**Introduction of the SouthTech Preparatory Academy SAC Consent Agenda - Ms. Heinz, Chairperson**

**None.**

30. *Poll SAC for Items to be Pulled from the SAC Consent Agenda for Comment or Questions - NONE*

31. *Approval of SAC Consent Agenda Except for Items Pulled – NONE.*

Introduced by: \_\_\_\_\_ Seconded by: \_\_\_\_\_

All in favor: \_\_\_\_\_ Opposed: \_\_\_\_\_

32. *Approval of Each Pulled Item (Item-by Item) – Introduction by Chairperson: NONE.*

33. *Board Comments:*

Ms. Heinz said she is looking forward to the new school year and is proud to be a member of the Board. She mentioned that Whole Foods donated 20% of their proceeds for one day to an organization and they raised \$22,000. She said she is just mentioning it to all as a possibility to approach Whole Foods.

Mrs. Nicolini said she has been working on the textbooks for the teachers. She was talking to some of teachers to try and get more of the students involved in helping at the school. She had three young men come in to help moving things, and they received community service hours, so it helps the students. Mrs. Nicolini said she would love to see more of the Board members come on campus and see what is going on, because there are many nice things to see.

Mr. Feldman thanked the Prep teachers for coming and told them it was appreciated. He appreciates them being a part of a major bounce-back at Prep this year. Terrific and keep it going. Good luck on the opening of school Monday.

Mrs. Ernst wished everyone well on Monday and hope to see them back on Tuesday. She thinks the STOP IT is wonderful and hopes they will get a monthly Board report on how it is working. Good luck, Bob.

Mr. Heller dittoed all that was said from Team SouthTech Schools, the new mantra. He is looking forward to another outstanding year. We have our difficulties from time to time, but continue to move towards our goal and mission and he appreciates everyone's efforts to keep us on that path – Jim Kidd, fellow Board members, staff and students. He is looking forward to seeing how the Ap works and said it would be good to report its success to the media. He thanked the Prep teachers for attending the Board meeting, and asked them to invite their fellow teachers to attend some time.

Mr. Bloom wished all best wishes and good luck for the start of the new school year. He thanked everyone for all the work they do. He told Mr. Kesten that it has been an honor. He is looking forward to the progress that we will be making toward finding new facilities and getting things lined up. He believes that we will have not only a school, but also in the future, a campus of which we can be proud.

Mr. McKoy wished all good luck on the opening of a new school year. He welcomed the new staff aboard and wished everyone a successful year.

**SOUTHTECH CHARTER ACADEMY, INC.  
SOUTHTECH PREPARATORY ACADEMY, INC.  
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Mrs. Baize thanked the teachers for staying for the entire meeting. She expressed her wishes to have more time during the day to visit the campuses. She wished all the best of luck to Mr. Kesten, whom she loved working with for the past 12 years. Mrs. Baize had the opportunity to visit one of SouthTech's success stories, her daughter Katie, who lives in Michigan. She loves life and doing amazingly well as a nurse on the Oncology floor at the University of Michigan Healthcare Center. She talks about her mentors here at SouthTech and sends her regards to everybody.

Mr. Kidd mentioned Mrs. Williams and Mrs. Kingsley-Scott who are reporting to the School System and working at both schools. They both hit the ground running. He believes we will see more continuity between the two schools in the way we are doing things. Both women are working very hard. Mrs. Scott is the ESE Coordinator for the School System and does the IDEA Grant. Mrs. Williams is working on the Single School Culture at both schools and School Wide Positive Behavior and staff development.

Mr. Kidd said to Mrs. Turenne – Make Them an A, and she responded, The Bulldog Way!

Mr. Notter said, on behalf of the Chair, thank you for making the choice to be at SouthTech including the Board Members. He wished a great, awesome opening for the school year. Live life those 196 days and 180 days with kids, and do not forget your families!

34. *Motion to Adjourn:*

**Mrs. Baize motioned to adjourn at 8:40pm until the the Annual/Regular Board meeting on September 14, 2017.**

Minutes Prepared by: \_\_\_\_\_ Approved by: \_\_\_\_\_  
Barbara J. Fraga James F. Notter, Chair

**SOUTHTECH CHARTER ACADEMY, INC.**  
**CONSENT AGENDA**  
**September 28, 2017**

**Old Business**

**None.**

**Administrative Items**

- A-1** I recommend that the Board approve submitting the names of personnel eligible for the Best and Brightest Scholarship Program prior to the deadline on November 1, 2017.

**Personnel Items**

- B-1** I recommend that the Board approve the Personnel actions for the previous month.

**Financial Items**

- C-1** I recommend that the Board approve and ratify the monthly Charter school bank account reconciliation for month ending July 31, 2017 as required by the Sponsor.
- C-2** I recommend that the Board approve and ratify the Charter school monthly Disbursement Report for month ending July 31, 2017 as required by the Sponsor.
- C-3** I recommend that the Board approve and ratify the monthly financial statements for month ending July 31, 2017 as required by the Sponsor.
- C-4** I recommend that the Board approve the audited financial statements for the fiscal year end June 30, 2017.
- C-5** I recommend that the Board authorize the Superintendent to create a contracted position to assist the Superintendent in providing project management and coordination for the SouthTech Academy relocation to the Odyssey campus project.

**Emergency Items**

**None.**

**Motion:**

I recommend that the Board approve submitting the names of personnel eligible for the Best and Brightest Scholarship Program prior to the deadline on November 1, 2017.

**Summary Information:**

As per the Department of Charter Schools, School District of Palm Beach County, Governing Boards of charter schools are to forward to the Department of Charter Schools the following for teachers eligible for the Best and Brightest Scholarship prior to November 1, 2017 (nothing will be accepted after that date):

- Teacher name
- Teacher employee ID number
- Teacher certification number
- School name

The charter school's Governing Board is to keep on file the completed application form and all documentation of evidence that supports the teachers' eligibility for the scholarship.

The exact number of employees eligible for the scholarship is unknown at this time as all SAT scores have not been received. The scholarship is funded by the state and has no budgetary impact. Please see attached for more information.

Attachments: FLDOE Memorandum

**Presented By:**

Jim Kidd, Superintendent

**Financial Impact:**

There is no financial impact for this item.





Marva Johnson, *Chair*  
Andy Tuck, *Vice Chair*  
*Members*  
Gary Chartrand  
Ben Gibson  
Tom Grady  
Rebecca Fishman Lipsey  
Michael Olenick

**MEMORANDUM**

**To:** School District Superintendents

**From:** Hershel Lyons

**Date:** August 11, 2017

**Subject:** **Best and Brightest Teacher Scholarship Program for FY 2017-18**

**Contact Information:**

Bonita Hampton  
850-245-0435

[BestandBrightestScholarship@fldoe.org](mailto:BestandBrightestScholarship@fldoe.org)

**DPS: 2017-82**

The 2017 Legislature revised section 1012.731, Florida Statutes (F.S.), *The Florida Best and Brightest Teacher Scholarship Program*. The current statute is available at [http://www.leg.state.fl.us/statutes/index.cfm?mode=View%20Statutes&SubMenu=1&App\\_mode=Display\\_Statute&Search\\_String=1012.731&URL=1000-1099/1012/Sections/1012.731.html](http://www.leg.state.fl.us/statutes/index.cfm?mode=View%20Statutes&SubMenu=1&App_mode=Display_Statute&Search_String=1012.731&URL=1000-1099/1012/Sections/1012.731.html).

For 2017-2018, section 1012.731, F.S., continues to require that each district school board determine the eligibility of classroom teachers who qualify for the teacher scholarship. Each district school board should review the statute and make its own decision regarding eligibility questions.

**The Florida Best and Brightest Teacher Scholarship Program**

There are three scholarships available under this section for the 2017-2018 school year in the amount of \$6,000, \$1,200 and \$800. Each scholarship has its own eligibility requirements that districts must review and administer locally.

**Test Scores**

For information about the availability of test scores, districts should contact ACT and the College Board directly.

**Deadlines**

No later than November 1, 2017:

Pursuant to s. 1012.731(3), F.S., for the Florida Best and Brightest Teacher Scholarship Program, an eligible teacher must submit to the school district an official score report of his or her SAT or ACT score demonstrating that the teacher scored at or above the 80<sup>th</sup> percentile based on the percentile ranks in effect when the teacher took the assessment.

HERSHEL LYONS  
CHANCELLOR OF PUBLIC SCHOOLS

**Best and Brightest Teacher Scholarship Program for FY 2017-18**  
**August 11, 2017**  
**Page Two**

**By December 1, 2017, the school district must submit the following information for the Florida Best and Brightest Teacher Scholarship Program:**

- 1. The number of eligible classroom teachers who qualify for The Florida Best and Brightest Teacher Scholarship to the department. The department will provide additional reporting instructions to school districts and the Florida School for the Deaf and the Blind in fall 2017; and**
- 2. Name and master school identification number (MSID) of each district school to which eligible classroom teachers are assigned.**

**The department will provide instructions for how to submit the required information in the fall.**

**By February 1, 2018:**

**Based on the information provided by the school districts, the department will disburse scholarship funds to each school district for each eligible classroom teacher. Scholarship funds for eligible charter school teachers will be disbursed similar to other funds under s. 1002.33 (17).**

**By April 1, 2018:**

**Each school district will award the scholarship to each eligible classroom teacher.**

**Information regarding the Best and Brightest Principal Scholarship Program will be sent in the near future.**

**HL/em**

**Board Meeting  
September 28, 2017**

**Governing Board of Directors  
SouthTech Charter Academy, Inc.**

**Agenda Item  
B-1**

**Motion:**

I recommend that the Board approve the Personnel actions for the previous month.

**Summary Information:**

This item covers Personnel actions for the previous month, including any resignations, terminations, and new hires.

Attachments: Personnel Actions List

**Presented By:**

Jim Kidd, Superintendent

**Financial Impact:**

The financial impact for this item is indicated on the individual contracts of new hires.

**SOUTH TECH ACADEMY  
PERSONNEL ACTIONS  
September 2017**

<u>Personnel Action</u>	<u>Employee Name</u>	<u>Position</u>	<u>Effective Date</u>
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New Hires/ Transfers

New Hire:

Tanya Thaw	Medical Instructor	8/7/17
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Resignations/Terminations

NONE

Retirement/Leave of Absence

NONE

**Board Meeting  
September 28, 2017**

**Governing Board of Directors  
SouthTech Charter Academy, Inc.**

**Agenda Item  
C-1**

**Motion:**

I recommend that the Board approve and ratify the monthly Charter school bank account reconciliation for month ending July 31, 2017 as required by the Sponsor.

**Summary Information:**

The Charter school is required to submit to the Sponsor district several financial documents on an ongoing basis. Monthly bank reconciliations are one such requirement.

The Charter school maintains several accounts in order to maximize the earnings potential of the funding provided while maintaining liquidity to meet day-to-day operations. Review of these accounts takes place on a daily basis by the Charter business staff. Monthly reconciliations are performed as good accounting practice and published here to fulfill Sponsor requirements.

Attachments: Reconciliation Spreadsheets and Bank Statements

**Presented By:**

Jim Kidd, Superintendent

**Financial Impact:**

There is no financial impact related to this item.

1:14 PM

08/14/17

**South Tech Charter Academy, Inc**  
**Reconciliation Summary**  
**1111 · South Tech Operating 2973, Period Ending 07/31/2017**

	<u>Jul 31, 17</u>
<b>Beginning Balance</b>	<b>198,315.71</b>
<b>Cleared Transactions</b>	
Checks and Payments - 54 Items	-571,476.45
Deposits and Credits - 10 Items	885,770.49
<b>Total Cleared Transactions</b>	<u>314,294.04</u>
<b>Cleared Balance</b>	<u><u>512,609.75</u></u>
<b>Uncleared Transactions</b>	
Checks and Payments - 21 Items	-71,797.16
Deposits and Credits - 1 Item	165.00
<b>Total Uncleared Transactions</b>	<u>-71,632.16</u>
<b>Register Balance as of 07/31/2017</b>	<u><u>440,977.59</u></u>
<b>New Transactions</b>	
Checks and Payments - 53 Items	-390,282.41
Deposits and Credits - 5 Items	4,969.80
<b>Total New Transactions</b>	<u>-385,312.61</u>
<b>Ending Balance</b>	<u><u>55,664.98</u></u>

## South Tech Charter Academy, Inc Reconciliation Detail

1111 · South Tech Operating 2973, Period Ending 07/31/2017

Type	Date	Num	Name	Clr	Amount	Balance
<b>Beginning Balance</b>						198,315.71
<b>Cleared Transactions</b>						
<b>Checks and Payments - 54 Items</b>						
Bill Pmt -Check	05/01/2017	4450	Ruiz, Marilyn	X	-40.00	-40.00
Bill Pmt -Check	05/04/2017	4476	Pollack & Rosen, P...	X	-100.00	-140.00
Bill Pmt -Check	05/04/2017	4477	Ruiz, Marilyn	X	-9.00	-149.00
Bill Pmt -Check	06/22/2017	4603	Blue Cross Blue Shi...	X	-49,475.88	-49,624.88
Bill Pmt -Check	06/22/2017	4622	Special Markets Ins...	X	-9,905.00	-59,529.88
Bill Pmt -Check	06/22/2017	4601	Adult & Community ...	X	-7,460.00	-66,989.88
Bill Pmt -Check	06/22/2017	4610	GIS Benefits	X	-4,680.18	-71,670.06
Bill Pmt -Check	06/22/2017	4613	Life Insurance Com...	X	-716.64	-72,386.70
Bill Pmt -Check	06/22/2017	4619	PHEAA	X	-617.91	-73,004.61
Bill Pmt -Check	06/22/2017	4618	Palm Beach County...	X	-510.00	-73,514.61
Bill Pmt -Check	06/22/2017	4614	Managed Care Con...	X	-445.50	-73,960.11
Bill Pmt -Check	06/22/2017	4608	Fidelity Investments	X	-400.00	-74,360.11
Bill Pmt -Check	06/22/2017	4620	Pollack & Rosen, P...	X	-100.00	-74,460.11
Bill Pmt -Check	06/22/2017	4627	Mexicana Inc	X	-100.00	-74,560.11
Bill Pmt -Check	06/22/2017	4628	Popmex, Inc / Pope...	X	-100.00	-74,660.11
Bill Pmt -Check	06/22/2017	4631	Popmex, Inc / Pope...	X	-100.00	-74,760.11
Bill Pmt -Check	06/22/2017	4630	Mexicana Inc	X	-100.00	-74,860.11
Bill Pmt -Check	06/22/2017	4626	CPQ QSR LLC/DB...	X	-74.00	-74,934.11
Bill Pmt -Check	06/22/2017	4629	CPQ QSR LLC/DB...	X	-74.00	-75,008.11
Check	07/03/2017	Debit	Merchant Bank CD ...	X	-70.16	-75,078.27
Check	07/03/2017	Debit	FDGL	X	-35.28	-75,113.55
Check	07/05/2017	Debit	Authnet Gateway	X	-25.20	-75,138.75
General Journal	07/14/2017	1250	Payroll	X	-2,458.60	-77,597.35
General Journal	07/14/2017	1250	Payroll	X	-28.50	-77,625.85
General Journal	07/15/2017	1245	Payroll	X	-164,240.80	-241,866.75
General Journal	07/15/2017	1245	Payroll	X	-52,533.68	-294,400.43
General Journal	07/15/2017	1245	Payroll	X	-236.25	-294,636.68
Bill Pmt -Check	07/24/2017	4646	FFVA Mutual Insura...	X	-36,321.00	-330,957.68
Bill Pmt -Check	07/24/2017	4649	FPL	X	-19,652.63	-350,610.31
Bill Pmt -Check	07/24/2017	4634	Alann Corporation	X	-6,000.00	-356,610.31
Bill Pmt -Check	07/24/2017	4673	Professional Medic...	X	-5,380.00	-361,990.31
Bill Pmt -Check	07/24/2017	4635	American Express -...	X	-4,380.46	-366,370.77
Bill Pmt -Check	07/24/2017	4656	McCullough, Keefe	X	-4,110.00	-370,480.77
Bill Pmt -Check	07/24/2017	4674	Leah A Kelly	X	-4,000.00	-374,480.77
Bill Pmt -Check	07/24/2017	4633	Advance Education ...	X	-1,710.37	-376,191.14
Bill Pmt -Check	07/24/2017	4650	Great American Fi...	X	-1,394.29	-377,585.43
Bill Pmt -Check	07/24/2017	4660	Powell Landscaping...	X	-1,200.00	-378,785.43
Bill Pmt -Check	07/24/2017	4671	Dex Imaging	X	-785.33	-379,570.76
Bill Pmt -Check	07/24/2017	4643	F. Mandley & Asso...	X	-531.25	-380,102.01
Bill Pmt -Check	07/24/2017	4666	TMobile	X	-491.35	-380,593.36
Bill Pmt -Check	07/24/2017	4651	Home Depot	X	-403.97	-380,997.33
Bill Pmt -Check	07/24/2017	4657	Neofunds by Neopost	X	-400.00	-381,397.33
Bill Pmt -Check	07/24/2017	4662	Sam's Club Direct	X	-393.83	-381,791.16
Bill Pmt -Check	07/24/2017	4638	AT&T	X	-241.20	-382,032.36
Bill Pmt -Check	07/24/2017	4654	Long Paint of Wellin...	X	-221.15	-382,253.51
Bill Pmt -Check	07/24/2017	4637	Arnold Law Firm	X	-162.00	-382,415.51
Bill Pmt -Check	07/24/2017	4663	Stericycle	X	-116.80	-382,532.31
Bill Pmt -Check	07/24/2017	4665	Third Street Signs	X	-75.00	-382,607.31
Bill Pmt -Check	07/24/2017	4664	Sun Sentinel	X	-55.70	-382,663.01
Bill Pmt -Check	07/24/2017	4645	Fernandez, Maria	X	-26.30	-382,689.31
General Journal	07/30/2017	1246	Payroll	X	-138,356.25	-521,045.56
General Journal	07/30/2017	1246	Payroll	X	-50,231.79	-571,277.35
General Journal	07/30/2017	1246	Payroll	X	-187.55	-571,464.90
Check	07/31/2017			X	-11.55	-571,476.45
<b>Total Checks and Payments</b>					<b>-571,476.45</b>	<b>-571,476.45</b>

**South Tech Charter Academy, Inc**  
**Reconciliation Detail**  
 1111 - South Tech Operating 2973, Period Ending 07/31/2017

Type	Date	Num	Name	Clr	Amount	Balance
<b>Deposits and Credits - 10 items</b>						
Deposit	07/03/2017	Credit	Merchant Bank CD ...	X	2.90	2.90
Deposit	07/08/2017			X	330.00	332.90
Deposit	07/10/2017			X	633,666.52	633,999.42
General Journal	07/11/2017	1248		X	228,458.34	862,457.76
Deposit	07/13/2017			X	6,360.00	868,817.76
General Journal	07/14/2017	1250	Payroll	X	15,557.35	884,375.11
Deposit	07/24/2017			X	405.00	884,780.11
Deposit	07/24/2017			X	740.00	885,520.11
Deposit	07/28/2017			X	175.00	885,695.11
Deposit	07/31/2017			X	75.38	885,770.49
<b>Total Deposits and Credits</b>					<b>885,770.49</b>	<b>885,770.49</b>
<b>Total Cleared Transactions</b>					<b>314,294.04</b>	<b>314,294.04</b>
<b>Cleared Balance</b>					<b>314,294.04</b>	<b>512,609.75</b>
<b>Uncleared Transactions</b>						
<b>Checks and Payments - 21 items</b>						
Bill Pmt -Check	04/13/2017	4405	Pollack & Rosen, P...		-200.00	-200.00
Bill Pmt -Check	06/08/2017	4566	Pollack & Rosen, P...		-100.00	-300.00
General Journal	07/15/2017	1252	Valic		-1,775.00	-2,075.00
General Journal	07/19/2017	1247	Clover Check Acce...		-13.03	-2,088.03
Bill Pmt -Check	07/24/2017	4632	A & S Transportation		-4,965.48	-7,053.51
Bill Pmt -Check	07/24/2017	4647	FJ Vodolo & Associ...		-4,593.75	-11,647.26
Bill Pmt -Check	07/24/2017	4642	City of Boynton Bea...		-2,724.05	-14,371.31
Bill Pmt -Check	07/24/2017	4668	Verizon Wireless		-808.48	-15,179.79
Bill Pmt -Check	07/24/2017	4648	FI Consortium of Pu...		-500.00	-15,679.79
Bill Pmt -Check	07/24/2017	4659	Palm Beach Post		-500.00	-16,179.79
Bill Pmt -Check	07/24/2017	4636	Amerigas		-480.62	-16,670.41
Bill Pmt -Check	07/24/2017	4641	Charter School Ser...		-325.00	-16,995.41
Bill Pmt -Check	07/24/2017	4670	Brown, Timothy		-322.26	-17,317.67
Bill Pmt -Check	07/24/2017	4655	Martinez, Eddie		-313.66	-17,631.33
Bill Pmt -Check	07/24/2017	4652	Integrity Mechant S...		-125.00	-17,756.33
Bill Pmt -Check	07/24/2017	4667	Torcivia, Donion, G...		-115.00	-17,871.33
Bill Pmt -Check	07/24/2017	4658	NexAir, LLC		-90.20	-17,961.53
Bill Pmt -Check	07/24/2017	4672	FedEx		-64.68	-18,026.21
Bill Pmt -Check	07/24/2017	4669	Yearwood, Mary		-20.92	-18,047.13
General Journal	07/31/2017	1254	Florida Retirement ...		-51,975.03	-70,022.16
General Journal	07/31/2017	1253	Valic		-1,775.00	-71,797.16
<b>Total Checks and Payments</b>					<b>-71,797.16</b>	<b>-71,797.16</b>
<b>Deposits and Credits - 1 item</b>						
Deposit	07/31/2017				165.00	165.00
<b>Total Deposits and Credits</b>					<b>165.00</b>	<b>165.00</b>
<b>Total Uncleared Transactions</b>					<b>-71,632.16</b>	<b>-71,632.16</b>
<b>Register Balance as of 07/31/2017</b>					<b>242,661.88</b>	<b>440,977.59</b>
<b>New Transactions</b>						
<b>Checks and Payments - 53 items</b>						
Bill Pmt -Check	08/03/2017	4675	AP Exams		-26,045.00	-26,045.00
Bill Pmt -Check	08/03/2017	4693	Rock & Roll Acade...		-18,500.00	-44,545.00
Bill Pmt -Check	08/03/2017	4679	Centerstate Bank of...		-13,040.80	-57,585.80
Bill Pmt -Check	08/03/2017	4677	Capital Contractors		-12,390.00	-69,975.80
Bill Pmt -Check	08/03/2017	4689	Goodheart-Wilcox ...		-8,646.92	-78,622.72
Bill Pmt -Check	08/03/2017	4687	FJ Vodolo & Associ...		-4,343.75	-82,966.47
Bill Pmt -Check	08/03/2017	4684	Elsevier		-4,295.15	-87,261.62
Bill Pmt -Check	08/03/2017	4678	Cengage Learning		-3,430.63	-90,692.25
Bill Pmt -Check	08/03/2017	4682	Clean Supply		-2,941.25	-93,633.50
Bill Pmt -Check	08/03/2017	4676	BookSmart		-2,688.30	-96,321.80
Bill Pmt -Check	08/03/2017	4681	City of Boynton Bea...		-2,333.69	-98,655.49
Bill Pmt -Check	08/03/2017	4690	Jason H. Klein, CPA		-1,400.00	-100,055.49
Bill Pmt -Check	08/03/2017	4695	Spectrum Public Re...		-1,000.00	-101,055.49
Bill Pmt -Check	08/03/2017	4699	Verizon Wireless		-808.76	-101,864.25
Bill Pmt -Check	08/03/2017	4683	Doctors Foster and ...		-777.95	-102,642.20
Bill Pmt -Check	08/03/2017	4688	Florida Consortium ...		-500.00	-103,142.20



1:14 PM

08/14/17

**South Tech Charter Academy, Inc**  
**Reconciliation Detail**  
**1111 · South Tech Operating 2973, Period Ending 07/31/2017**

Type	Date	Num	Name	Clr	Amount	Balance
Bill Pmt -Check	08/03/2017	4697	Supreme School Su...		-493.40	-103,635.60
Bill Pmt -Check	08/03/2017	4685	F. Mandley & Asso...		-437.50	-104,073.10
Bill Pmt -Check	08/03/2017	4680	Charter School Ser...		-340.17	-104,413.27
Bill Pmt -Check	08/03/2017	4698	US Postal Service		-300.00	-104,713.27
Bill Pmt -Check	08/03/2017	4694	So FI Janitorial Sup...		-146.80	-104,860.07
Bill Pmt -Check	08/03/2017	4692	Positive Promotions		-142.35	-105,002.42
Bill Pmt -Check	08/03/2017	4696	Stericycle		-116.80	-105,119.22
Bill Pmt -Check	08/03/2017	4686	FedEx		-64.12	-105,183.34
Bill Pmt -Check	08/03/2017	4691	NexAir, LLC		-44.24	-105,227.58
Bill Pmt -Check	08/10/2017	4703	Blue Cross Blue Shi...		-47,757.56	-152,985.14
Bill Pmt -Check	08/10/2017	4707	FPL		-17,352.59	-170,337.73
Bill Pmt -Check	08/10/2017	4717	Palm Beach County...		-12,884.40	-183,222.13
Bill Pmt -Check	08/10/2017	4708	GIS Benefits		-4,541.77	-187,763.90
Bill Pmt -Check	08/10/2017	4721	Powell Landscaping...		-3,790.00	-191,553.90
Bill Pmt -Check	08/10/2017	4729	Houghton Mifflin Ha...		-2,850.00	-194,403.90
Bill Pmt -Check	08/10/2017	4727	Voya		-2,550.00	-196,953.90
Bill Pmt -Check	08/10/2017	4700	All Data		-1,470.00	-198,423.90
Bill Pmt -Check	08/10/2017	4714	Met Life		-1,329.28	-199,753.18
Bill Pmt -Check	08/10/2017	4722	Safety-Kleen Syste...		-1,313.03	-201,066.21
Bill Pmt -Check	08/10/2017	4710	Life Insurance Com...		-766.64	-201,832.85
Bill Pmt -Check	08/10/2017	4719	PHEAA		-617.91	-202,450.76
Bill Pmt -Check	08/10/2017	4725	Torcivia, Donion, G...		-582.50	-203,033.26
Bill Pmt -Check	08/10/2017	4718	Palm Beach County...		-462.00	-203,495.26
Bill Pmt -Check	08/10/2017	4711	Managed Care Con...		-445.50	-203,940.76
Bill Pmt -Check	08/10/2017	4706	Fidelity Investments		-400.00	-204,340.76
Bill Pmt -Check	08/10/2017	4705	Dex Imaging		-181.27	-204,522.03
Bill Pmt -Check	08/10/2017	4726	Total Compliance N...		-140.00	-204,662.03
Bill Pmt -Check	08/10/2017	4720	Pollack & Rosen, P...		-100.00	-204,762.03
Bill Pmt -Check	08/10/2017	4723	State Of Florida Dis...		-70.70	-204,832.73
Bill Pmt -Check	08/10/2017	4724	Sun Sentinel		-55.70	-204,888.43
Bill Pmt -Check	08/10/2017	4702	Amerigas		-53.95	-204,942.38
Bill Pmt -Check	08/10/2017	4713	Messmer, Eric		-40.96	-204,983.34
Bill Pmt -Check	08/10/2017	4728	Zuccala's Wreckers...		-25.00	-205,008.34
General Journal	08/14/2017	1251	Payroll		-136,542.32	-341,550.66
General Journal	08/14/2017	1251	Payroll		-48,347.70	-389,898.36
General Journal	08/14/2017	1255			-200.00	-390,098.36
General Journal	08/14/2017	1251	Payroll		-184.05	-390,282.41
<b>Total Checks and Payments</b>					<b>-390,282.41</b>	<b>-390,282.41</b>
<b>Deposits and Credits - 5 Items</b>						
Deposit	08/01/2017				2,560.00	2,560.00
Deposit	08/02/2017				789.80	3,349.80
Deposit	08/07/2017				640.00	3,989.80
Deposit	08/07/2017				960.00	4,949.80
Deposit	08/09/2017				20.00	4,969.80
<b>Total Deposits and Credits</b>					<b>4,969.80</b>	<b>4,969.80</b>
<b>Total New Transactions</b>					<b>-385,312.61</b>	<b>-385,312.61</b>
<b>Ending Balance</b>					<b>-142,650.73</b>	<b>55,664.98</b>



>004741 7784082 0001 008229 20Z  
 SOUTH TECH CHARTER ACADEMY INC  
 OPERATING ACCOUNT  
 1300 SW 30TH AVE  
 BOYNTON BEACH FL 33426-9018



Statement Date: July 31, 2017

Account Number: \*\*\*\*\*2973

Customer Service Information

-  Client Care: 877-779-BANK (2265)
-  Web Site: www.bankunited.com
-  Bank Address: BankUnited  
P.O. Box 521599  
Miami, FL 33152-1599



Customer Message Center

REFER TO THE END OF THIS STATEMENT FOR AN IMPORTANT MESSAGE REGARDING POSSIBLE TRANSACTION PROCESSING DELAYS.

**PUBLIC FUNDS INTEREST CHECKING Account \*\*\*\*\*2973**

Account Summary

Statement Balance as of 06/30/2017		\$198,315.71
Plus	9 Deposits and Other Credits	\$885,695.11
Less	57 Withdrawals, Checks, and Other Debits	\$571,464.90
Less	Service Charge	\$11.55
Plus	Interest Paid	\$75.38
Statement Balance as of 07/31/2017		\$512,609.75

Interest Summary

Beginning Interest Rate	0.15%
Interest Paid this Statement Period	\$75.38
Interest Paid Year to Date	\$458.25

Activity By Date



Date	Description	Withdrawals	Deposits	Balance
07/03/2017	MERCHANT BANKCD INTERCHNG 498242150882 SOUTH TECH CHARTER ACA		\$2.90	\$198,318.61

Statement Date: July 31, 2017

Account Number: \*\*\*\*\*2973

## Activity By Date

Date	Description	Withdrawals	Deposits	Balance
07/03/2017	CHECK #4608	\$400.00		\$197,918.61
07/03/2017	CHECK #4613	\$716.64		\$197,201.97
07/03/2017	CHECK #4619	\$617.91		\$196,584.06
07/03/2017	FDGL LEASE PYMT SOUTH TECHNICAL CHART	\$35.28		\$196,548.78
07/03/2017	MERCHANT BANKCD INTERCHNG 498232636882 SOUTH TECH CHARTER ACA	\$33.32		\$196,515.46
07/03/2017	MERCHANT BANKCD DISCOUNT 498232636882 SOUTH TECH CHARTER ACA	\$10.77		\$196,504.69
07/03/2017	MERCHANT BANKCD FEE 498232636882 SOUTH TECH CHARTER ACA	\$14.82		\$196,489.87
07/03/2017	MERCHANT BANKCD FEE 498242150882 SOUTH TECH CHARTER ACA	\$11.25		\$196,478.62
07/05/2017	CHECK #4610	\$4,680.18		\$191,798.44
07/05/2017	CHECK #4614	\$445.50		\$191,352.94
07/05/2017	AUTHNET GATEWAY BILLING 97399460 SOUTH TECH ACADEMY	\$15.20		\$191,337.74
07/05/2017	AUTHNET GATEWAY BILLING 97515811 SOUTH TECH ACADEMY	\$10.00		\$191,327.74
07/07/2017	MERCHANT BANKCD DEPOSIT 498242150882 SOUTH TECH CHARTER ACA		\$330.00	\$191,657.74
07/07/2017	CHECK #4601	\$7,460.00		\$184,197.74
07/07/2017	CHECK #4603	\$49,475.88		\$134,721.86
07/10/2017	PalmBeachSchools DIRECT PAY SOUTH TECH CHARTER ACA		\$633,666.52	\$768,388.38
07/11/2017	STATE OF FLORIDA PAYMENTS 193881980007004 SOUTH TECH CHART		\$228,458.34	\$996,846.72

**Statement Date: July 31, 2017**  
**Account Number: \*\*\*\*\*2973**

**Activity By Date**



<i>Date</i>	<i>Description</i>	<i>Withdrawals</i>	<i>Deposits</i>	<i>Balance</i>
07/11/2017	CHECK #4450	\$40.00		\$996,806.72
07/11/2017	CHECK #4477	\$9.00		\$996,797.72
07/13/2017	5BCW10TN SOUTH T REVERSAL DD IMPOUND		\$15,557.35	\$1,012,355.07
07/13/2017	STATE OF FLORIDA PAYMENTS 193881980011743 SOUTH TECH CHART		\$6,360.00	\$1,018,715.07
07/13/2017	5BCW10TN SOUTH T IMPOUND DD IMPOUND	\$164,240.90		\$854,474.17
07/13/2017	5BCW10TN SOUTH T IMPOUND BILLING IMPOUND	\$236.25		\$854,237.92
07/13/2017	5BCW10TN SOUTH T IMPOUND TAX IMPOUND	\$52,533.68		\$801,704.24
07/13/2017	5BCW10TN SOUTH T IMPOUND DD IMPOUND	\$2,458.60		\$799,245.64
07/13/2017	5BCW10TN SOUTH T IMPOUND BILLING IMPOUND	\$28.50		\$799,217.14
07/14/2017	CHECK #4620	\$100.00		\$799,117.14
07/18/2017	CHECK #4626	\$74.00		\$799,043.14
07/19/2017	CHECK #4630	\$100.00		\$798,943.14
07/20/2017	CHECK #4476	\$100.00		\$798,843.14
07/20/2017	CHECK #4628	\$100.00		\$798,743.14
07/21/2017	CHECK #4618	\$510.00		\$798,233.14
07/24/2017	Customer Deposit		\$405.00	\$798,638.14
07/25/2017	MERCHANT BANKCD DEPOSIT 498242150882 SOUTH TECH CHARTER ACA		\$740.00	\$799,378.14
07/26/2017	CHECK #4627	\$100.00		\$799,278.14
07/26/2017	CHECK #4634	\$6,000.00		\$793,278.14
07/26/2017	CHECK #4673	\$5,380.00		\$787,898.14
07/27/2017	CHECK #4622	\$9,905.00		\$777,993.14
07/27/2017	CHECK #4629	\$74.00		\$777,919.14
07/27/2017	CHECK #4631	\$100.00		\$777,819.14
07/27/2017	CHECK #4633	\$1,710.37		\$776,108.77
07/27/2017	CHECK #4649	\$19,652.63		\$756,456.14

Statement Date: July 31, 2017

Account Number: \*\*\*\*\*2973

**Activity By Date**

<i>Date</i>	<i>Description</i>	<i>Withdrawals</i>	<i>Deposits</i>	<i>Balance</i>
07/28/2017	STATE OF FLORIDA PAYMENTS 193881980045433 SOUTH TECH CHART		\$175.00	\$756,631.14
07/28/2017	CHECK #4635	\$4,380.46		\$752,250.68
07/28/2017	CHECK #4646	\$36,321.00		\$715,929.68
07/28/2017	CHECK #4654	\$221.15		\$715,708.53
07/28/2017	CHECK #4656	\$4,110.00		\$711,598.53
07/28/2017	CHECK #4660	\$1,200.00		\$710,398.53
07/28/2017	CHECK #4671	\$785.33		\$709,613.20
07/28/2017	5BCW10TN SOUTH T IMPOUND DD IMPOUND	\$138,356.25		\$571,256.95
07/28/2017	5BCW10TN SOUTH T IMPOUND BILLING IMPOUND	\$187.55		\$571,069.40
07/28/2017	5BCW10TN SOUTH T IMPOUND TAX IMPOUND	\$50,231.79		\$520,837.61
07/31/2017	CHECK #4637	\$162.00		\$520,675.61
07/31/2017	CHECK #4638	\$241.20		\$520,434.41
07/31/2017	CHECK #4643	\$531.25		\$519,903.16
07/31/2017	CHECK #4645	\$26.30		\$519,876.86
07/31/2017	CHECK #4650	\$1,394.29		\$518,482.57
07/31/2017	CHECK #4651	\$403.97		\$518,078.60
07/31/2017	CHECK #4657	\$400.00		\$517,678.60
07/31/2017	CHECK #4662	\$393.83		\$517,284.77
07/31/2017	CHECK #4663	\$116.80		\$517,167.97
07/31/2017	CHECK #4664	\$55.70		\$517,112.27
07/31/2017	CHECK #4665	\$75.00		\$517,037.27
07/31/2017	CHECK #4666	\$491.35		\$516,545.92
07/31/2017	CHECK #4674	\$4,000.00		\$512,545.92
07/31/2017	Interest Paid		\$75.38	\$512,621.30
07/31/2017	Service Charge	\$11.55		\$512,609.75

**Check Transactions**

<i>Check #</i>	<i>Date</i>	<i>Amount</i>	<i>Check #</i>	<i>Date</i>	<i>Amount</i>	<i>Check #</i>	<i>Date</i>	<i>Amount</i>
4450	07/11	\$40.00	4476*	07/20	\$100.00	4477	07/11	\$9.00

BankUnited, N.A.

P.O. Box 521599 Miami, FL 33152-1599

**Statement Date: July 31, 2017**  
**Account Number: \*\*\*\*\*2973**



Check #	Date	Amount	Check #	Date	Amount	Check #	Date	Amount
4601*	07/07	\$7,460.00	4629	07/27	\$74.00	4651	07/31	\$403.97
4603*	07/07	\$49,475.88	4630	07/19	\$100.00	4654*	07/28	\$221.15
4608*	07/03	\$400.00	4631	07/27	\$100.00	4656*	07/28	\$4,110.00
4610*	07/05	\$4,680.18	4633*	07/27	\$1,710.37	4657	07/31	\$400.00
4613*	07/03	\$716.64	4634	07/26	\$6,000.00	4660*	07/28	\$1,200.00
4614	07/05	\$445.50	4635	07/28	\$4,380.46	4662*	07/31	\$393.83
4618*	07/21	\$510.00	4637*	07/31	\$162.00	4663	07/31	\$116.80
4619	07/03	\$617.91	4638	07/31	\$241.20	4664	07/31	\$55.70
4620	07/14	\$100.00	4643*	07/31	\$531.25	4665	07/31	\$75.00
4622*	07/27	\$9,905.00	4645*	07/31	\$26.30	4666	07/31	\$491.35
4626*	07/18	\$74.00	4646	07/28	\$36,321.00	4671*	07/28	\$785.33
4627	07/26	\$100.00	4649*	07/27	\$19,652.63	4673*	07/26	\$5,380.00
4628	07/20	\$100.00	4650	07/31	\$1,394.29	4674	07/31	\$4,000.00

Items denoted with an "\*" indicate processed checks out of sequence.

**Rates by Date**

Date	Rate
06/30	0.15%

**Balances by Date**

Date	Balance	Date	Balance	Date	Balance	Date	Balance
06/30	\$198,315.71	07/11	\$996,797.72	07/20	\$798,743.14	07/27	\$756,456.14
07/03	\$196,478.62	07/13	\$799,217.14	07/21	\$798,233.14	07/28	\$520,837.61
07/05	\$191,327.74	07/14	\$799,117.14	07/24	\$798,638.14	07/31	\$512,609.75
07/07	\$134,721.86	07/18	\$799,043.14	07/25	\$799,378.14		
07/10	\$768,388.38	07/19	\$798,943.14	07/26	\$787,898.14		

**Other Balances**

Minimum Balance this Statement Period \$134,721.86



Statement Date: July 31, 2017

Account Number: \*\*\*\*\*2973



During this statement cycle we experienced some transaction processing delays which may have resulted in transactions posting to your account one business day later than when originally presented. Be advised that we have taken steps to assure that this delay did not negatively affect your account, including the crediting of any applicable accrued interest. Should you have any questions, please contact our Client Care Center at 1-877-779-2265.

**Statement Date: July 31, 2017**

Account Number: \*\*\*\*\*2973

**If your account does not balance please check the following carefully:**

Have you entered the amount of each check in your checkbook register?

Are the amounts of your deposits and other additions entered in your checkbook register the same as those on this statement?

Have you checked all additions and subtractions in your checkbook register?

Have you carried the correct balance forward when starting a new page in your checkbook register?

**IN CASE OF QUESTIONS OR ERRORS ABOUT YOUR STATEMENT:  
PLEASE CALL (TOLL FREE) 1-877-779-BANK (2265) OR WRITE US AT:**BankUnited Operations / EFT Error  
7815 NW 148th ST, Miami Lakes, FL 33016**For Consumer Customers Only**

Please contact us if you think your statement is wrong or if you need additional information about a transaction. We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared.

1. Tell us your name and account number.
2. Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe there is an error or why you need further information.
3. Tell us the dollar amount of the suspected error.

You may be required to put your request in writing. We will investigate your complaint and will correct any error promptly.

**For Electronic Funds Transfers**, if we take more than 10 business days to investigate and correct the error, (20 business days if you are a new customer for electronic funds transfers occurring during the first 30 days after the first deposit is made to your account), we will recredit your consumer account for the amount you think is in error (plus interest if your account earns interest), so that you will have the use of the money during the time it takes us to complete our investigation.

**For Substitute Checks**, if we take more than 10 business days to investigate and correct the error, we will recredit your consumer account for the amount of loss up to the lesser of \$2,500.00 (plus interest if your account earns interest) or the amount of the substitute check. If your account is new (30 days from the date your account was established), has been subject to repeated overdrafts, or we believe the claim is fraudulent, we may delay the availability of recredited funds until we determine the claim is valid or until the 45th day after the claim was submitted.





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08/14/17

**South Tech Charter Academy, Inc**  
**Reconciliation Summary**  
**1112 · South Tech Internal 2965, Period Ending 07/31/2017**

	<u>Jul 31, 17</u>
<b>Beginning Balance</b>	<b>191,397.30</b>
<b>Cleared Transactions</b>	
<b>Checks and Payments - 8 items</b>	<b>-1,573.81</b>
<b>Deposits and Credits - 8 items</b>	<b>4,476.76</b>
<b>Total Cleared Transactions</b>	<b>2,902.95</b>
<b>Cleared Balance</b>	<b>194,300.25</b>
<b>Uncleared Transactions</b>	
<b>Checks and Payments - 6 items</b>	<b>-727.99</b>
<b>Deposits and Credits - 2 items</b>	<b>772.00</b>
<b>Total Uncleared Transactions</b>	<b>44.01</b>
<b>Register Balance as of 07/31/2017</b>	<b>194,344.26</b>
<b>New Transactions</b>	
<b>Checks and Payments - 12 items</b>	<b>-12,466.81</b>
<b>Deposits and Credits - 10 items</b>	<b>11,594.00</b>
<b>Total New Transactions</b>	<b>-872.81</b>
<b>Ending Balance</b>	<b>193,471.45</b>

1:15 PM  
08/14/17

**South Tech Charter Academy, Inc**  
**Reconciliation Detail**  
**1112 · South Tech Internal 2965, Period Ending 07/31/2017**

Type	Date	Num	Name	Clr	Amount	Balance
<b>Beginning Balance</b>						<b>191,397.30</b>
<b>Cleared Transactions</b>						
<b>Checks and Payments - 8 Items</b>						
Bill Pmt -Check	05/19/2017	1996	Buchholz, Debbie	X	-72.59	-72.59
Bill Pmt -Check	06/08/2017	2029	Ellison, Carolee	X	-55.95	-128.54
Bill Pmt -Check	06/22/2017	2040	Bennett Auto Supply	X	-882.99	-1,011.53
Bill Pmt -Check	06/22/2017	2041	Boynton Beach - La...	X	-304.00	-1,315.53
Check	07/03/2017	Debit	Merchant Bank CD ...	X	-63.30	-1,378.83
Bill Pmt -Check	07/24/2017	2046	Bennett Auto Supply	X	-137.63	-1,516.46
Bill Pmt -Check	07/24/2017	2047	Publix Super Marke...	X	-55.60	-1,572.06
Check	07/31/2017			X	-1.75	-1,573.81
<b>Total Checks and Payments</b>					<b>-1,573.81</b>	<b>-1,573.81</b>
<b>Deposits and Credits - 8 Items</b>						
Deposit	07/19/2017			X	217.00	217.00
Deposit	07/20/2017			X	367.00	584.00
Deposit	07/24/2017			X	315.00	899.00
Deposit	07/24/2017			X	2,518.41	3,417.41
Deposit	07/25/2017			X	302.00	3,719.41
Deposit	07/27/2017			X	199.00	3,918.41
Deposit	07/27/2017			X	534.00	4,452.41
Deposit	07/31/2017			X	24.35	4,476.76
<b>Total Deposits and Credits</b>					<b>4,476.76</b>	<b>4,476.76</b>
<b>Total Cleared Transactions</b>					<b>2,902.95</b>	<b>2,902.95</b>
<b>Cleared Balance</b>					<b>2,902.95</b>	<b>194,300.25</b>
<b>Uncleared Transactions</b>						
<b>Checks and Payments - 6 Items</b>						
Bill Pmt -Check	04/07/2017	1938	Pinales, Eric Augus...		-10.00	-10.00
Bill Pmt -Check	05/01/2017	1975	Keleou, Frank		-10.00	-20.00
Bill Pmt -Check	05/19/2017	2012	Robinson, Keyshaw		-10.00	-30.00
Bill Pmt -Check	07/24/2017	2048	FedEx		-310.73	-340.73
Bill Pmt -Check	07/24/2017	2044	Boynton Beach - La...		-295.00	-635.73
Bill Pmt -Check	07/24/2017	2045	Hyett, Crystal		-92.26	-727.99
<b>Total Checks and Payments</b>					<b>-727.99</b>	<b>-727.99</b>
<b>Deposits and Credits - 2 Items</b>						
Deposit	06/26/2017				200.00	200.00
Deposit	07/31/2017				572.00	772.00
<b>Total Deposits and Credits</b>					<b>772.00</b>	<b>772.00</b>
<b>Total Uncleared Transactions</b>					<b>44.01</b>	<b>44.01</b>
<b>Register Balance as of 07/31/2017</b>					<b>2,946.96</b>	<b>194,344.26</b>
<b>New Transactions</b>						
<b>Checks and Payments - 12 Items</b>						
Deposit	08/02/2017				-36.00	-36.00
Bill Pmt -Check	08/03/2017	2049	Embroid Me		-8,603.80	-8,639.80
Bill Pmt -Check	08/03/2017	2053	Sweetwater		-1,393.88	-10,033.68
Bill Pmt -Check	08/03/2017	2052	School Labels.com		-221.50	-10,255.18
Bill Pmt -Check	08/03/2017	2050	Johnson, Tamara		-90.00	-10,345.18
Bill Pmt -Check	08/03/2017	2051	Sam's Club Direct		-53.29	-10,398.47
Bill Pmt -Check	08/10/2017	2056	Culinary Solutions I...		-1,308.25	-11,706.72
Bill Pmt -Check	08/10/2017	2055	American Culinary ...		-450.00	-12,156.72
Bill Pmt -Check	08/10/2017	2054	Bennett Auto Supply		-161.13	-12,317.85
Bill Pmt -Check	08/10/2017	2058	Moran, Lynn		-80.00	-12,397.85
Bill Pmt -Check	08/10/2017	2059	O'Neil, Suzanne		-40.00	-12,437.85
Bill Pmt -Check	08/10/2017	2057	McInerney, Kathryn		-28.98	-12,466.81
<b>Total Checks and Payments</b>					<b>-12,466.81</b>	<b>-12,466.81</b>

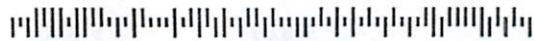
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08/14/17

**South Tech Charter Academy, Inc**  
**Reconciliation Detail**  
**1112 · South Tech Internal 2965, Period Ending 07/31/2017**

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Cir</u>	<u>Amount</u>	<u>Balance</u>
<b>Deposits and Credits - 10 Items</b>						
Deposit	08/01/2017				543.00	543.00
Deposit	08/02/2017				119.00	662.00
Deposit	08/02/2017				473.00	1,135.00
Deposit	08/02/2017				3,022.00	4,157.00
Deposit	08/03/2017				739.00	4,896.00
Deposit	08/03/2017				1,307.00	6,203.00
Deposit	08/07/2017				989.00	7,192.00
Deposit	08/07/2017				1,530.00	8,722.00
Deposit	08/08/2017				1,401.00	10,123.00
Deposit	08/09/2017				1,471.00	11,594.00
<b>Total Deposits and Credits</b>					<b>11,594.00</b>	<b>11,594.00</b>
<b>Total New Transactions</b>					<b>-872.81</b>	<b>-872.81</b>
<b>Ending Balance</b>					<b>2,074.16</b>	<b>193,471.45</b>

P.O. Box 521599 Miami, FL 33152-1599

**Statement Date: July 31, 2017**
**Account Number: \*\*\*\*\*2965**


>001475 7784082 0001 008229 10Z  
 SOUTH TECH CHARTER ACADEMY INC  
 INTERNAL ACCOUNT  
 1300 SW 30TH AVE  
 BOYNTON BEACH FL 33426-9018

**Customer Service Information**

-  Client Care: 877-779-BANK (2265)
-  Web Site: www.bankunited.com
-  Bank Address: BankUnited  
 P.O. Box 521599  
 Miami, FL 33152-1599

**Customer Message Center**


REFER TO THE END OF THIS STATEMENT FOR AN IMPORTANT MESSAGE REGARDING POSSIBLE TRANSACTION PROCESSING DELAYS.

**PUBLIC FUNDS INTEREST CHECKING Account \*\*\*\*\*2965**
**Account Summary**

Statement Balance as of 06/30/2017		\$191,397.30
Plus	5 Deposits and Other Credits	\$4,452.41
Less	9 Withdrawals, Checks, and Other Debits	\$1,572.06
Less	Service Charge	\$1.75
Plus	Interest Paid	\$24.35
Statement Balance as of 07/31/2017		\$194,300.25

**Interest Summary**

Beginning Interest Rate	0.15%
Interest Paid this Statement Period	\$24.35
Interest Paid Year to Date	\$160.61

**Activity By Date**


<i>Date</i>	<i>Description</i>	<i>Withdrawals</i>	<i>Deposits</i>	<i>Balance</i>
07/03/2017	CHECK #2040	\$882.99		\$190,514.31
07/03/2017	CHECK #2041	\$304.00		\$190,210.31
07/03/2017	MERCHANT BANKCD INTERCHNG	\$26.62		\$190,183.69

Statement Date: July 31, 2017

Account Number: \*\*\*\*\*2965

**Activity By Date**

<i>Date</i>	<i>Description</i>	<i>Withdrawals</i>	<i>Deposits</i>	<i>Balance</i>
	498232637880 SOUTH TECH CHRTR ACAD			
07/03/2017	MERCHANT BANKCD DISCOUNT	\$6.90		\$190,176.79
	498232637880 SOUTH TECH CHRTR ACAD			
07/03/2017	MERCHANT BANKCD FEE	\$29.78		\$190,147.01
	498232637880 SOUTH TECH CHRTR ACAD			
07/11/2017	CHECK #1996	\$72.59		\$190,074.42
07/13/2017	CHECK #2029	\$55.95		\$190,018.47
07/20/2017	MERCHANT BANKCD DEPOSIT		\$217.00	\$190,235.47
	498232637880 SOUTH TECH CHRTR ACAD			
07/21/2017	MERCHANT BANKCD DEPOSIT		\$367.00	\$190,602.47
	498232637880 SOUTH TECH CHRTR ACAD			
07/24/2017	Customer Deposit		\$2,518.41	\$193,120.88
07/26/2017	MERCHANT BANKCD DEPOSIT		\$617.00	\$193,737.88
	498232637880 SOUTH TECH CHRTR ACAD			
07/28/2017	MERCHANT BANKCD DEPOSIT		\$733.00	\$194,470.88
	498232637880 SOUTH TECH CHRTR ACAD			
07/28/2017	CHECK #2046	\$137.63		\$194,333.25
07/28/2017	CHECK #2047	\$55.60		\$194,277.65
07/31/2017	Interest Paid		\$24.35	\$194,302.00
07/31/2017	Service Charge	\$1.75		\$194,300.25

**Check Transactions**

<i>Check #</i>	<i>Date</i>	<i>Amount</i>	<i>Check #</i>	<i>Date</i>	<i>Amount</i>	<i>Check #</i>	<i>Date</i>	<i>Amount</i>
1996	07/11	\$72.59	2040*	07/03	\$882.99	2046*	07/28	\$137.63
2029*	07/13	\$55.95	2041	07/03	\$304.00	2047	07/28	\$55.60

Items denoted with an "\*" indicate processed checks out of sequence.

Statement Date: July 31, 2017

Account Number: \*\*\*\*\*2965

### Rates by Date

Date	Rate
06/30	0.15%

### Balances by Date

Date	Balance	Date	Balance	Date	Balance	Date	Balance
06/30	\$191,397.30	07/13	\$190,018.47	07/24	\$193,120.88	07/31	\$194,300.25
07/03	\$190,147.01	07/20	\$190,235.47	07/26	\$193,737.88		
07/11	\$190,074.42	07/21	\$190,602.47	07/28	\$194,277.65		

### Other Balances

Minimum Balance this Statement Period

\$190,018.47



During this statement cycle we experienced some transaction processing delays which may have resulted in transactions posting to your account one business day later than when originally presented. Be advised that we have taken steps to assure that this delay did not negatively affect your account, including the crediting of any applicable accrued interest. Should you have any questions, please contact our Client Care Center at 1-877-779-2265.

**Statement Date: July 31, 2017**

**Account Number: \*\*\*\*\*2965**

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**If your account does not balance please check the following carefully:**

Have you entered the amount of each check in your checkbook register?

Are the amounts of your deposits and other additions entered in your checkbook register the same as those on this statement?

Have you checked all additions and subtractions in your checkbook register?

Have you carried the correct balance forward when starting a new page in your checkbook register?

**IN CASE OF QUESTIONS OR ERRORS ABOUT YOUR STATEMENT:  
PLEASE CALL (TOLL FREE) 1-877-779-BANK (2266) OR WRITE US AT:**

BankUnited Operations / EFT Error  
7815 NW 148th ST, Miami Lakes, FL 33016

**For Consumer Customers Only**

Please contact us if you think your statement is wrong or if you need additional information about a transaction. We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared.

1. Tell us your name and account number.
2. Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe there is an error or why you need further information.
3. Tell us the dollar amount of the suspected error.

You may be required to put your request in writing. We will investigate your complaint and will correct any error promptly.

**For Electronic Funds Transfers**, if we take more than 10 business days to investigate and correct the error, (20 business days if you are a new customer for electronic funds transfers occurring during the first 30 days after the first deposit is made to your account), we will recredit your consumer account for the amount you think is in error (plus interest if your account earns interest), so that you will have the use of the money during the time it takes us to complete our investigation.

**For Substitute Checks**, if we take more than 10 business days to investigate and correct the error, we will recredit your consumer account for the amount of loss up to the lesser of \$2,500.00 (plus interest if your account earns interest) or the amount of the substitute check. If your account is new (30 days from the date your account was established), has been subject to repeated overdrafts, or we believe the claim is fraudulent, we may delay the availability of recredited funds until we determine the claim is valid or until the 45th day after the claim was submitted.



**Member  
FDIC**

**BankUnited, N.A.**

1:17 PM

08/14/17

**South Tech Charter Academy, Inc**  
**Reconciliation Summary**  
**1113 - Money Market Account 2981, Period Ending 07/31/2017**

	<u>Jul 31, 17</u>
<b>Beginning Balance</b>	1,064,233.18
<b>Cleared Transactions</b>	
<b>Deposits and Credits - 1 Item</b>	<u>360.64</u>
<b>Total Cleared Transactions</b>	<u>360.64</u>
<b>Cleared Balance</b>	<u>1,064,593.82</u>
<b>Register Balance as of 07/31/2017</b>	1,064,593.82
<b>Ending Balance</b>	1,064,593.82



1:17 PM  
08/14/17

**South Tech Charter Academy, Inc**  
**Reconciliation Detail**  
**1113 - Money Market Account 2981, Period Ending 07/31/2017**

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Clr</u>	<u>Amount</u>	<u>Balance</u>
<b>Beginning Balance</b>						<b>1,064,233.18</b>
<b>Cleared Transactions</b>						
<b>Deposits and Credits - 1 Item</b>						
Deposit	07/31/2017			X	360.64	360.64
<b>Total Deposits and Credits</b>					<b>360.64</b>	<b>360.64</b>
<b>Total Cleared Transactions</b>					<b>360.64</b>	<b>360.64</b>
<b>Cleared Balance</b>					<b>360.64</b>	<b>1,064,593.82</b>
<b>Register Balance as of 07/31/2017</b>					<b>360.64</b>	<b>1,064,593.82</b>
<b>Ending Balance</b>					<b>360.64</b>	<b>1,064,593.82</b>

P.O. Box 521599 Miami, FL 33152-1599



>004429 7781782 0001 008229 10Z  
 SOUTH TECH CHARTER ACADEMY INC  
 1300 SW 30TH AVE  
 BOYNTON BEACH FL 33426-9018


**Statement Date: July 31, 2017**

Account Number: \*\*\*\*\*2981

**Customer Service Information**

 Client Care: 877-779-BANK (2265)

 Web Site: www.bankunited.com

 Bank Address: BankUnited  
 P.O. Box 521599  
 Miami, FL 33152-1599

**Customer Message Center**



REFER TO THE END OF THIS STATEMENT FOR AN IMPORTANT MESSAGE REGARDING POSSIBLE TRANSACTION PROCESSING DELAYS.

**PUBLIC FUNDS MONEY MARKET Account \*\*\*\*\*2981**

**Account Summary**

Statement Balance as of 06/30/2017		\$1,064,233.18
Plus	0 Deposits and Other Credits	\$0.00
Less	0 Withdrawals, Checks, and Other Debits	\$0.00
Less	Service Charge	\$0.00
Plus	Interest Paid	\$360.64
Statement Balance as of 07/31/2017		\$1,064,593.82

**Interest Summary**

Beginning Interest Rate	0.40%
Interest Period Days	31
Interest Annual Percentage Yield Earned this Statement Period (APYE)	0.40%
Interest Paid this Statement Period	\$360.64
Interest Paid Year to Date	\$2,463.90

**Activity By Date**

<i>Date</i>	<i>Description</i>	<i>Withdrawals</i>	<i>Deposits</i>	<i>Balance</i>
07/31/2017	Interest Paid		\$360.64	\$1,064,593.82

Statement Date: July 31, 2017

Account Number: \*\*\*\*\*2981

**Rates By Date**

Date	Rate
06/30	0.40%

**Balances by Date**

Date	Balance	Date	Balance
06/30	\$1,064,233.18	07/31	\$1,064,593.82

**Other Balances**

Minimum Balance this Statement Period

\$1,064,233.18



During this statement cycle we experienced some transaction processing delays which may have resulted in transactions posting to your account one business day later than when originally presented. Be advised that we have taken steps to assure that this delay did not negatively affect your account, including the crediting of any applicable accrued interest. Should you have any questions, please contact our Client Care Center at 1-877-779-2265.

Statement Date: July 31, 2017

Account Number: \*\*\*\*\*2981

**If your account does not balance please check the following carefully:**

- Have you entered the amount of each check in your checkbook register?
- Are the amounts of your deposits and other additions entered in your checkbook register the same as those on this statement?
- Have you checked all additions and subtractions in your checkbook register?
- Have you carried the correct balance forward when starting a new page in your checkbook register?

**IN CASE OF QUESTIONS OR ERRORS ABOUT YOUR STATEMENT:  
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BankUnited Operations / EFT Error  
7815 NW 148th ST, Miami Lakes, FL 33016

**For Consumer Customers Only**

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1. Tell us your name and account number.
2. Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe there is an error or why you need further information.
3. Tell us the dollar amount of the suspected error.

You may be required to put your request in writing. We will investigate your complaint and will correct any error promptly.

**For Electronic Funds Transfers**, if we take more than 10 business days to investigate and correct the error, (20 business days if you are a new customer for electronic funds transfers occurring during the first 30 days after the first deposit is made to your account), we will recredit your consumer account for the amount you think is in error (plus interest if your account earns interest), so that you will have the use of the money during the time it takes us to complete our investigation.

**For Substitute Checks**, if we take more than 10 business days to investigate and correct the error, we will recredit your consumer account for the amount of loss up to the lesser of \$2,500.00 (plus interest if your account earns interest) or the amount of the substitute check. If your account is new (30 days from the date your account was established), has been subject to repeated overdrafts, or we believe the claim is fraudulent, we may delay the availability of recredited funds until we determine the claim is valid or until the 45th day after the claim was submitted.



Account Number: 1234567890  
Statement Date: 12/31/2012

If your account does not balance, please check the following carefully:  
- Did you omit a deposit or check from your checkbook register?  
- Did you include a deposit or check in your checkbook register that was not reflected in your account?  
- Did you include a deposit or check in your checkbook register that was not reflected in your account?  
- Did you include a deposit or check in your checkbook register that was not reflected in your account?

IN CASE OF QUESTIONS OR ERRORS ABOUT YOUR STATEMENT:  
PLEASE CALL (TOLL FREE) 1-877-BANK (2262) OR WRITE US AT:

BankUnited, P.O. Box 10000  
Miami, FL 33101



**BankUnited**

We appreciate your business.

The Electronic Funds Transfer Act requires that we take no more than 10 business days to process a deposit to your account. If we receive a deposit to your account on a business day, we will credit your account on the next business day. If we receive a deposit to your account on a non-business day, we will credit your account on the next business day. If we receive a deposit to your account on a business day, we will credit your account on the next business day. If we receive a deposit to your account on a non-business day, we will credit your account on the next business day.



**Board Meeting  
September 28, 2017**

**Governing Board of Directors  
SouthTech Charter Academy, Inc.**

**Agenda Item  
C-2**

**Motion:**

I recommend that the Board approve and ratify the Charter school monthly Disbursement Reports for the month ending July 31, 2017 as required by the Sponsor.

**Summary Information:**

The Charter school is required to provide several financial documents on an ongoing basis. Monthly records of disbursements are a requirement that must be provided by the President to the Board.

The Charter school maintains several accounts in order to maximize the earnings potential of the funding. Each school account is listed separately along with a disbursement record of activity. Disbursements are made by warrant, wire transfer, account transfer and use of direct debit card. Processing of disbursements takes place on a daily basis by the Charter business staff. All disbursements are reviewed and approved by the President. All warrants have two signatories.

Attachments: Disbursement Report

**Presented By:**

Jim Kidd, Superintendent

**Financial Impact:**

There is no financial impact related to this item.

**South Tech Charter Academy, Inc**  
**Account QuickReport**  
 As of July 31, 2017

Date	Num	Name	Amount
<b>1111 · South Tech Operating 2973</b>			
07/15/2017	1245	Payroll	-164,240.90
07/30/2017	1246	Payroll	-138,356.25
07/15/2017	1245	Payroll	-52,533.68
07/30/2017	1246	Payroll	-50,231.79
07/24/2017	4646	FFVA Mutual Insurance	-36,321.00
07/24/2017	4649	FPL	-19,652.63
07/24/2017	4634	Alann Corporation	-6,000.00
07/24/2017	4673	Professional Medical Educators ...	-5,380.00
07/24/2017	4632	A & S Transportation	-4,965.48
07/24/2017	4647	FJ Vodolo & Associates, LLC	-4,593.75
07/24/2017	4635	American Express - 21015	-4,380.46
07/24/2017	4656	McCullough, Keefe	-4,110.00
07/24/2017	4674	Leah A Kelly	-4,000.00
07/24/2017	4642	City of Boynton Beach Utilities D...	-2,724.05
07/24/2017	4633	Advance Education Inc	-1,710.37
07/24/2017	4650	Great American Financial Service	-1,394.29
07/24/2017	4660	Powell Landscaping & Design	-1,200.00
07/24/2017	4668	Verizon Wireless	-808.48
07/24/2017	4671	Dex Imaging	-785.33
07/24/2017	4643	F. Mandley & Associates	-531.25
07/24/2017	4648	FI Consortium of Public Charter ...	-500.00
07/24/2017	4659	Palm Beach Post	-500.00
07/24/2017	4666	TMobile	-491.35
07/24/2017	4636	Amerigas	-490.62
07/24/2017	4651	Home Depot	-403.97
07/24/2017	4657	Neofunds by Neopost	-400.00
07/24/2017	4662	Sam's Club Direct	-393.83
07/24/2017	4641	Charter School Services Corp	-325.00
07/24/2017	4670	Brown, Timothy	-322.26
07/24/2017	4655	Martinez, Eddie	-313.66
07/24/2017	4638	AT&T	-241.20
07/15/2017	1245	Payroll	-236.25
07/24/2017	4654	Long Paint of Wellington	-221.15
07/30/2017	1246	Payroll	-187.55
07/24/2017	4637	Arnold Law Firm	-162.00
07/24/2017	4652	Integrity Mechant Solutions, LLC	-125.00
07/24/2017	4663	Stericycle	-116.80
07/24/2017	4667	Torcivia, Donion, Goddeau & An...	-115.00
07/24/2017	4658	NexAir, LLC	-90.20
07/24/2017	4665	Third Street Signs	-75.00
07/24/2017	4672	FedEx	-64.68
07/24/2017	4664	Sun Sentinel	-55.70
07/24/2017	4645	Fernandez, Maria	-26.30
07/24/2017	4669	Yearwood, Mary	-20.92
07/19/2017	1247	Clover Check Acceptance	-13.03
<b>Total 1111 · South Tech Operating 2973</b>			<b>-509,811.18</b>
<b>1112 · South Tech Internal 2965</b>			
07/24/2017	2048	FedEx	-310.73
07/24/2017	2044	Boynton Beach - Lantana- Rotar...	-295.00
07/24/2017	2046	Bennett Auto Supply	-137.63
07/24/2017	2045	Hyett, Crystal	-92.26
07/24/2017	2047	Publix Super Markets, Inc	-55.60
<b>Total 1112 · South Tech Internal 2965</b>			<b>-891.22</b>
<b>TOTAL</b>			<b>-510,702.40</b>

**Motion:**

I recommend that the Board approve and ratify the monthly financial statements for month ending July 31, 2017 required by the Sponsor.

**Summary Information:**

The State statutes and the Palm Beach County School District require charter schools to provide financial statements on a monthly basis in the format that School Districts are required to follow. This format is prescribed by the Governmental Accounting Standards Board (GASB).

The monthly statements include:

1. Statement of Revenues, Expenditures and Changes in Fund Balance Budget to Actual
2. The combined Statement of Revenues, Expenditures and Changes in Fund Balance
3. A Combined Balance Sheet – All Fund Types

Quarterly, a Statement of Net Assets is also required. This is provided in March, June, September and December.

Attachments: Monthly Financial Statements

**Presented By:**

Jim Kidd, Superintendent

**Financial Impact:**

There is no financial impact for this item.



**Governmental Accounting Standards Board (GASB) Monthly Financial Form**  
**South Tech Academy with MSID Number 1571**  
**Palm Beach County, Florida**  
**Balance Sheet (Unaudited)**  
**July 31, 2017**

1125

	<u>Accounts</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash and cash equivalents	1110	\$ 1,699,916	\$ -	\$ -	\$ -	\$ 1,699,916
Investments	1160	-				-
Grant receivables	1130	459				459
Other current assets	12XX	87,842				87,842
Deposits	1210					-
Due from other funds	1140	96,419				96,419
Other long-term assets	1400					-
<b>Total Assets</b>		<u>\$ 1,884,636</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,884,636</u>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>Liabilities</b>						
Accounts payable	2120	\$ 84,566	\$ -	\$ -	\$ -	\$ 84,566
Salaries, benefits, and payroll taxes payable	2110, 2170, 2330	375,642				375,642
Deferred revenue	2410					-
Notes/bonds payable	2180, 2250, 2310, 2320					-
Lease payable	2315					-
Other liabilities	21XX, 22XX, 23XX					-
<b>Total Liabilities</b>		<u>460,208</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>460,208</u>
<b>Fund Balance</b>						
Nonspendable	2710	184,261				184,261
Restricted	2720					-
Committed	2730					-
Assigned	2740	146,271				146,271
Unassigned	2750	1,093,896				1,093,896
<b>Total Fund Balance</b>		<u>1,424,428</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,424,428</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>		<u>\$ 1,884,636</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,884,636</u>

**South Tech Academy with MSID Number (1571)**  
**Palm Beach County, Florida**  
**Statement of Revenue, Expenditures, and Changes in Fund Balance (Unaudited)**  
**For the Month Ended July 31, 2017 and For the Year Ending June 30, 2018**

FTE Projected  
FTE Actual

1,115  


---

1,125

101% Percent of Projected

	Account Number	General Fund				Special Revenue			
		Month/ Quarter	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget	Month/ Quarter	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget
		Actual				Actual			
<b>Revenues</b>									
<b>FEDERAL SOURCES</b>									
Federal direct	3100	\$ -	\$ -	\$ -	%	\$ -	\$ -	-	%
Federal through state and local	3200							612,529	0%
<b>STATE SOURCES</b>									
FEFP	3310	526,419	526,419	6,526,603	8%				
Capital outlay	3397	9,595	9,595	117,548	8%				
Class size reduction	3355	85,470	85,470	1,043,131	8%				
School recognition	3361								
Other state revenue	33XX	23,975	23,975	967,700	2%				
<b>LOCAL SOURCES</b>									
Interest	3430	460	460	4,700	10%				
Local capital improvement tax	3413								
Other local revenue	34XX	6,424	6,424	225,000	3%			100,500	0%
<b>Total Revenues</b>		<b>652,343</b>	<b>652,343</b>	<b>8,884,682</b>	<b>7%</b>	<b>-</b>	<b>-</b>	<b>713,029</b>	<b>0%</b>
<b>Expenditures</b>									
<b>Current Expenditures</b>									
Instruction	5000	373,032	373,032	5,011,011	7%	9,998	9,998	524,600	2%
Instructional support services	6000	50,884	50,884	836,097	6%	4,827	4,827	188,429	3%
Board	7100	10,412	10,412	87,185	12%				
General administration	7200	25,094	25,094	188,942	13%				
School administration	7300	64,423	64,423	557,385	12%				
Facilities and acquisition	7400								
Fiscal services	7500	18,363	18,363	147,900	12%				
Food services	7600								
Central services	7700	17,687	17,687	166,100	11%				
Pupil transportation services	7800			600,000	0%				
Operation of plant	7900	33,572	33,572	666,711	5%				
Maintenance of plant	8100	4,064	4,064	56,705	7%				
Administrative technology services	8200	10,609	10,609	126,141	8%				
Community services	9100	1,952	1,952	225,000	1%				
Debt service	9200								
<b>Total Expenditures</b>		<b>610,092</b>	<b>610,092</b>	<b>8,669,177</b>	<b>7%</b>	<b>14,825</b>	<b>14,825</b>	<b>713,029</b>	<b>2%</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		<b>42,251</b>	<b>42,251</b>	<b>215,505</b>	<b>20%</b>	<b>(14,825)</b>	<b>(14,825)</b>	<b>-</b>	
<b>Other Financing Sources (Uses)</b>									
Transfers in	3600								
Transfers out	9700	(14,825)	(14,825)			14,825	14,825		
<b>Total Other Financing Sources (Uses)</b>		<b>(14,825)</b>	<b>(14,825)</b>	<b>-</b>		<b>14,825</b>	<b>14,825</b>	<b>-</b>	
<b>Net Change in Fund Balances</b>		<b>27,426</b>	<b>27,426</b>	<b>215,505</b>	<b>13%</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Fund balances, beginning		1,397,002	1,397,002	1,397,002	100%				
Adjustments to beginning fund balance									
<b>Fund Balances, Beginning as Restated</b>		<b>1,397,002</b>	<b>1,397,002</b>	<b>1,397,002</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fund Balances, Ending</b>		<b>\$ 1,424,428</b>	<b>\$ 1,424,428</b>	<b>\$ 1,612,507</b>	<b>88%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>%</b>

Debt Service				Capital Outlay				Total Governmental Funds			
Month/ Quarter	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget	Month/ Quarter	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget	Month/ Quarter	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget
\$ -	\$ -	\$ -	%	\$ -	\$ -	\$ -	%	-	-	-	%
								-	-	612,529	0%
								526,419	526,419	6,526,603	8%
								9,595	9,595	117,548	8%
								85,470	85,470	1,043,131	8%
								-	-	-	
								23,975	23,975	967,700	2%
								460	460	4,700	10%
								-	-	-	
								6,424	6,424	325,500	2%
								652,343	652,343	9,597,711	7%
								383,030	383,030	5,535,611	7%
								55,711	55,711	1,024,526	5%
								10,412	10,412	87,185	12%
								25,094	25,094	188,942	13%
								64,423	64,423	557,385	12%
								-	-	-	
								18,363	18,363	147,900	12%
								-	-	-	
								17,687	17,687	166,100	11%
								-	-	600,000	0%
								33,572	33,572	666,711	5%
								4,064	4,064	56,705	7%
								10,609	10,609	126,141	8%
								1,952	1,952	225,000	1%
								-	-	-	
								624,917	624,917	9,382,206	7%
								27,426	27,426	215,505	13%
								-	-	-	
								-	-	-	
								-	-	-	
								27,426	27,426	215,505	13%
								1,397,002	1,397,002	1,397,002	100%
								-	-	-	
								1,397,002	1,397,002	1,397,002	100%
\$ -	\$ -	\$ -	%	\$ -	\$ -	\$ -	%	1,424,428	1,424,428	1,612,507	88%

**Board Meeting  
September 28, 2017**

**Governing Board of Directors  
SouthTech Charter Academy, Inc.**

**Agenda Item  
C-4**

**Motion:**

I recommend that the Board approve the audited financial statements for the fiscal year end June 30, 2017.

**Summary Information:**

The school's financial statements have been audited by the Keefe McCullough CPA accounting firm, in compliance with State and District guidelines and the conditions of our charter.

Attachments: Audited Financial Statements

**Presented By:**

Jim Kidd, President & Chief Executive Officer

**Financial Impact:**

The financial impact for this item is \$17,500.  
There is no increase from SY17.  
The amount of \$17,500. is in the SY18 budget.

# South Tech Charter Academy, Inc.

Basic Financial Statements  
and Additional Information  
For the Year Ended June 30, 2017

DRAFT

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
South Tech Charter Academy, Inc.  
Boynton Beach, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of South Tech Charter Academy, Inc. (the "School"), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the School, as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 6, the budgetary comparison schedules – general fund and special revenue fund on pages 26 and 27 and the schedules related to the pension plan on pages 28 through 33 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated (DATE), on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
(DATE)

MANAGEMENT'S DISCUSSION  
AND ANALYSIS

DRAFT

Our discussion and analysis of South Tech Charter Academy (the "School") financial performance provides an overview of the School's financial activities for the year ended June 30, 2017 with certain comparative information for 2016. Please read it in conjunction with the School's financial statements which immediately follow this discussion.

### Financial Highlights

The following are highlights of financial activity for the year ended June 30, 2017:

- The School's total liabilities exceeded its assets as of June 30, 2017 by \$ 431,250 (net deficit).
- The School's net position decreased by \$ 239,846 during the current fiscal year as a result of this year's operations.

### Overview of the Financial Statements

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

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

- The statement of net position presents information on all the School's assets, liabilities, and deferred inflows/outflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.
- The statement of activities presents information showing how the School's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

The government-wide financial statements can be found on pages 7 and 8 of this report.

**Fund Financial Statements:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School only has one category of funds - governmental funds.

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

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

The School maintains two governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance. The General and Special Revenue funds are considered to be the School's major funds.

The School adopts an annual budget for its governmental funds. Budgetary comparison schedules have been provided for the General and Special Revenue funds to demonstrate compliance with the budgets adopted for each.

The governmental funds financial statements can be found on pages 9 through 12 of this report.

**Notes to Basic Financial Statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 13 through 25 of this report.

**Other Information:** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the School's adopted budget to actual results and schedules relating to the School's Pension Plan. Required supplementary information can be found on pages 26 through 33 of this report.

### Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of financial position. The following table reflects the condensed government-wide statement of net position as of June 30:

		South Tech Charter Academy Statements of Net Position (Deficit)	
		2017	2016
		<u>2017</u>	<u>2016</u>
<b>Current Assets</b>	\$	1,659,063	\$ 1,618,185
<b>Noncurrent Assets and Deferred Outflows</b>		<u>2,762,713</u>	<u>2,481,509</u>
Total assets and deferred outflows		<u>4,421,776</u>	<u>4,099,694</u>
<b>Current Liabilities</b>		476,042	409,938
<b>Noncurrent Liabilities and Deferred Inflows</b>		<u>4,376,984</u>	<u>3,881,160</u>
Total liabilities and deferred inflows		<u>4,853,026</u>	<u>4,291,098</u>
<b>Net Position (deficit):</b>			
Net investment in capital assets		1,015,376	1,034,291
Unrestricted (deficit)		<u>(1,446,626)</u>	<u>(1,225,695)</u>
Total net position (deficit)	\$	<u><u>(431,250)</u></u>	\$ <u><u>(191,404)</u></u>

**South Tech Charter Academy, Inc.**  
**Management's Discussion and Analysis**  
**June 30, 2017**

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A portion of the School's net position reflects its investment in capital assets, less any related outstanding debt used to acquire those assets. The School uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the School's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The remaining balance, unrestricted, may be used to meet the School's ongoing obligations.

The following table reflects the School's change in net position for the years ended June 30, 2017 and 2016.

South Tech Charter Academy Statements of Changes in Net Position			
		<u>2017</u>	<u>2016</u>
<b>Revenues:</b>			
General revenues	\$	8,846,536	\$ 8,788,716
Program revenues		<u>2,342,541</u>	<u>1,899,053</u>
Total revenues		<u>11,189,077</u>	<u>10,687,769</u>
<b>Expenses:</b>			
Instruction		6,942,000	6,302,544
Administration		1,360,826	1,253,831
Operation and maintenance of plant		2,298,873	2,259,770
Student transportation services		505,601	629,659
Fiscal services		210,747	196,121
Board expenditures		<u>110,876</u>	<u>100,778</u>
Total expenses		<u>11,428,923</u>	<u>10,742,703</u>
Change in net position		(239,846)	(54,934)
<b>Net Position (deficit), beginning of year</b>		<u>(191,404)</u>	<u>(136,470)</u>
<b>Net Position (deficit), end of year</b>	\$	<u><u>(431,250)</u></u>	\$ <u><u>(191,404)</u></u>

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

As noted earlier, the School uses fund accounting to maintain control over resources that have been segregated for specific activities or objectives. The focus of the School's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the School's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the School. At the end of year 2017, unassigned fund balance of the General Fund was \$ 853,685, a decrease of \$ 127,511 for the year. The overall General Fund balance decreased by \$ 17,833.

### General Fund Budgetary Highlights

The 2016-2017 budget was amended at the end of the fiscal year to agree with the actual results of operations.

### Capital Assets and Debt Administration

**Capital assets:** The School's investment in capital assets as of June 30, 2017 amounts to \$ 1,015,376 net of accumulated depreciation as compared to \$ 1,034,291 as of June 30, 2016. This investment in capital assets is composed of leasehold improvements, furniture & equipment, vehicles, and audio visual and computer software.

**Debt:** At June 30, 2017, the School had no outstanding debt.

### Economic Factors

Facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations of the School in the year 2018 are a decrease in funding from the state for general operations, although no expected change in enrollment is expected. This should be offset by increased student services.

### Requests for Information

This financial report is designed to provide a general overview of South Tech Charter Academy, Inc. for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the South Tech Charter Academy, Inc.; 1300 S.W. 30<sup>th</sup> Avenue, Boynton Beach, FL 33437.

# BASIC FINANCIAL STATEMENTS

DRAFT

**South Tech Charter Academy, Inc.**  
**Statement of Net Position**  
**June 30, 2017**

	<b>Governmental Activities</b>
<b>Current Assets:</b>	
Cash and cash equivalents	\$ 1,377,493
Due from government agencies	125,710
Due from related party	16,776
Prepaid expenses	<u>139,084</u>
Total current assets	<u>1,659,063</u>
<b>Noncurrent Assets:</b>	
Notes receivable	194,793
Capital assets, depreciable	1,774,174
Less accumulated depreciation	<u>(758,798)</u>
Total noncurrent assets	<u>1,210,169</u>
Total assets	<u>2,869,232</u>
<b>Deferred Outflows of Resources:</b>	
Deferred pension outflows	<u>1,552,544</u>
Total assets and deferred outflows	<u>4,421,776</u>
<b>Current Liabilities:</b>	
Accounts payable	74,628
Accrued payroll and related taxes	<u>401,414</u>
Total current liabilities	<u>476,042</u>
<b>Noncurrent Liabilities:</b>	
Compensated absences payable	303,266
Net pension liability	<u>3,918,136</u>
Total noncurrent liabilities	<u>4,221,402</u>
Total liabilities	<u>4,697,444</u>
<b>Deferred Inflows of Resources:</b>	
Deferred pension inflows	<u>155,582</u>
Total liabilities and deferred inflows	<u>4,853,026</u>
<b>Net Position (deficit):</b>	
Net investment in capital assets	1,015,376
Unrestricted (deficit)	<u>(1,446,626)</u>
Total net position (deficit)	<u>\$ (431,250)</u>

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



**South Tech Charter Academy, Inc.**  
**Statement of Activities**  
**For the Year Ended June 30, 2017**

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Governmental</u>
		<u>Capital Grants and Contributions</u>	<u>Operating Grants and Contributions</u>	<u>Activities Net Revenue (Expense) and Change in Net Position</u>
<b>Functions/Programs:</b>				
Governmental activities:				
Instruction	\$ 6,189,171	\$ -	\$ 846,638	\$ (5,342,533)
Pupil personnel services	574,785	-	-	(574,785)
Instructional staff training	148,581	-	-	(148,581)
Instructional-related technology	29,463	-	-	(29,463)
Board expenditures	110,876	-	-	(110,876)
General administration	182,280	-	-	(182,280)
School administration	823,802	-	-	(823,802)
Fiscal services	210,747	-	-	(210,747)
Central services	217,941	-	-	(217,941)
Student transportation services	505,601	-	-	(505,601)
Operation and maintenance of plant	2,298,873	-	1,495,903	(802,970)
Administrative technology services	136,803	-	-	(136,803)
	<u>136,803</u>	<u>-</u>	<u>-</u>	<u>(136,803)</u>
Total governmental activities	\$ <u>11,428,923</u>	\$ <u>-</u>	\$ <u>2,342,541</u>	<u>(9,086,382)</u>
General revenues:				
FTE nonspecific revenues				7,980,449
Contributions and other revenue				<u>866,087</u>
Total general revenues				<u>8,846,536</u>
Change in net position				(239,846)
Net position (deficit), July 1, 2016				<u>(191,404)</u>
Net position (deficit), June 30, 2017				\$ <u>(431,250)</u>

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

South Tech Charter Academy, Inc.  
 Balance Sheet - Governmental Funds  
 June 30, 2017

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
<b>Assets:</b>			
Cash and cash equivalents	\$ 1,377,493	\$ -	\$ 1,377,493
Due from government agencies	-	125,710	125,710
Due from related party	16,776	-	16,776
Due from special revenue fund	125,710	-	125,710
Notes receivable	194,793	-	194,793
Prepaid expenditures	139,084	-	139,084
	<u>1,853,856</u>	<u>125,710</u>	<u>1,979,566</u>
Total assets	\$ <u>1,853,856</u>	\$ <u>125,710</u>	\$ <u>1,979,566</u>
<b>Liabilities:</b>			
Accounts payable	\$ 74,628	\$ -	\$ 74,628
Accrued liabilities	401,414	-	401,414
Due to general fund	-	125,710	125,710
	<u>476,042</u>	<u>125,710</u>	<u>601,752</u>
Total liabilities	<u>476,042</u>	<u>125,710</u>	<u>601,752</u>
<b>Fund Balances:</b>			
Nonspendable for prepaid expenditures and notes receivable	333,877	-	333,877
Assigned - school-based student activity organizations	190,252	-	190,252
Unassigned	853,685	-	853,685
	<u>1,377,814</u>	<u>-</u>	<u>1,377,814</u>
Total fund balances	<u>1,377,814</u>	<u>-</u>	<u>1,377,814</u>
Total liabilities and fund balances	\$ <u>1,853,856</u>	\$ <u>125,710</u>	\$ <u>1,979,566</u>

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

South Tech Charter Academy, Inc.  
 Reconciliation of the Balance Sheet - Governmental Funds  
 to the Statement of Net Position  
 June 30, 2017

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**Total Fund Balances - Governmental Funds** \$ 1,377,814

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

Capital assets used in governmental activities are not financial resources; therefore, they are not reported in the governmental funds.

Cost of capital assets	\$ 1,774,174	
Accumulated depreciation	<u>(758,798)</u>	1,015,376

Certain funds related to pension assets and liabilities are not reported in the governmental funds.

Deferred outflows, relating to the net pension liability		1,552,544
Deferred inflows, relating to the net pension liability		<u>(155,582)</u>

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Compensated absences	(303,266)	
Net pension liability	<u>(3,918,136)</u>	<u>(4,221,402)</u>

**Net Position (Deficit) of Governmental Activities** \$ (431,250)

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

**South Tech Charter Academy, Inc.**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances - Governmental Funds**  
**For the Year Ended June 30, 2017**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
<b>Revenues:</b>			
State sources	\$ 7,980,449	\$ -	\$ 7,980,449
Federal sources	-	846,638	846,638
Local sources	<u>2,359,559</u>	<u>2,431</u>	<u>2,361,990</u>
Total revenues	<u>10,340,008</u>	<u>849,069</u>	<u>11,189,077</u>
<b>Expenditures:</b>			
Instruction	5,323,010	622,493	5,945,503
Pupil personnel services	488,518	69,463	557,981
Instructional staff training	-	144,519	144,519
Instructional-related technology	29,463	-	29,463
Board expenditures	108,556	-	108,556
General administration	179,620	-	179,620
School administration	790,344	684	791,028
Fiscal services	202,247	150	202,397
Central services	212,656	-	212,656
Student transportation services	493,841	11,760	505,601
Operation and maintenance of plant	2,296,605	-	2,296,605
Administrative technology services	132,627	-	132,627
Capital outlay	<u>100,354</u>	<u>-</u>	<u>100,354</u>
Total expenditures	<u>10,357,841</u>	<u>849,069</u>	<u>11,206,910</u>
Net changes in fund balances	(17,833)	-	(17,833)
<b>Fund Balances, July 1, 2016</b>	<u>1,395,647</u>	<u>-</u>	<u>1,395,647</u>
<b>Fund Balances, June 30, 2017</b>	<u>\$ 1,377,814</u>	<u>\$ -</u>	<u>\$ 1,377,814</u>

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

**South Tech Charter Academy, Inc.  
 Reconciliation of the Statement of Revenues,  
 Expenditures and Change in Fund Balances -  
 Governmental Funds to the Statement of Activities  
 For the Year Ended June 30, 2017**

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**Change in Fund Balances - Governmental Funds** \$ (17,833)

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities, these costs are allocated over their estimated useful lives as a provision for depreciation.

Cost of capital assets	\$	100,354	
Provision for depreciation		<u>(119,269)</u>	(18,915)

Certain changes related to pension assets and liabilities are not reported in the net change in the governmental funds.

Change in deferred outflows	292,726
Change in deferred inflows	726,468

Some expenses reported in the statement of activities require the use of current financial resources and, therefore not reported as expenditures in the governmental funds.

Change in compensated absences	(14,464)
Change in the net pension liability	<u>(1,207,828)</u>

**Change in Net Position of Governmental Activities** \$ (239,846)

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

## Note 1 - Organization and Operations

South Tech Charter Academy (the "School"), is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 228.056, Florida Statutes. The School commenced operations in July 2004 and offers classes for grades nine through twelve in the City of Boynton Beach, Florida. One thousand ninety nine (1,099) students were enrolled in classes when the school year ended June 30, 2017.

## Note 2 - Summary of Significant Accounting Policies

**Reporting entity:** The School operates under a charter granted by the sponsoring School Board, the School Board of Palm Beach County, Florida. The current charter is effective until June 30, 2019, and may be renewed in increments of one year by mutual written agreement between the School and the District. At the end of the term of the charter, the Board may choose not to renew the charter under grounds specified in the charter, in which case the Board is required to notify the School in writing at least ninety days prior to the charter's expiration. During the term of the charter, the Board may also terminate the charter if good cause is shown

The School may also be financially accountable if an organization is fiscally dependent on the School regardless of whether the organization has a separately elected governing board, a governing board appointed by another government, or a jointly approved board. In addition, component units can be other organizations for which the nature and significance of their relationship with the School are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

As a result of evaluating the above criteria, management has determined that no component units exist for which the School is financially accountable which would require inclusion in the School's financial statements.

**Basis of presentation:** Based on the guidance presented in the American Institute of Certified Public Accountants Audit and Accounting Guide – Not-for-Profit Organizations and provisions of Section 228.056(9), Florida Statutes, the School is presented as a governmental organization for financial statement reporting purposes.

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

In the government-wide statement of net position, the governmental activities column is presented on a consolidated basis, if applicable, and is reported on a full accrual, economic resource basis, which recognizes all noncurrent assets and receivables, as well as all noncurrent debt and obligations.

The government-wide statement of activities reports both the gross and net cost of each of the School's functions. The net costs, by function, are also supported by general revenues (unrestricted contributions, investment earnings, miscellaneous revenue, etc.). The statement of activities reduces gross expenses (including provision for depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function.

Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

This government-wide focus is more on the ability to sustain the School as an entity and the change in the School's net position resulting from the current year's activities.

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

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

The School reports the following major funds:

- **General Fund** – This fund is employed in accounting for all the operating activities of the School except those required to be accounted for in another fund.
- **Special Revenue Fund** – This fund is used to account for federal grants that are legally restricted to expenditures for particular purposes.

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

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

**Fund balance:** The School has implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance classifications to report on the nature and extent to which the School is bound to have constraints on the specific purposes for which amounts in those funds can be spent.

The following classifications describe the relative strength of the spending constraints:

- Nonspendable – amounts that are not in spendable form (such as prepaid items and deposits) or are legally or contractually required to be maintained intact.
- Restricted – amounts constrained to specific purposes by external providers (such as grantors) or imposed by law through constitutional provisions, or by enabling legislation.
- Committed – amounts constrained to specific purposes by formal action of the School itself, using its highest level of decision making authority (i.e., the School Board) through Resolution. To be reported as committed, amounts cannot be used for any other purpose unless the School's Board takes the same highest level action (i.e., Resolution) to remove or change the constraint.
- Assigned – amounts the School intends to use for a specific purpose but are neither restricted nor committed. Assignments can be made by the School's body or any delegated authority at their direction.

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

- Unassigned – amounts that have not been assigned to other funds and that have not been restricted, committed or assigned to specific purposes within the General Fund.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the School considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned or unassigned fund balances are available, the School considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the School Board or its delegated official or body has provided otherwise in its commitment or assignment actions.

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

Governmental activity in the government-wide financial statements is presented on the full accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental fund basic financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The School considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for long-term debt principal and interest which are reported as expenditures in the year due.

**Cash and cash equivalents:** Cash and cash equivalents are defined as demand deposits, money market accounts, and short-term investments with original maturities of three months or less from the date of acquisition.

**Due from government agencies:** Amounts due to the School by governments or agencies are for grants or programs under which the services have been provided by the School.

**Due to/from other funds:** Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. The balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions recorded in the accounting system including reimbursement receivables from award grantor agency, and payments between funds are made.

**Prepaid expenses/expenditures:** Certain payments to vendors reflect cost applicable to a future accounting period and are recorded as prepaid items in both government-wide and fund financial statements.

**Capital assets:** Capital assets purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the School as assets with an initial cost of \$ 750 and useful life of over one year. Donated capital assets are valued at their estimated fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related capital assets. Other costs incurred for repairs and maintenance are expensed as incurred.



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

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives as follows:

Leasehold improvements	10-30 years
Furniture and equipment	5-10 years
Vehicles	8-10 years
Audio visual and computer software	5-10 years

**Compensated absences:** Compensated absences (i.e. paid absences for employee vacation leave and sick leave) are recorded as expenditures in governmental funds when leave is used or when accrued as payable to employees entitled to cash payment in lieu of taking leave. In the government-wide financial statements, compensated absences are recorded as an expense when earned by the employees. The liability for compensated absences is classified as a long-term liability that is due within one year because the amount of vacation and sick time to be used after the following year cannot be reasonably estimated.

**Deferred outflows/inflows of resources:** In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. At June 30, 2017, the School had deferred outflows of \$ 1,552,544, which is related to the net pension liability.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. At June 30, 2017, the School had deferred inflows of \$ 155,582, which is related to the net pension liability.

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

**Grant and contract revenue:** Grant and contract revenue is recognized when the allowable costs as defined by the individual grant or contract are incurred.

**Revenue recognition:** Student funding is provided by the State of Florida through the School Board. Such funding is recorded as entitlement revenue in the government-wide financial statements and state source revenue in the fund financial statements and is net of a 5% administration fee retained by the School Board. This funding is received on a prorata basis over the twelve month period and is adjusted for changes in full-time equivalent (FTE) student population.

**Income taxes:** The School is a department of a nonprofit corporation whose revenue is derived primarily from other governmental entities. The School is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in these basic financial statements.

**Use of estimates:** The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**Date of management's review:** Subsequent events have been evaluated through (DATE), which is the date the financial statements were available to be issued.

**Note 3 - Budgets**

The School formally adopted budgets for the General and Special Revenue funds by function for the year ended June 30, 2017. The budgets have been prepared in accordance with accounting principles generally accepted in the United States of America. A comparison of the actual results of operations to the final budgeted amounts for the General Fund and Special Revenue Fund are presented as required supplemental information.

**Note 4 - Deposits**

At June 30, 2017 the total carrying amount of the School's cash balances was \$ 1,377,493. The bank balance at local depositories was \$ 1,453,946.

State statutes require, and it is the School's policy, that all deposits be made into, and be held by, financial institutions designated by the treasurer of the State of Florida as qualified public depositories as defined by Chapter 280 of the Florida Statutes. This statute requires that every qualified public depository institution maintain eligible collateral to secure the public entity's funds. The minimal collateral to be pledged by an institution, the collateral eligible for pledge, and reporting requirements of the qualified public depositor to the treasurer is defined by the statute. Collateral is pooled in a multiple qualified public depository institution pool with the ability to assess members of the pool should the need arise. The School's deposits are held in a qualified public depository. They are covered by the collateral pool, as the School has identified itself as a public entity at June 30, 2017.

**Note 5 – Notes Receivable**

The School has a note receivable from South Tech Preparatory Academy, Inc. ("STP") (Note 8) outstanding at June 30, 2016. This note was entered into on April 30, 2013 and provided \$ 350,000 to STP to fund start-up operations. The note bears no interest and all outstanding principal is due and payable on April 1, 2019. STP did not make any payments during the year and the resulting outstanding balance of the note at June 30, 2017 was \$ 167,400.

During the previous year, the School entered into a note receivable from South Tech Success Center, Inc. ("SSC") (Note 8). This note provided up to \$ 350,000 to SSC to fund start-up operations. The note bears no interest and all outstanding principal is due and payable on June 30, 2021. STP previously advanced \$ 20,000, as well as an additional \$ 7,393 on the note during the year. The outstanding balance of the note at June 30, 2017 was \$ 27,393.

**Note 6 - Capital Assets**

A summary of changes in governmental capital assets is as follows:

	Balance at July 1, 2016	Additions	Deletions	Balance at June 30, 2017
Capital assets, being depreciated:				
Leasehold improvements	\$ 941,650	\$ -	\$ -	\$ 941,650
Audio visual and computer software	365,462	51,551	-	417,013
Furniture and equipment	347,038	48,803	-	395,841
Vehicles	19,670	-	-	19,670
	<u>1,673,820</u>	<u>100,354</u>	<u>-</u>	<u>1,774,174</u>
Total capital assets, being depreciated	<u>1,673,820</u>	<u>100,354</u>	<u>-</u>	<u>1,774,174</u>

**Note 6 – Capital Assets (continued)**

	Balance at July 1, 2016	Additions	Deletions	Balance at June 30, 2017
Accumulated depreciation:				
Leasehold improvements	55,459	35,567	-	91,026
Audio visual and computer software	277,420	55,950	-	333,370
Furniture and equipment	295,156	25,710	-	320,866
Vehicles	11,494	2,042	-	13,536
	<u>639,529</u>	<u>119,269</u>	<u>-</u>	<u>758,798</u>
Total accumulated depreciation	<u>639,529</u>	<u>119,269</u>	<u>-</u>	<u>758,798</u>
Net capital assets	<u>\$ 1,034,291</u>	<u>\$ (18,915)</u>	<u>\$ -</u>	<u>\$ 1,015,376</u>

The provision for depreciation for the year ended June 30, 2017 amounted to \$ 119,269, of which \$ 107,342 was allocated to instruction and \$ 11,927 was allocated to school administration.

As part of the School's charter contract, all capital assets purchased with public funds will automatically revert to the district school board upon the non-renewal or termination of the contract.

**Note 7 - Contingencies and Commitments**

**Grant funding:** The School received financial assistance from federal, state, and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and may be subject to audit by the grantor agencies. In accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards Uniform Guidance) and the Florida Single Audit Act, the School is required to conduct "single audits" when the required threshold, which is \$ 750,000 for both federal and state financial assistance, is met. The School exceeded the federal threshold and thus a single audit is required under the Uniform Guidance.

**Note 8 – Related Party Transactions**

The School is related to South Tech Preparatory Academy, Inc. ("STP") through common board members. STP began operations July 2013. The Schools previously entered into an agreement to provide short term financing to assist with STP's start up. The outstanding balance of the agreement at June 30, 2017 was \$ 167,400 (Note 5). The School also received grant funding of \$ 252,514 from the State of Florida Department of Education that was passed through to STP for its use. In addition, at June 30, 2017, the school has a receivable balance from STP in the amount of \$ 16,776, which represents reimbursement of certain shared expenditures.

The School is also related to South Tech Success Center, Inc. ("SSC") through common board members. SSC is expected to begin operations in August 2017. The Schools entered into an agreement to provide short term financing to assist with SSC's start up. The outstanding balance of the financing agreement at June 30, 2017 was \$ 27,393 (Note 5).

**Note 9 - Leases**

The School leases facilities for its operations under an agreement with Palm Beach County. The lease agreement became effective July 1, 2004 and expires on June 30, 2019, concurrent with the charter agreement. The agreement provides that the School pays \$ 1 for the use of the County's facilities. The School recorded an in-kind donation and respective rent expense in the amount of approximately \$ 124,700 per month, based on a fair value of \$ 9.31 per square foot. Total in-kind revenue and expense in connection with the facility lease amounted to approximately \$ 1,495,900 for the year ended June 30, 2017.

## Note 10 – Florida Retirement System

As provided by Chapters 121 and 112, Florida Statutes, the Florida Retirement System (“FRS”) provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan (“Pension Plan”) and the Retiree Health Insurance Subsidy (“HIS Plan”). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site: [www.dms.myflorida.com/workforce\\_operations/retirement/publications](http://www.dms.myflorida.com/workforce_operations/retirement/publications).

### Pension Plan:

Plan Description - The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (“DROP”) for eligible employees.

Benefits Provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers’ class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers’ class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

**Note 10 – Florida Retirement System (continued)**

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

Contributions - Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from July 1, 2016 through June 30, 2017, were as follows: Regular - 7.52%; Special Risk Administrative Support – 28.06%; Special Risk - 22.57%; Senior Management Service - 21.77%; Elected Officers’ - 42.47%; and DROP participants - 12.99%. These employer contribution rates include 1.66% HIS Plan subsidy for the periods from July 1, 2016 through June 30, 2017.

The School’s contributions, including employee contributions, to the Pension Plan totaled \$ 203,823 for the fiscal year ended June 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2017, the School reported a liability of \$ 2,105,972 for its proportionate share of the Pension Plan’s net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The School’s proportion of the net pension liability was based on a projection of the School’s 2016-17 fiscal year contributions relative to the 2016-17 fiscal year contributions of all participating members. At June 30, 2016, the School’s proportion was 0.00834050% percent, which was a decrease of 0.00002037% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the School recognized pension expense of \$ 309,763. At June 30, 2017, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 153,641	\$ (23,033)
Changes of assumptions	129,967	-
Net difference between projected and actual earnings on pension plan investments	378,510	-
Changes in proportion and differences between School contributions and proportionate share of contributions	149,653	(77,281)
School contributions subsequent to the measurement date	<u>219,616</u>	<u>-</u>
Total	<u>\$ 1,031,387</u>	<u>\$ (100,314)</u>

**Note 10 – Florida Retirement System (continued)**

The deferred outflows of resources related to the Pension Plan, totaling \$ 219,616 resulting from School contributions to the Pension Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

<u>Year Ended June 30:</u>	<u>Amount</u>
2018	\$ 110,546
2019	\$ 110,546
2020	\$ 285,763
2021	\$ 178,622
2022	\$ 19,266
Thereafter	\$ 6,714

Actuarial Assumptions - The total pension liability in the July 1, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	3.25%, average, including inflation
Investment rate of return	7.60%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables. The actuarial assumptions used in the July 1, 2016, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

The FRS Actuarial Assumption Conference is responsible for setting the assumptions used in the valuations of the defined benefit pension plans pursuant to section 216.136(10), Florida Statutes. During presentations to the 2016 FRS Actuarial Assumption Conference, Aon Hewitt, the investment consultant for the State Board of Administration, and the consulting actuary both recommended reducing the investment return assumption. Based on their respective capital market outlook models, the 50th percentile average annual long-term future return rates ranged between 6.3 percent and 6.6 percent. When Aon Hewitt applied the State Board of Administration’s approach to assumption development, the investment return forecast was 7.0 percent. The consulting actuary notes the reduced investment return assumption adopted by the FRS Actuarial Assumption Conference conflicts with their judgment of a reasonable assumption as defined by the Actuarial Standards of Practice Number 27 (ASOP 27).

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

**Note 10 – Florida Retirement System (continued)**

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	3.0%	3.0%	1.7%
Fixed income	18.0%	4.7%	4.6%	4.6%
Global equity	53.0%	8.1%	6.8%	17.2%
Real estate	10.0%	6.4%	5.8%	12.0%
Private equity	6.0%	11.5%	7.8%	30.0%
Strategic investments	12.0%	6.1%	5.6%	11.1%
Total	<u>100.0%</u>			
Assumed Inflation - Mean		2.6%		1.9%

(1) As outlined in the Pension Plan's investment policy

Discount Rate – The discount rate used to measure the total pension liability was 7.60%. The pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation of the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the School's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the School's proportionate share of the net pension liability calculated using the discount rate of 7.60%, as well as what the School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.60%) or one percentage point higher (8.60%) than the current rate:

	<u>1% Decrease (6.60%)</u>	<u>Current Discount Rate (7.60%)</u>	<u>1% Increase (8.60%)</u>
School's proportionate share of the net pension liability	\$ 3,877,324	\$ 2,105,972	\$ 631,627

Pension Plan Fiduciary Net Position - Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

**HIS Plan:**

Plan Description - The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided - For the fiscal year ended June 30, 2017, eligible retirees and beneficiaries received a monthly HIS payment of \$ 5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$ 30 and a maximum HIS payment of \$ 150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

**Note 10 – Florida Retirement System (continued)**

Contributions - The HIS Plan is funded by required contributions from FRS participating employer's asset by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2016, the HIS contribution for the period from July 1, 2016 through June 30, 2017 was 1.66%. The School contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The School's contributions to the HIS Plan totaled \$ 79,698 for the fiscal year ended June 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2016, the School reported a liability of \$ 1,812,164 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The School's proportion of the net pension liability was based on a projection of the School's 2016-17 fiscal year contributions relative to the 2015-16 fiscal year contributions of all participating members. At June 30, 2016, the School's proportion was 0.01554903% percent, which was an increase of 0.00155596% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the School recognized pension expense of \$ 155,601. At June 30, 2017, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of assumptions	\$ 269,929	\$ -
Net difference between projected and actual earnings on pension plan investments	951	-
Differences between expected and actual experience	-	(3,728)
Changes in proportion and differences between School HIS Plan contributions and proportionate share of contributions	164,249	(51,540)
School HIS Plan contributions subsequent to the measurement date	<u>86,028</u>	<u>-</u>
	<u>\$ 521,157</u>	<u>\$ (55,268)</u>

The deferred outflows of resources related to the HIS Plan, totaling \$ 86,028 resulting from School contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:



**Note 10 – Florida Retirement System (continued)**

Year Ended June 30	Amount
2018	\$ 69,804
2019	\$ 69,804
2020	\$ 69,635
2021	\$ 69,554
2022	\$ 63,011
Thereafter	\$ 38,053

Actuarial Assumptions - The total pension liability in the July 1, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	3.25%, average, including inflation
Municipal bond rate	2.85%

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan. The municipal rate used to determine total pension liability was decreased from 3.80% to 2.85%.

Discount Rate - The discount rate used to measure the total pension liability was 2.85%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is funded on a pay-as-you-go basis, no experience study has been completed for that program.

Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the School's proportionate share of the net pension liability calculated using the discount rate of 2.85%, as well as what the School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.85%) or one percentage point higher (3.85%) than the current rate:

	1% Decrease (1.85%)	Current Discount Rate (2.85%)	1% Increase (3.85%)
School's proportionate share of the net pension liability	\$ 2,078,963	\$ 1,812,164	\$ 1,590,734

Pension Plan Fiduciary Net Position – Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

**Note 11 – Risk Financing**

The School is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School places all insurance risk, less nominal deductibles, in the hands of commercial carriers. At the present time, management believes that any claims the School may have are insured and that any expense associated with them will not materially affect the financial position of the School.

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REQUIRED SUPPLEMENTAL  
INFORMATION

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**South Tech Charter Academy, Inc.**  
**Budgetary Comparison Schedule - General Fund**  
**For the Year Ended June 30, 2017**

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>				
State sources	\$ 7,929,476	\$ 7,980,449	\$ 7,980,449	\$ -
Local sources	658,020	2,359,559	2,359,559	-
<b>Total revenues</b>	<u>8,587,496</u>	<u>10,340,008</u>	<u>10,340,008</u>	<u>-</u>
<b>Expenditures:</b>				
Instruction	4,979,362	5,323,010	5,323,010	-
Pupil personnel services	480,389	488,518	488,518	-
Instruction and curriculum development	6,000	-	-	-
Instructional-related technology	146,500	29,463	29,463	-
Board expenditures	105,183	108,556	108,556	-
General administration	183,404	179,620	179,620	-
School administration	773,953	790,344	790,344	-
Fiscal services	196,109	202,247	202,247	-
Central services	278,563	212,656	212,656	-
Student transportation services	479,680	493,841	493,841	-
Operation and maintenance of plant	775,114	2,296,605	2,296,605	-
Administrative technology services	122,517	132,627	132,627	-
Capital outlay	-	100,354	100,354	-
<b>Total expenditures</b>	<u>8,526,774</u>	<u>10,357,841</u>	<u>10,357,841</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>\$ 60,722</u>	<u>\$ (17,833)</u>	<u>\$ (17,833)</u>	<u>\$ -</u>

**South Tech Charter Academy, Inc.**  
**Budgetary Comparison Schedule - Special Revenue Fund**  
**For the Year Ended June 30, 2017**

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>				
IDEA grant revenues	\$ 241,443	\$ 330,961	\$ 330,961	\$ -
Title I funds	317,107	472,595	472,595	-
Title II funds	17,250	25,000	25,000	-
Perkins grant	-	18,082	18,082	-
K-12 supportive grant	-	2,431	2,431	-
	<u>575,800</u>	<u>849,069</u>	<u>849,069</u>	<u>-</u>
<b>Total revenues</b>				
<b>Expenditures:</b>				
Instruction	405,610	622,493	622,493	-
Pupil personnel services	19,800	69,463	69,463	-
Instructional staff training	125,640	144,519	144,519	-
School administration	-	684	684	-
Fiscal services	-	150	150	-
Student transportation services	24,750	11,760	11,760	-
	<u>575,800</u>	<u>849,069</u>	<u>849,069</u>	<u>-</u>
<b>Total expenditures</b>				
Net change in fund balance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

**South Tech Charter Academy, Inc.  
Schedule of Proportionate Share of Net Pension Liability  
Florida Retirement System Pension Plan  
Last 10 Fiscal Years \*  
(Unaudited)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>
South Tech Charter Academy, Inc.'s proportion of the net pension liability	0.00974409%	0.00836097%	0.00834050%
South Tech Charter Academy, Inc.'s proportionate share of the net pension liability	\$ 594,532	\$ 1,136,874	\$ 2,105,972
South Tech Charter Academy, Inc.'s covered-employee payroll	\$ 5,345,522	\$ 5,236,574	\$ 5,704,323
South Tech Charter Academy, Inc.'s proportionate share of the net pension liability as a percentage of its covered-employee payroll	11.12%	21.71%	36.92%
Plan fiduciary net position as a percentage of total pension liability	96.09%	92.00%	84.88%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**South Tech Charter Academy, Inc.**  
**Schedule of Proportionate Share of Net Pension Liability**  
**Retiree Health Insurance Subsidy Program**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>
South Tech Charter Academy, Inc.'s proportion of the net pension liability	0.01633962%	0.01399307%	0.01554903%
South Tech Charter Academy, Inc.'s proportionate share of the net pension liability	\$ 1,527,795	\$ 1,573,434	\$ 1,812,164
South Tech Charter Academy, Inc.'s covered-employee payroll	\$ 5,345,522	\$ 5,236,574	\$ 5,704,323
South Tech Charter Academy, Inc.'s proportionate share of the net pension liability as a percentage of its covered-employee payroll	28.58%	30.05%	31.77%
Plan fiduciary net position as a percentage of total pension liability	0.99%	0.50%	0.97%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**South Tech Charter Academy, Inc.**  
**Schedule of Contributions**  
**Florida Retirement System Pension Plan**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Contractually required contribution	\$ 213,437	\$ 203,848	\$ 203,823
Contributions in related to the contractually required contribution	\$ <u>(213,437)</u>	\$ <u>(203,848)</u>	\$ <u>(203,823)</u>
Contribution deficiency (excess)	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>
South Tech Charter Academy, Inc.'s covered-employee payroll	\$ 5,345,522	\$ 5,236,574	\$ 5,704,323
Contributions as a percentage of covered payroll	3.99%	3.89%	3.57%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.



**South Tech Charter Academy, Inc.**  
**Schedule of Contributions**  
**Retiree Health Insurance Subsidy Program**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Contractually required contribution	\$ 55,974	\$ 53,490	\$ 79,698
Contributions in related to the contractually required contribution	\$ <u>(55,974)</u>	\$ <u>(53,490)</u>	\$ <u>(79,698)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
South Tech Charter Academy, Inc.'s covered-employee payroll	\$ 5,345,522	\$ 5,236,574	\$ 5,704,323
Contributions as a percentage of covered payroll	1.05%	1.02%	1.40%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**South Tech Charter Academy, Inc.  
Schedule of Investment Returns  
Florida Retirement System Pension Plan  
Last 10 Fiscal Years \*  
(Unaudited)**

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	<u>2014</u>	<u>2015</u>	<u>2016</u>
Annual money-weighted annual rate of return, net of investment expenses	17.57%	3.77%	0.57%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

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**South Tech Charter Academy, Inc.**  
**Schedule of Investment Returns**  
**Retiree Health Insurance Subsidy Program**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

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	<u>2014</u>	<u>2015</u>	<u>2016</u>
Annual money-weighted annual rate of return, net of investment expenses	17.57%	3.77%	0.57%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

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# COMPLIANCE SECTION

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

To the Board of Directors  
South Tech Charter Academy, Inc.  
Boynton Beach, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of South Tech Charter Academy, Inc. (the "School") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon dated (DATE).

#### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over financial reporting.

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

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

#### **Compliance and Other Matters**

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

**Purpose of this Report**

This purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
(DATE)

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors  
South Tech Charter Academy, Inc.  
Boynton Beach, Florida

**Report on Compliance for Each Major Federal Program**

We have audited South Tech Charter Academy, Inc.'s, (the "School") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2017. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the School's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

## Report on Internal Control Over Compliance

Management of the School is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
(DATE)



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

To the Board of Directors  
South Tech Charter Academy, Inc.  
Boynton Beach, Florida

### **Report on the Financial Statements**

We have audited the financial statements of South Tech Charter Academy, Inc. (the "School") as of and for the year ended June 30, 2017, and have issued our report thereon dated (DATE).

### **Auditor's Responsibility**

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

### **Other Reports and Schedules**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance and Schedule of Findings and Question Costs. Disclosures in those reports and schedule, which are dated (DATE), should be considered in conjunction with this management letter.

### **Prior Audit Findings**

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

### **Official Title**

Section 10.854(1)(e)5, Rules of the Auditor General, requires the name or official title of the entity. The official title of the entity is South Tech Charter Academy, Inc.

### **Financial Condition**

Section 10.854(1)(e)2., Rules of the Auditor General, requires that we the report the results of our determination as to whether or not the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

**Transparency**

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

**Other Matters**

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

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

**Purpose of this Letter**

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

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
(DATE)

South Tech Charter Academy, Inc.  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended June 30, 2017

<u>Federal Agency/Federal Program</u>	<u>CFDA Number</u>	<u>Contract/ Grant Number</u>	<u>Expenditures</u>	<u>Transfers to Subrecipients</u>
<b>Federal Agency Name:</b>				
Indirect Programs:				
U.S. Department of Education - Passed through Florida Department of Education -				
Title I Grants to Local Educational Agencies	84.010	S010A160009	\$ 472,595	\$ 177,842
Special Education Grants to States	84.027	H027A160024	330,961	73,322
Career and Technical Education - Basic Grants to States	84.048	50D-1617A-7CS01	18,082	-
Supporting Effective Instruction State Grant	84.367	S367A160009	<u>25,000</u>	<u>1,350</u>
Total U.S. Department of Education			<u>846,638</u>	<u>252,514</u>
Total expenditures of Federal awards			\$ <u><u>846,638</u></u>	\$ <u><u>252,514</u></u>

See Notes to Schedule of Expenditures of Federal Awards.

**Note 1 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of South Tech Charter Academy, Inc. (the "School") under programs of the federal government for the year ended June 30, 2017. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the School, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School.

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

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 3 - Contingency**

The grant revenue amounts received are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the School. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable Federal and state laws and other applicable regulations.

**Note 4 - Indirect Cost Rate**

The School did not elect to use the 10% de minimis indirect cost rate.

**Note 5 – Related Party**

As discussed in Note 7 of the financial statements, the School received grant funding of \$ 252,514 from the State of Florida Department of Education that was passed through to South Tech Preparatory Academy, which is a related party to the School.

**A. Summary of Auditor’s Results**

1. The auditor's report dated (DATE) expresses an unmodified opinion on the financial statements of South Tech Charter Academy, Inc.
2. No material weaknesses relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of South Tech Charter Academy, Inc. were disclosed during the audit.
4. No material weaknesses relating to the audit of the major federal programs are reported in the Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.
5. The auditor's report on compliance for the major Federal programs for South Tech Charter Academy, Inc. expresses an unmodified opinion.
6. There are no audit findings relative to the major Federal programs for South Tech Charter Academy, Inc. reported in Part C of this schedule.
7. The programs tested as major programs are as follows:

<u>Federal Award Program</u>	<u>CDFA Number</u>
Department of Education - Title I Grants to Local Educational Agencies	84.010

8. The threshold for distinguishing Type A and Type B programs was \$ 750,000.
9. South Tech Charter Academy, Inc. was not determined to be a low risk auditee.

**B. Findings – Financial Statement Audit**

No matters were reported.

**C. Findings and Questioned Costs – Major Federal Award Programs**

No matters were reported.

**D. Other Issues**

1. A separate management letter was not issued.
2. A summary schedule of prior audit findings is not required because there were no prior audit findings related to federal programs.
3. No corrective action plan is required because there were no findings reported under the Uniform Guidance.

**Board Meeting  
September 28, 2017**

**Governing Board of Directors  
SouthTech Charter Academy, Inc.**

**Agenda Item  
C-5**

**Motion:**

I recommend that the Board authorize the Superintendent to create a contracted position to assist the Superintendent in providing project management and coordination for the SouthTech Academy relocation to the Odyssey campus project.

**Summary Information:**

The SouthTech Academy relocation to the Odyssey campus will be a major project, involving facility renovations, construction and repurposing of current facilities. This project will involve complex management and coordination aspects, including logistics related to the move. These responsibilities will be in addition to what the Superintendent must contribute to maintain the overall system operations. An additional contracted employee with proven experience in coordinating and managing such projects will be needed to assist with day-to-day responsibilities. This position is necessary to ensure minimal delays and the optimum success of the project.

Attachments: None.

**Presented By:**

Jim Kidd, Superintendent

**Financial Impact:**

The initial financial impact for this item is anticipated at \$19,500 and will be brought back to the Board for any additional expense.

**SOUTHTECH PREPARATORY ACADEMY, INC.**  
**CONSENT AGENDA**  
**September 28, 2017**

**Old Business**

**None.**

**Administrative Items**

**PA-1** I recommend that the Board approve submitting the names of personnel eligible for the Best and Brightest Scholarship Program prior to the deadline on November 1, 2017.

**Personnel Items**

**None.**

**Financial Items**

**PC-1** I recommend that the Board approve and ratify the monthly Charter school bank account reconciliation for month ending July 31, 2017 as required by the Sponsor.

**PC-2** I recommend that the Board approve and ratify the Charter school monthly Disbursement Report for month ending July 31, 2017 as required by the Sponsor.

**PC-3** I recommend that the Board approve and ratify the monthly financial statements for month ending July 31, 2017 as required by the Sponsor.

**PC-4** I recommend that the Board approve the audited financial statements for the fiscal year end June 30, 2017.

**Emergency Items**

**None.**

**Motion:**

I recommend that the Board approve submitting the names of personnel eligible for the Best and Brightest Scholarship Program prior to the deadline on November 1, 2017.

**Summary Information:**

As per the Department of Charter Schools, School District of Palm Beach County, Governing Boards of charter schools are to forward to the Department of Charter Schools the following for teachers eligible for the Best and Brightest Scholarship prior to November 1, 2017 (nothing will be accepted after that date):

- Teacher name
- Teacher employee ID number
- Teacher certification number
- School name

The charter school's Governing Board is to keep on file the completed application form and all documentation of evidence that supports the teachers' eligibility for the scholarship.

The exact number of employees eligible for the scholarship is unknown at this time as all SAT scores have not been received. The scholarship is funded by the state and has no budgetary impact. Please see attached for more information.

Attachments: FLDOE Memorandum

**Presented By:**

Jim Kidd, Superintendent

**Financial Impact:**

There is no financial impact for this item.





Marva Johnson, *Chair*  
Andy Tuck, *Vice Chair*  
*Members*  
Gary Chartrand  
Ben Gibson  
Tom Grady  
Rebecca Fishman Lipsey  
Michael Olenick

**MEMORANDUM**

**To:** School District Superintendents

**From:** Hershel Lyons

**Date:** August 11, 2017

**Subject:** **Best and Brightest Teacher Scholarship Program for FY 2017-18**

**Contact Information:**

Bonita Hampton  
850-245-0435

[BestandBrightestScholarship@fldoe.org](mailto:BestandBrightestScholarship@fldoe.org)

DPS: 2017-82

The 2017 Legislature revised section 1012.731, Florida Statutes (F.S.), *The Florida Best and Brightest Teacher Scholarship Program*. The current statute is available at [http://www.leg.state.fl.us/statutes/index.cfm?mode=View%20Statutes&SubMenu=1&App\\_mode=Display\\_Statute&Search\\_String=1012.731&URL=1000-1099/1012/Sections/1012.731.html](http://www.leg.state.fl.us/statutes/index.cfm?mode=View%20Statutes&SubMenu=1&App_mode=Display_Statute&Search_String=1012.731&URL=1000-1099/1012/Sections/1012.731.html).

For 2017-2018, section 1012.731, F.S., continues to require that each district school board determine the eligibility of classroom teachers who qualify for the teacher scholarship. Each district school board should review the statute and make its own decision regarding eligibility questions.

**The Florida Best and Brightest Teacher Scholarship Program**

There are three scholarships available under this section for the 2017-2018 school year in the amount of \$6,000, \$1,200 and \$800. Each scholarship has its own eligibility requirements that districts must review and administer locally.

**Test Scores**

For information about the availability of test scores, districts should contact ACT and the College Board directly.

**Deadlines**

No later than November 1, 2017:

Pursuant to s. 1012.731(3), F.S., for the Florida Best and Brightest Teacher Scholarship Program, an eligible teacher must submit to the school district an official score report of his or her SAT or ACT score demonstrating that the teacher scored at or above the 80<sup>th</sup> percentile based on the percentile ranks in effect when the teacher took the assessment.

HERSHEL LYONS  
CHANCELLOR OF PUBLIC SCHOOLS

**Best and Brightest Teacher Scholarship Program for FY 2017-18**  
**August 11, 2017**  
**Page Two**

**By December 1, 2017, the school district must submit the following information for the Florida Best and Brightest Teacher Scholarship Program:**

- 1. The number of eligible classroom teachers who qualify for The Florida Best and Brightest Teacher Scholarship to the department. The department will provide additional reporting instructions to school districts and the Florida School for the Deaf and the Blind in fall 2017; and**
- 2. Name and master school identification number (MSID) of each district school to which eligible classroom teachers are assigned.**

**The department will provide instructions for how to submit the required information in the fall.**

**By February 1, 2018:**

**Based on the information provided by the school districts, the department will disburse scholarship funds to each school district for each eligible classroom teacher. Scholarship funds for eligible charter school teachers will be disbursed similar to other funds under s. 1002.33 (17).**

**By April 1, 2018:**

**Each school district will award the scholarship to each eligible classroom teacher.**

**Information regarding the Best and Brightest Principal Scholarship Program will be sent in the near future.**

**HL/em**

**Board Meeting  
September 28, 2017**

**Governing Board of Directors  
SouthTech Preparatory Academy, Inc.**

**Agenda Item  
PC-1**

**Motion:**

I recommend that the Board approve and ratify the monthly Charter school bank account reconciliation for month ending July 31, 2017 as required by the Sponsor.

**Summary Information:**

The Charter school is required to submit to the Sponsor district several financial documents on an ongoing basis. Monthly bank reconciliations are one such requirement.

The Charter school maintains several accounts in order to maximize the earnings potential of the funding provided while maintaining liquidity to meet day-to-day operations. Review of these accounts takes place on a daily basis by the Charter business staff. Monthly reconciliations are performed as good accounting practice and published here to fulfill Sponsor requirements.

Attachments: Reconciliation Spreadsheets and Bank Statements

**Presented By:**

Jim Kidd, Superintendent

**Financial Impact:**

There is no financial impact related to this item.

1:22 PM

08/14/17

**South Tech Prep**  
**Reconciliation Summary**  
**1111 - South Tech Prep 9852918542, Period Ending 07/31/2017**

	<u>Jul 31, 17</u>
<b>Beginning Balance</b>	<b>240,168.16</b>
<b>Cleared Transactions</b>	
Checks and Payments - 29 items	-166,101.04
Deposits and Credits - 3 items	284,070.83
<b>Total Cleared Transactions</b>	<u>117,969.79</u>
<b>Cleared Balance</b>	<u><b>358,137.95</b></u>
<b>Uncleared Transactions</b>	
Checks and Payments - 8 items	-7,305.19
<b>Total Uncleared Transactions</b>	<u>-7,305.19</u>
<b>Register Balance as of 07/31/2017</b>	<u><b>350,832.76</b></u>
<b>New Transactions</b>	
Checks and Payments - 25 items	-121,221.40
<b>Total New Transactions</b>	<u>-121,221.40</u>
<b>Ending Balance</b>	<u><u><b>229,611.36</b></u></u>

## South Tech Prep Reconciliation Detail

1111 · South Tech Prep 9852918542, Period Ending 07/31/2017

Type	Date	Num	Name	Clr	Amount	Balance
<b>Beginning Balance</b>						240,168.16
<b>Cleared Transactions</b>						
<b>Checks and Payments - 29 Items</b>						
Bill Pmt -Check	06/14/2017	4326	Handy, Nicole	X	-299.62	-299.62
Bill Pmt -Check	06/22/2017	4332	1325 Gateway, LLC	X	-34,617.00	-34,916.62
Bill Pmt -Check	06/22/2017	4334	Blue Cross/ Blue S...	X	-13,724.02	-48,640.64
Bill Pmt -Check	06/22/2017	4344	SPecial Markets Ins...	X	-1,688.50	-50,329.14
Bill Pmt -Check	06/22/2017	4339	GIS Benefits	X	-1,568.99	-51,898.13
Bill Pmt -Check	06/22/2017	4333	American Express-...	X	-1,206.64	-53,104.77
Bill Pmt -Check	06/22/2017	4336	Comcast	X	-441.86	-53,546.63
Bill Pmt -Check	06/22/2017	4335	Coast Professional ...	X	-359.08	-53,905.71
Bill Pmt -Check	06/22/2017	4343	Palm Beach County...	X	-150.00	-54,055.71
General Journal	07/15/2017	272	Payroll	X	-37,844.33	-91,900.04
General Journal	07/15/2017	272	Payroll	X	-11,078.24	-102,978.28
General Journal	07/15/2017	272	Payroll	X	-52.65	-103,030.93
Bill Pmt -Check	07/24/2017	4358	FPL	X	-4,057.54	-107,088.47
Bill Pmt -Check	07/24/2017	4348	2500 Quantum, LLC	X	-2,000.00	-109,088.47
Bill Pmt -Check	07/24/2017	4361	Jacks Electric	X	-1,088.00	-110,176.47
Bill Pmt -Check	07/24/2017	4365	NEELD Paper & Su...	X	-883.64	-111,060.11
Bill Pmt -Check	07/24/2017	4363	Maxis 360	X	-600.00	-111,660.11
Bill Pmt -Check	07/24/2017	4351	American Security ...	X	-354.00	-112,014.11
Bill Pmt -Check	07/24/2017	4359	Great American Fin...	X	-283.35	-112,297.46
Bill Pmt -Check	07/24/2017	4352	Armand	X	-250.00	-112,547.46
Bill Pmt -Check	07/24/2017	4368	Dex Imaging	X	-206.68	-112,754.14
Bill Pmt -Check	07/24/2017	4360	Handy, Nicole	X	-142.00	-112,896.14
Bill Pmt -Check	07/24/2017	4350	American Express-...	X	-139.67	-113,035.81
Bill Pmt -Check	07/24/2017	4356	ESRN Communicati...	X	-84.00	-113,119.81
Bill Pmt -Check	07/24/2017	4367	Sun Sentinel	X	-32.55	-113,152.36
General Journal	07/31/2017	273	Payroll	X	-40,570.83	-153,723.19
General Journal	07/31/2017	273	Payroll	X	-12,319.55	-166,042.74
General Journal	07/31/2017	273	Payroll	X	-52.65	-166,095.39
Check	07/31/2017			X	-5.65	-166,101.04
<b>Total Checks and Payments</b>					<b>-166,101.04</b>	<b>-166,101.04</b>
<b>Deposits and Credits - 3 Items</b>						
Deposit	07/10/2017			X	16,793.00	16,793.00
Deposit	07/10/2017			X	267,232.70	284,025.70
Deposit	07/31/2017			X	45.13	284,070.83
<b>Total Deposits and Credits</b>					<b>284,070.83</b>	<b>284,070.83</b>
<b>Total Cleared Transactions</b>					<b>117,969.79</b>	<b>117,969.79</b>
<b>Cleared Balance</b>					<b>117,969.79</b>	<b>358,137.95</b>
<b>Uncleared Transactions</b>						
<b>Checks and Payments - 8 Items</b>						
Bill Pmt -Check	12/22/2016	4114	Low Voltage Security		-150.00	-150.00
Bill Pmt -Check	07/24/2017	4349	A & S Transportatio...		-5,129.28	-5,279.28
Bill Pmt -Check	07/24/2017	4357	FL Consortium of P...		-500.00	-5,779.28
Bill Pmt -Check	07/24/2017	4354	City of Boynton Bea...		-455.47	-6,234.75
Bill Pmt -Check	07/24/2017	4362	Konica Minolta Busi...		-440.54	-6,675.29
Bill Pmt -Check	07/24/2017	4366	Pro Tech		-400.00	-7,075.29
Bill Pmt -Check	07/24/2017	4353	Charter School Ser...		-150.00	-7,225.29
Bill Pmt -Check	07/24/2017	4364	National Pro Video		-79.90	-7,305.19
<b>Total Checks and Payments</b>					<b>-7,305.19</b>	<b>-7,305.19</b>
<b>Total Uncleared Transactions</b>					<b>-7,305.19</b>	<b>-7,305.19</b>
<b>Register Balance as of 07/31/2017</b>					<b>110,664.60</b>	<b>350,832.76</b>

1:22 PM

08/14/17

## South Tech Prep Reconciliation Detail

1111 - South Tech Prep 9852918542, Period Ending 07/31/2017


Type	Date	Num	Name	Clr	Amount	Balance
<b>New Transactions</b>						
<b>Checks and Payments - 25 Items</b>						
Bill Pmt -Check	08/03/2017	4369	1325 Gateway, LLC		-50,241.00	-50,241.00
Bill Pmt -Check	08/03/2017	4374	FPL		-3,339.54	-53,580.54
Bill Pmt -Check	08/03/2017	4376	Jason H. Klein, CPA		-1,000.00	-54,580.54
Bill Pmt -Check	08/03/2017	4379	Spectrum Public Re...		-1,000.00	-55,580.54
Bill Pmt -Check	08/03/2017	4373	FL Consortium of P...		-500.00	-56,080.54
Bill Pmt -Check	08/03/2017	4377	Low Voltage Security		-337.50	-56,418.04
Bill Pmt -Check	08/03/2017	4375	Great American Fin...		-283.75	-56,701.79
Bill Pmt -Check	08/03/2017	4378	Maxis 360		-200.00	-56,901.79
Bill Pmt -Check	08/03/2017	4371	Charter School Ser...		-150.00	-57,051.79
Bill Pmt -Check	08/03/2017	4370	Armand		-125.00	-57,176.79
Bill Pmt -Check	08/03/2017	4380	Tax Collector, PBC		-99.00	-57,275.79
Bill Pmt -Check	08/03/2017	4372	ESRN Communicati...		-42.00	-57,317.79
Bill Pmt -Check	08/10/2017	4382	Blue Cross/ Blue S...		-13,206.01	-70,523.80
Bill Pmt -Check	08/10/2017	4388	Palm Beach County...		-2,684.00	-73,207.80
Bill Pmt -Check	08/10/2017	4385	GIS Benefits		-1,127.54	-74,335.34
Bill Pmt -Check	08/10/2017	4387	Konica Minolta Busi...		-429.58	-74,764.92
Bill Pmt -Check	08/10/2017	4392	GovConnection Inc		-417.63	-75,182.55
Bill Pmt -Check	08/10/2017	4384	Coast Professional ...		-359.08	-75,541.63
Bill Pmt -Check	08/10/2017	4383	Certification Partners...		-250.00	-75,791.63
Bill Pmt -Check	08/10/2017	4389	Palm Beach County...		-134.75	-75,926.38
Bill Pmt -Check	08/10/2017	4391	Total Compliance N...		-50.00	-75,976.38
Bill Pmt -Check	08/10/2017	4390	Sun Sentinel		-34.90	-76,011.28
General Journal	08/14/2017	275	Payroll		-34,613.33	-110,624.61
General Journal	08/14/2017	275	Payroll		-10,549.99	-121,174.60
General Journal	08/14/2017	275	Payroll		-46.80	-121,221.40
<b>Total Checks and Payments</b>					<b>-121,221.40</b>	<b>-121,221.40</b>
<b>Total New Transactions</b>					<b>-121,221.40</b>	<b>-121,221.40</b>
<b>Ending Balance</b>					<b>-10,556.80</b>	<b>229,611.36</b>


>001418 7784185 0001 008229 10Z  
 SOUTH TECH PREPARATORY ACADEMY, INC.  
 OPERATING  
 1300 SW 30TH AVENUE  
 BOYNTON BEACH FL 33426

**Statement Date: July 31, 2017**

Account Number: \*\*\*\*\*8542

**Customer Service Information**
 Client Care: 877-779-BANK (2265)

 Web Site: www.bankunited.com

 Bank Address: BankUnited  
 P.O. Box 521599  
 Miami, FL 33152-1599

**Customer Message Center**

REFER TO THE END OF THIS STATEMENT FOR AN IMPORTANT MESSAGE REGARDING  
 POSSIBLE TRANSACTION PROCESSING DELAYS.

**COMMUNITY INT BUSINESS CKG Account \*\*\*\*\*8542**
**Account Summary**

Statement Balance as of 06/30/2017			\$240,168.16
Plus	2	Deposits and Other Credits	\$284,025.70
Less	28	Withdrawals, Checks, and Other Debits	\$166,095.39
Less		Service Charge	\$5.65
Plus		Interest Paid	\$45.13
Statement Balance as of 07/31/2017			\$358,137.95

**Interest Summary**

Beginning Interest Rate	0.15%
Interest Paid this Statement Period	\$45.13
Interest Paid Year to Date	\$222.59

**Activity By Date**

Date	Description	Withdrawals	Deposits	Balance
07/03/2017	CHECK #4332	\$34,617.00		\$205,551.16
07/03/2017	CHECK #4333	\$1,206.64		\$204,344.52
07/03/2017	CHECK #4336	\$441.86		\$203,902.66

Statement Date: July 31, 2017

Account Number: \*\*\*\*\*8542

## Activity By Date

Date	Description	Withdrawals	Deposits	Balance
07/05/2017	CHECK #4335	\$359.08		\$203,543.58
07/05/2017	CHECK #4339	\$1,568.99		\$201,974.59
07/05/2017	CHECK #4343	\$150.00		\$201,824.59
07/07/2017	CHECK #4334	\$13,724.02		\$188,100.57
07/10/2017	PalmBeachSchools DIRECT PAY SOUTH TECH PREPARATORY		\$16,793.00	\$204,893.57
07/10/2017	PalmBeachSchools DIRECT PAY SOUTH TECH PREPARATORY		\$267,232.70	\$472,126.27
07/13/2017	5CDS13TN SOUTH T IMPOUND DD IMPOUND	\$37,844.33		\$434,281.94
07/13/2017	5CDS13TN SOUTH T IMPOUND BILLING IMPOUND	\$52.65		\$434,229.29
07/13/2017	5CDS13TN SOUTH T IMPOUND TAX IMPOUND	\$11,078.24		\$423,151.05
07/18/2017	CHECK #4344	\$1,688.50		\$421,462.55
07/24/2017	CHECK #4326	\$299.62		\$421,162.93
07/26/2017	CHECK #4365	\$883.64		\$420,279.29
07/27/2017	CHECK #4361	\$1,088.00		\$419,191.29
07/27/2017	5CDS13TN SOUTH T IMPOUND DD IMPOUND	\$40,570.83		\$378,620.46
07/27/2017	5CDS13TN SOUTH T IMPOUND BILLING IMPOUND	\$52.65		\$378,567.81
07/27/2017	5CDS13TN SOUTH T IMPOUND TAX IMPOUND	\$12,319.55		\$366,248.26
07/28/2017	CHECK #4348	\$2,000.00		\$364,248.26
07/28/2017	CHECK #4351	\$354.00		\$363,894.26
07/28/2017	CHECK #4352	\$250.00		\$363,644.26
07/28/2017	CHECK #4358	\$4,057.54		\$359,586.72
07/28/2017	CHECK #4368	\$206.68		\$359,380.04
07/31/2017	CHECK #4356	\$84.00		\$359,296.04
07/31/2017	CHECK #4350	\$139.67		\$359,156.37
07/31/2017	CHECK #4359	\$283.35		\$358,873.02
07/31/2017	CHECK #4360	\$142.00		\$358,731.02
07/31/2017	CHECK #4363	\$600.00		\$358,131.02
07/31/2017	CHECK #4367	\$32.55		\$358,098.47



Statement Date: July 31, 2017

Account Number: \*\*\*\*\*8542

**Activity By Date**

Date	Description	Withdrawals	Deposits	Balance
07/31/2017	Interest Paid		\$45.13	\$358,143.60
07/31/2017	Service Charge	\$5.65		\$358,137.95

**Check Transactions**

Check #	Date	Amount	Check #	Date	Amount	Check #	Date	Amount
4326	07/24	\$299.62	4344	07/18	\$1,688.50	4360	07/31	\$142.00
4332*	07/03	\$34,617.00	4348*	07/28	\$2,000.00	4361	07/27	\$1,088.00
4333	07/03	\$1,206.64	4350*	07/31	\$139.67	4363*	07/31	\$600.00
4334	07/07	\$13,724.02	4351	07/28	\$354.00	4365*	07/26	\$883.64
4335	07/05	\$359.08	4352	07/28	\$250.00	4367*	07/31	\$32.55
4336	07/03	\$441.86	4356*	07/31	\$84.00	4368	07/28	\$206.68
4339*	07/05	\$1,568.99	4358*	07/28	\$4,057.54			
4343*	07/05	\$150.00	4359	07/31	\$283.35			

Items denoted with an "\*" indicate processed checks out of sequence.

**Rates by Date**

Date	Rate
06/30	0.15%

**Balances by Date**

Date	Balance	Date	Balance	Date	Balance	Date	Balance
06/30	\$240,168.16	07/07	\$188,100.57	07/18	\$421,462.55	07/27	\$366,248.26
07/03	\$203,902.66	07/10	\$472,126.27	07/24	\$421,162.93	07/28	\$359,380.04
07/05	\$201,824.59	07/13	\$423,151.05	07/26	\$420,279.29	07/31	\$358,137.95

**Other Balances**

Minimum Balance this Statement Period	\$188,100.57
---------------------------------------	--------------

Statement Date: July 31, 2017

Account Number: \*\*\*\*\*8542



During this statement cycle we experienced some transaction processing delays which may have resulted in transactions posting to your account one business day later than when originally presented. Be advised that we have taken steps to assure that this delay did not negatively affect your account, including the crediting of any applicable accrued interest. Should you have any questions, please contact our Client Care Center at 1-877-779-2265.



**Statement Date: July 31, 2017**

Account Number: \*\*\*\*\*8542

**If your account does not balance please check the following carefully:**

- Have you entered the amount of each check in your checkbook register?
- Are the amounts of your deposits and other additions entered in your checkbook register the same as those on this statement?
- Have you checked all additions and subtractions in your checkbook register?
- Have you carried the correct balance forward when starting a new page in your checkbook register?

**IN CASE OF QUESTIONS OR ERRORS ABOUT YOUR STATEMENT:  
PLEASE CALL (TOLL FREE) 1-877-779-BANK (2265) OR WRITE US AT:**

BankUnited Operations / EFT Error  
7815 NW 148th ST, Miami Lakes, FL 33016

**For Consumer Customers Only**

Please contact us if you think your statement is wrong or if you need additional information about a transaction. We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared.

1. Tell us your name and account number.
2. Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe there is an error or why you need further information.
3. Tell us the dollar amount of the suspected error.

You may be required to put your request in writing. We will investigate your complaint and will correct any error promptly.

**For Electronic Funds Transfers**, if we take more than 10 business days to investigate and correct the error, (20 business days if you are a new customer for electronic funds transfers occurring during the first 30 days after the first deposit is made to your account), we will recredit your consumer account for the amount you think is in error (plus interest if your account earns interest), so that you will have the use of the money during the time it takes us to complete our investigation.

**For Substitute Checks**, if we take more than 10 business days to investigate and correct the error, we will recredit your consumer account for the amount of loss up to the lesser of \$2,500.00 (plus interest if your account earns interest) or the amount of the substitute check. If your account is new (30 days from the date your account was established), has been subject to repeated overdrafts, or we believe the claim is fraudulent, we may delay the availability of recredited funds until we determine the claim is valid or until the 45th day after the claim was submitted.

**Member  
FDIC**

1:45 PM

08/14/17

**South Tech Prep**  
**Reconciliation Summary**  
**1112 · South Tech Internal 8666, Period Ending 07/31/2017**

	<u>Jul 31, 17</u>
<b>Beginning Balance</b>	54,219.68
<b>Cleared Transactions</b>	
Checks and Payments - 5 items	-7,698.34
Deposits and Credits - 5 items	11,333.33
<b>Total Cleared Transactions</b>	<u>3,634.99</u>
<b>Cleared Balance</b>	<u>57,854.67</u>
<b>Uncleared Transactions</b>	
Checks and Payments - 2 items	-91.88
<b>Total Uncleared Transactions</b>	<u>-91.88</u>
<b>Register Balance as of 07/31/2017</b>	<u>57,762.79</u>
<b>New Transactions</b>	
Checks and Payments - 2 items	-2,869.75
Deposits and Credits - 4 items	10,770.93
<b>Total New Transactions</b>	<u>7,901.18</u>
<b>Ending Balance</b>	<u>65,663.97</u>

**South Tech Prep**  
**Reconciliation Detail**  
**1112 - South Tech Internal 8666, Period Ending 07/31/2017**

Type	Date	Num	Name	Clr	Amount	Balance
<b>Beginning Balance</b>						54,219.68
<b>Cleared Transactions</b>						
<b>Checks and Payments - 5 Items</b>						
Bill Pmt -Check	06/22/2017	200187	EmbroidMe	X	-7,200.00	-7,200.00
Bill Pmt -Check	06/22/2017	200186	American Express-...	X	-343.34	-7,543.34
Bill Pmt -Check	07/24/2017	200188	American Express-...	X	-33.90	-7,577.24
General Journal	07/31/2017	276		X	-120.00	-7,697.24
Check	07/31/2017			X	-1.10	-7,698.34
<b>Total Checks and Payments</b>					<b>-7,698.34</b>	<b>-7,698.34</b>
<b>Deposits and Credits - 5 Items</b>						
Deposit	07/19/2017			X	3,962.00	3,962.00
Deposit	07/24/2017			X	34.50	3,996.50
Deposit	07/25/2017			X	3,112.00	7,108.50
Deposit	07/27/2017			X	4,218.00	11,326.50
Deposit	07/31/2017			X	6.83	11,333.33
<b>Total Deposits and Credits</b>					<b>11,333.33</b>	<b>11,333.33</b>
<b>Total Cleared Transactions</b>					<b>3,634.99</b>	<b>3,634.99</b>
<b>Cleared Balance</b>					<b>3,634.99</b>	<b>57,854.67</b>
<b>Uncleared Transactions</b>						
<b>Checks and Payments - 2 Items</b>						
Bill Pmt -Check	05/26/2017	200171	Dough Jo's Bakery		-75.00	-75.00
Bill Pmt -Check	06/08/2017	200184	Remy, Louie		-16.88	-91.88
<b>Total Checks and Payments</b>					<b>-91.88</b>	<b>-91.88</b>
<b>Total Uncleared Transactions</b>					<b>-91.88</b>	<b>-91.88</b>
<b>Register Balance as of 07/31/2017</b>					<b>3,543.11</b>	<b>57,762.79</b>
<b>New Transactions</b>						
<b>Checks and Payments - 2 Items</b>						
Bill Pmt -Check	08/03/2017	200189	EmbroidMe		-2,763.75	-2,763.75
General Journal	08/07/2017	277			-106.00	-2,869.75
<b>Total Checks and Payments</b>					<b>-2,869.75</b>	<b>-2,869.75</b>
<b>Deposits and Credits - 4 Items</b>						
Deposit	08/01/2017				3,702.00	3,702.00
Deposit	08/02/2017				1,814.93	5,516.93
Deposit	08/03/2017				3,084.00	8,600.93
Deposit	08/07/2017				2,170.00	10,770.93
<b>Total Deposits and Credits</b>					<b>10,770.93</b>	<b>10,770.93</b>
<b>Total New Transactions</b>					<b>7,901.18</b>	<b>7,901.18</b>
<b>Ending Balance</b>					<b>11,444.29</b>	<b>65,663.97</b>

P.O. Box 521599 Miami, FL 33152-1599

>001016 7784185 0001 008229 10Z  
 SOUTH TECH PREPARATORY ACADEMY, INC.  
 INTERNAL  
 1300 SW 30TH AVENUE  
 BOYNTON BEACH FL 33426



**Customer Message Center**


REFER TO THE END OF THIS STATEMENT FOR AN IMPORTANT MESSAGE REGARDING POSSIBLE TRANSACTION PROCESSING DELAYS.

**Statement Date: July 31, 2017**  
 Account Number: \*\*\*\*\*8666

**Customer Service Information**

 Client Care: 877-779-BANK (2265)

 Web Site: www.bankunited.com

 Bank Address: BankUnited  
 P.O. Box 521599  
 Miami, FL 33152-1599

**COMMUNITY INT BUSINESS CKG Account \*\*\*\*\*8666**

**Account Summary**

Statement Balance as of 06/30/2017		\$54,219.68
Plus	4 Deposits and Other Credits	\$11,326.50
Less	5 Withdrawals, Checks, and Other Debits	\$7,697.24
Less	Service Charge	\$1.10
Plus	Interest Paid	\$6.83
Statement Balance as of 07/31/2017		\$57,854.67

**Interest Summary**

Beginning Interest Rate	0.15%
Interest Paid this Statement Period	\$6.83
Interest Paid Year to Date	\$54.16

**Activity By Date**

Date	Description	Withdrawals	Deposits	Balance
07/03/2017	CHECK #200186	\$343.34		\$53,876.34
07/18/2017	CHECK #200187	\$7,200.00		\$46,676.34
07/19/2017	Customer Deposit		\$3,962.00	\$50,638.34

Statement Date: July 31, 2017

Account Number: \*\*\*\*\*8666

**Activity By Date**

Date	Description	Withdrawals	Deposits	Balance
07/24/2017	Customer Deposit		\$34.50	\$50,672.84
07/25/2017	Customer Deposit		\$3,112.00	\$53,784.84
07/27/2017	Customer Deposit		\$4,218.00	\$58,002.84
07/31/2017	CHARGEBACK ITEM	\$110.00		\$57,892.84
07/31/2017	CHARGEBACK FEE	\$10.00		\$57,882.84
07/31/2017	CHECK #200188	\$33.90		\$57,848.94
07/31/2017	Interest Paid		\$6.83	\$57,855.77
07/31/2017	Service Charge	\$1.10		\$57,854.67

**Check Transactions**

Check #	Date	Amount	Check #	Date	Amount	Check #	Date	Amount
200186	07/03	\$343.34	200187	07/18	\$7,200.00	200188	07/31	\$33.90

Items denoted with an "\*" indicate processed checks out of sequence.

**Rates by Date**

Date	Rate
06/30	0.15%

**Balances by Date**

Date	Balance	Date	Balance	Date	Balance	Date	Balance
06/30	\$54,219.68	07/18	\$46,676.34	07/24	\$50,672.84	07/27	\$58,002.84
07/03	\$53,876.34	07/19	\$50,638.34	07/25	\$53,784.84	07/31	\$57,854.67

**Other Balances**

Minimum Balance this Statement Period	\$46,676.34
---------------------------------------	-------------

**Statement Date: July 31, 2017**

Account Number: \*\*\*\*\*8666



During this statement cycle we experienced some transaction processing delays which may have resulted in transactions posting to your account one business day later than when originally presented. Be advised that we have taken steps to assure that this delay did not negatively affect your account, including the crediting of any applicable accrued interest. Should you have any questions, please contact our Client Care Center at 1-877-779-2265.



Statement Date: July 31, 2017

Account Number: \*\*\*\*\*8666

**If your account does not balance please check the following carefully:**

Have you entered the amount of each check in your checkbook register?

Are the amounts of your deposits and other additions entered in your checkbook register the same as those on this statement?

Have you checked all additions and subtractions in your checkbook register?

Have you carried the correct balance forward when starting a new page in your checkbook register?

**IN CASE OF QUESTIONS OR ERRORS ABOUT YOUR STATEMENT:  
PLEASE CALL (TOLL FREE) 1-877-779-BANK (2265) OR WRITE US AT:**

BankUnited Operations / EFT Error  
7815 NW 148th ST, Miami Lakes, FL 33016

**For Consumer Customers Only**

Please contact us if you think your statement is wrong or if you need additional information about a transaction. We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared.

1. Tell us your name and account number.
2. Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe there is an error or why you need further information.
3. Tell us the dollar amount of the suspected error.

You may be required to put your request in writing. We will investigate your complaint and will correct any error promptly.

**For Electronic Funds Transfers**, if we take more than 10 business days to investigate and correct the error, (20 business days if you are a new customer for electronic funds transfers occurring during the first 30 days after the first deposit is made to your account), we will recredit your consumer account for the amount you think is in error (plus interest if your account earns interest), so that you will have the use of the money during the time it takes us to complete our investigation.

**For Substitute Checks**, if we take more than 10 business days to investigate and correct the error, we will recredit your consumer account for the amount of loss up to the lesser of \$2,500.00 (plus interest if your account earns interest) or the amount of the substitute check. If your account is new (30 days from the date your account was established), has been subject to repeated overdrafts, or we believe the claim is fraudulent, we may delay the availability of recredited funds until we determine the claim is valid or until the 45th day after the claim was submitted.



Member  
**FDIC**

1:18 PM

08/14/17

**South Tech Prep**  
**Reconciliation Summary**  
**1113 - ST Prep MM 8690, Period Ending 07/31/2017**

	<u>Jul 31, 17</u>
<b>Beginning Balance</b>	192,047.26
<b>Cleared Transactions</b>	
<b>Deposits and Credits - 1 Item</b>	<u>57.09</u>
<b>Total Cleared Transactions</b>	<u>57.09</u>
<b>Cleared Balance</b>	<u>192,104.35</u>
<b>Register Balance as of 07/31/2017</b>	<u>192,104.35</u>
<b>Ending Balance</b>	192,104.35

1:19 PM

08/14/17

**South Tech Prep**  
**Reconciliation Detail**  
1113 · ST Prep MM 8690, Period Ending 07/31/2017

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Clr</u>	<u>Amount</u>	<u>Balance</u>
<b>Beginning Balance</b>						<b>192,047.26</b>
<b>Cleared Transactions</b>						
<b>Deposits and Credits - 1 Item</b>						
Deposit	07/31/2017			X	57.09	57.09
<b>Total Deposits and Credits</b>					<u>57.09</u>	<u>57.09</u>
<b>Total Cleared Transactions</b>					<u>57.09</u>	<u>57.09</u>
<b>Cleared Balance</b>					<u>57.09</u>	<u>192,104.35</u>
<b>Register Balance as of 07/31/2017</b>					<u>57.09</u>	<u>192,104.35</u>
<b>Ending Balance</b>					<u><u>57.09</u></u>	<u><u>192,104.35</u></u>

P.O. Box 521599 Miami, FL 33152-1599

>003708 7781799 0001 008229 10Z  
 SOUTH TECH PREPARATORY ACADEMY, INC.  
 MONEY MARKET  
 1300 SW 30TH AVENUE  
 BOYNTON BEACH FL 33426



**Statement Date: July 31, 2017**  
 Account Number: \*\*\*\*\*8690

**Customer Service Information**

 Client Care: 877-779-BANK (2265)

 Web Site: www.bankunited.com

 Bank Address: BankUnited  
 P.O. Box 521599  
 Miami, FL 33152-1599



**Customer Message Center**

REFER TO THE END OF THIS STATEMENT FOR AN IMPORTANT MESSAGE REGARDING POSSIBLE TRANSACTION PROCESSING DELAYS.

**BUSINESS MONEY MARKET Account \*\*\*\*\*8690**

**Account Summary**

Statement Balance as of 06/30/2017		\$192,047.26
Plus	0 Deposits and Other Credits	\$0.00
Less	0 Withdrawals, Checks, and Other Debits	\$0.00
Less	Service Charge	\$0.00
Plus	Interest Paid	\$57.09
Statement Balance as of 07/31/2017		\$192,104.35

**Interest Summary**

Beginning Interest Rate	0.35%
Interest Paid this Statement Period	\$57.09
Interest Paid Year to Date	\$390.07

**Activity By Date**

Date	Description	Withdrawals	Deposits	Balance
07/31/2017	Interest Paid		\$57.09	\$192,104.35

**Rates By Date**

Date	Rate
06/30	0.35%

Statement Date: July 31, 2017

Account Number: \*\*\*\*\*8690

**Balances by Date**

Date	Balance	Date	Balance
06/30	\$192,047.26	07/31	\$192,104.35

**Other Balances**

Minimum Balance this Statement Period	\$192,047.26
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During this statement cycle we experienced some transaction processing delays which may have resulted in transactions posting to your account one business day later than when originally presented. Be advised that we have taken steps to assure that this delay did not negatively affect your account, including the crediting of any applicable accrued interest. Should you have any questions, please contact our Client Care Center at 1-877-779-2265.

**Statement Date: July 31, 2017**

Account Number: \*\*\*\*\*8690

**If your account does not balance please check the following carefully:**

Have you entered the amount of each check in your checkbook register?

Are the amounts of your deposits and other additions entered in your checkbook register the same as those on this statement?

Have you checked all additions and subtractions in your checkbook register?

Have you carried the correct balance forward when starting a new page in your checkbook register?

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7815 NW 148th ST, Miami Lakes, FL 33016**For Consumer Customers Only**

Please contact us if you think your statement is wrong or if you need additional information about a transaction. We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared.

1. Tell us your name and account number.
2. Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe there is an error or why you need further information.
3. Tell us the dollar amount of the suspected error.

You may be required to put your request in writing. We will investigate your complaint and will correct any error promptly.

**For Electronic Funds Transfers**, if we take more than 10 business days to investigate and correct the error, (20 business days if you are a new customer for electronic funds transfers occurring during the first 30 days after the first deposit is made to your account), we will recredit your consumer account for the amount you think is in error (plus interest if your account earns interest), so that you will have the use of the money during the time it takes us to complete our investigation.

**For Substitute Checks**, if we take more than 10 business days to investigate and correct the error, we will recredit your consumer account for the amount of loss up to the lesser of \$2,500.00 (plus interest if your account earns interest) or the amount of the substitute check. If your account is new (30 days from the date your account was established), has been subject to repeated overdrafts, or we believe the claim is fraudulent, we may delay the availability of recredited funds until we determine the claim is valid or until the 45th day after the claim was submitted.



1:17 PM

08/14/17

**South Tech Charter Academy, Inc**  
**Reconciliation Summary**  
**1113 · Money Market Account 2981, Period Ending 07/31/2017**

	<u>Jul 31, 17</u>
<b>Beginning Balance</b>	1,064,233.18
<b>Cleared Transactions</b>	
<b>Deposits and Credits - 1 Item</b>	<u>360.64</u>
<b>Total Cleared Transactions</b>	<u>360.64</u>
<b>Cleared Balance</b>	<u>1,064,593.82</u>
<b>Register Balance as of 07/31/2017</b>	<u>1,064,593.82</u>
<b>Ending Balance</b>	1,064,593.82

1:17 PM  
08/14/17

**South Tech Charter Academy, Inc**  
**Reconciliation Detail**  
**1113 - Money Market Account 2981, Period Ending 07/31/2017**

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Clr</u>	<u>Amount</u>	<u>Balance</u>
<b>Beginning Balance</b>						<b>1,064,233.18</b>
<b>Cleared Transactions</b>						
<b>Deposits and Credits - 1 Item</b>						
Deposit	07/31/2017			X	360.64	360.64
<b>Total Deposits and Credits</b>					<b>360.64</b>	<b>360.64</b>
<b>Total Cleared Transactions</b>					<b>360.64</b>	<b>360.64</b>
<b>Cleared Balance</b>					<b>360.64</b>	<b>1,064,593.82</b>
<b>Register Balance as of 07/31/2017</b>					<b>360.64</b>	<b>1,064,593.82</b>
<b>Ending Balance</b>					<b>360.64</b>	<b>1,064,593.82</b>



P.O. Box 521599 Miami, FL 33152-1599





>004429 7781782 0001 008229 10Z  
 SOUTH TECH CHARTER ACADEMY INC  
 1300 SW 30TH AVE  
 BOYNTON BEACH FL 33426-9018


**Statement Date: July 31, 2017**

Account Number: \*\*\*\*\*2981

**Customer Service Information**

 Client Care: 877-779-BANK (2265)

 Web Site: www.bankunited.com

 Bank Address: BankUnited  
 P.O. Box 521599  
 Miami, FL 33152-1599

**Customer Message Center**



REFER TO THE END OF THIS STATEMENT FOR AN IMPORTANT MESSAGE REGARDING POSSIBLE TRANSACTION PROCESSING DELAYS.

**PUBLIC FUNDS MONEY MARKET Account \*\*\*\*\*2981**

**Account Summary**

Statement Balance as of 06/30/2017		\$1,064,233.18
Plus	0 Deposits and Other Credits	\$0.00
Less	0 Withdrawals, Checks, and Other Debits	\$0.00
Less	Service Charge	\$0.00
Plus	Interest Paid	\$360.64
Statement Balance as of 07/31/2017		\$1,064,593.82

**Interest Summary**

Beginning Interest Rate	0.40%
Interest Period Days	31
Interest Annual Percentage Yield Earned this Statement Period (APYE)	0.40%
Interest Paid this Statement Period	\$360.64
Interest Paid Year to Date	\$2,463.90

**Activity By Date**

<i>Date</i>	<i>Description</i>	<i>Withdrawals</i>	<i>Deposits</i>	<i>Balance</i>
07/31/2017	Interest Paid		\$360.64	\$1,064,593.82

Statement Date: July 31, 2017

Account Number: \*\*\*\*\*2981

**Rates By Date**

Date	Rate
06/30	0.40%

**Balances by Date**

Date	Balance	Date	Balance
06/30	\$1,064,233.18	07/31	\$1,064,593.82

**Other Balances**

Minimum Balance this Statement Period

\$1,064,233.18



During this statement cycle we experienced some transaction processing delays which may have resulted in transactions posting to your account one business day later than when originally presented. Be advised that we have taken steps to assure that this delay did not negatively affect your account, including the crediting of any applicable accrued interest. Should you have any questions, please contact our Client Care Center at 1-877-779-2265.

Statement Date: July 31, 2017

Account Number: \*\*\*\*\*2981

**If your account does not balance please check the following carefully:**

- Have you entered the amount of each check in your checkbook register?
- Are the amounts of your deposits and other additions entered in your checkbook register the same as those on this statement?
- Have you checked all additions and subtractions in your checkbook register?
- Have you carried the correct balance forward when starting a new page in your checkbook register?

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BankUnited Operations / EFT Error  
7815 NW 148th ST, Miami Lakes, FL 33016

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2. Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe there is an error or why you need further information.
3. Tell us the dollar amount of the suspected error.

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If your account does not in issue please check the following conditions:

1. Have you checked all address and signature on your checks register?

2. Have you checked all address and signature on other address entered in your checks register or other address entered in your checks register?

3. Have you checked all address and signature on other address entered in your checks register or other address entered in your checks register?

PLEASE CALL (TOLL FREE) 1-877-BANK1234 OR WRITE TO US AT: BankUnited, Department 123456, 12345 Main Street, Miami, FL 33101



**BankUnited**

We appreciate your business.



**Board Meeting  
September 28, 2017**

**Governing Board of Directors  
SouthTech Preparatory Academy, Inc.**

**Agenda Item  
PC-2**

**Motion:**

I recommend that the Board approve and ratify the Charter school monthly Disbursement Reports for the month ending July 31, 2017 as required by the Sponsor.

**Summary Information:**

The Charter school is required to provide several financial documents on an ongoing basis. Monthly records of disbursements are a requirement that must be provided by the President to the Board.

The Charter school maintains several accounts in order to maximize the earnings potential of the funding. Each school account is listed separately along with a disbursement record of activity. Disbursements are made by warrant, wire transfer, account transfer and use of direct debit card. Processing of disbursements takes place on a daily basis by the Charter business staff. All disbursements are reviewed and approved by the President. All warrants have two signatories.

Attachments: Disbursement Report

**Presented By:**

Jim Kidd, Superintendent

**Financial Impact:**

There is no financial impact related to this item.

7:11 AM  
08/09/17  
Accrual Basis

# South Tech Prep Account QuickReport As of July 31, 2017

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
<b>1111 · South Tech Prep 9852918542</b>			
07/31/2017	243	Payroll	-40,570.83
07/15/2017	272	Payroll	-37,844.33
07/31/2017	243	Payroll	-12,319.55
07/15/2017	272	Payroll	-11,078.24
07/24/2017	4349	A & S Transportation Inc	-5,129.28
07/24/2017	4358	FPL	-4,057.54
07/24/2017	4348	2500 Quantum, LLC	-2,000.00
07/24/2017	4361	Jacks Electric	-1,088.00
07/24/2017	4365	NEELD Paper & Supplies	-883.64
07/24/2017	4363	Maxis 360	-600.00
07/24/2017	4357	FL Consortium of Public Char...	-500.00
07/24/2017	4354	City of Boynton Beach Utilitie...	-455.47
07/24/2017	4362	Konica Minolta Business Solu...	-440.54
07/24/2017	4366	Pro Tech	-400.00
07/24/2017	4351	American Security & Fire Alar...	-354.00
07/24/2017	4359	Great American Financial Ser...	-283.35
07/24/2017	4352	Armand	-250.00
07/24/2017	4368	Dex Imaging	-206.68
07/24/2017	4353	Charter School Services Corp	-150.00
07/24/2017	4360	Handy, Nicole	-142.00
07/24/2017	4350	American Express-91010	-139.67
07/24/2017	4356	ESRN Communications LLC	-84.00
07/24/2017	4364	National Pro Video	-79.90
07/15/2017	272	Payroll	-52.65
07/31/2017	243	Payroll	-52.65
07/24/2017	4367	Sun Sentinel	-32.55
Total 1111 · South Tech Prep 9852918542			-119,194.87
<b>1112 · South Tech Internal 8666</b>			
07/24/2017	200188	American Express-91010	-33.90
Total 1112 · South Tech Internal 8666			-33.90
<b>TOTAL</b>			<b>-119,228.77</b>

**Board Meeting  
September 28, 2017**

**Governing Board of Directors  
SouthTech Preparatory Academy, Inc.**

**Agenda Item  
PC-3**

**Motion:**

I recommend that the Board approve and ratify the monthly financial statements for month ending July 31, 2017 as required by the Sponsor.

**Summary Information:**

The State statutes and the Palm Beach County School District require charter schools to provide financial statements on a monthly basis in the format that School Districts are required to follow. This format is prescribed by the Governmental Accounting Standards Board (GASB).

The monthly statements include:

1. Statement of Revenues, Expenditures and Changes in Fund Balance Budget to Actual
2. The combined Statement of Revenues, Expenditures and Changes in Fund Balance
3. A Combined Balance Sheet – All Fund Types

Quarterly, a Statement of Net Assets is also required. This is provided in March, June, September and December.

Attachments: Monthly Financial Statements

**Presented By:**

Jim Kidd, Superintendent

**Financial Impact:**

There is no financial impact for this item.

**Governmental Accounting Standards Board (GASB) Monthly Financial Form**  
**South Tech Prep Academy with MSID Number 3441**  
**Palm Beach County, Florida**  
**Balance Sheet (Unaudited)**  
**July 31, 2017**

	<u>Accounts</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash and cash equivalents	1110	\$ 600,700	\$ -	\$ -	\$ -	\$ 600,700
Investments	1160	-				-
Grant receivables	1130					-
Other current assets	12XX	157,750				157,750
Deposits	1210					-
Due from other funds	1140					-
Other long-term assets	1400	33,898				33,898
<b>Total Assets</b>		<u>\$ 792,348</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 792,348</u>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>Liabilities</b>						
Accounts payable	2120	\$ 49,420	\$ -	\$ -	\$ -	\$ 49,420
Salaries, benefits, and payroll taxes payable	2110, 2170, 2330	31,942				31,942
Deferred revenue	2410					-
Notes/bonds payable	2180, 2250, 2310, 2320					-
Lease payable	2315					-
Other liabilities	21XX, 22XX, 23XX	22,763				22,763
<b>Total Liabilities</b>		<u>104,125</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>104,125</u>
<b>Fund Balance</b>						
Nonspendable	2710	134,987				134,987
Restricted	2720					-
Committed	2730					-
Assigned	2740	33,898				33,898
Unassigned	2750	519,338				519,338
<b>Total Fund Balance</b>		<u>688,223</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>688,223</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>		<u>\$ 792,348</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 792,348</u>



**South Tech Prep Academy with MSID Number (3441)**  
**Palm Beach County, Florida**  
**Statement of Revenue, Expenditures, and Changes in Fund Balance (Unaudited)**  
**For the Month Ended July 31, 2017 and For the Year Ending June 30, 2018**

	FTE Projected								
	FTE Actual								
		535	98% Percent of Projected						
		General Fund				Special Revenue			
Account Number	Month/ Quarter	Actual	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget	Month/ Quarter	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget
<b>Revenues</b>									
<b>FEDERAL SOURCES</b>									
Federal direct	3100	\$ -	\$ -	\$ -	%	\$ -	\$ -	-	%
Federal through state and local	3200							280,600	0%
<b>STATE SOURCES</b>									
FEFP	3310	236,013	236,013	2,880,106	8%				
Capital outlay	3397	38,205	38,205	428,000	9%				
Class size reduction	3355	16,793	16,793	458,465	4%				
School recognition	3361								
Other state revenue	33XX			10,250	0%				
<b>LOCAL SOURCES</b>									
Interest	3430	109	109	1,100	10%				
Local capital improvement tax	3413								
Other local revenue	34XX	11,207	11,207	73,000	15%				
<b>Total Revenues</b>		<b>302,327</b>	<b>302,327</b>	<b>3,850,921</b>	<b>8%</b>	<b>-</b>	<b>-</b>	<b>280,600</b>	<b>0%</b>
<b>Expenditures</b>									
<b>Current Expenditures</b>									
Instruction	5000	86,922	86,922	1,747,934	5%	13,225	13,225	182,260	7%
Instructional support services	6000	4,052	4,052	192,134	2%	4,000	4,000	98,340	4%
Board	7100	4,540	4,540	36,804	12%				
General administration	7200	12,733	12,733	157,051	8%				
School administration	7300	44,021	44,021	470,996	9%				
Facilities and acquisition	7400								
Fiscal services	7500	5,137	5,137	66,620	8%				
Food services	7600								
Central services	7700	5,406	5,406	61,171	9%				
Pupil transportation services	7800			400,000	0%				
Operation of plant	7900	99,244	99,244	557,200	18%				
Maintenance of plant	8100	3,283	3,283	30,865	11%				
Administrative technology services	8200	3,882	3,882	47,365	8%				
Community services	9100			68,000	0%				
Debt service	9200								
<b>Total Expenditures</b>		<b>269,220</b>	<b>269,220</b>	<b>3,836,140</b>	<b>7%</b>	<b>17,225</b>	<b>17,225</b>	<b>280,600</b>	<b>6%</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		<b>33,107</b>	<b>33,107</b>	<b>14,781</b>	<b>224%</b>	<b>(17,225)</b>	<b>(17,225)</b>	<b>-</b>	
<b>Other Financing Sources (Uses)</b>									
Transfers in	3600								
Transfers out	9700	(17,225)	(17,225)			17,225	17,225		
<b>Total Other Financing Sources (Uses)</b>		<b>(17,225)</b>	<b>(17,225)</b>	<b>-</b>		<b>17,225</b>	<b>17,225</b>	<b>-</b>	
<b>Net Change in Fund Balances</b>		<b>15,882</b>	<b>15,882</b>	<b>14,781</b>	<b>107%</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Fund balances, beginning		672,341	672,341	672,341	100%				
Adjustments to beginning fund balance									
<b>Fund Balances, Beginning as Restated</b>		<b>672,341</b>	<b>672,341</b>	<b>672,341</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Fund Balances, Ending</b>		<b>\$ 688,223</b>	<b>\$ 688,223</b>	<b>687,122</b>	<b>100%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>%</b>

Debt Service				Capital Outlay				Total Governmental Funds			
Month/ Quarter	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget	Month/ Quarter	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget	Month/ Quarter	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget
\$ -	\$ -	\$ -	%	\$ -	\$ -	\$ -	%	-	-	-	%
								-	-	280,600	0%
								236,013	236,013	2,880,106	8%
								38,205	38,205	428,000	9%
								16,793	16,793	458,465	4%
								-	-	-	
								-	-	10,250	0%
								109	109	1,100	10%
								-	-	-	
								11,207	11,207	73,000	15%
								302,327	302,327	4,131,521	7%
								100,147	100,147	1,930,194	5%
								8,052	8,052	290,474	3%
								4,540	4,540	36,804	12%
								12,733	12,733	157,051	8%
								44,021	44,021	470,996	9%
								-	-	-	
								5,137	5,137	66,620	8%
								-	-	-	
								5,406	5,406	61,171	9%
								-	-	400,000	0%
								99,244	99,244	557,200	18%
								3,283	3,283	30,865	11%
								3,882	3,882	47,365	8%
								-	-	68,000	0%
								-	-	-	
								286,445	286,445	4,116,740	7%
								15,882	15,882	14,781	107%
								-	-	-	
								-	-	-	
								-	-	-	
								15,882	15,882	14,781	107%
								672,341	672,341	672,341	100%
								-	-	-	
								672,341	672,341	672,341	100%
\$ -	\$ -	\$ -	%	\$ -	\$ -	\$ -	%	\$ 688,223	\$ 688,223	\$ 687,122	100%

**Board Meeting  
September 28, 2017**

**Governing Board of Directors  
SouthTech Preparatory Academy, Inc.**

**Agenda Item  
PC-4**

**Motion:**

I recommend that the Board approve the audited financial statements for the fiscal year end June 30, 2017.

**Summary Information:**

The school's financial statements have been audited by the Keefe McCullough CPA accounting firm, in compliance with State and District guidelines and the conditions of our charter.

Attachments: Audited Financial Statements

**Presented By:**

Jim Kidd, Superintendent

**Financial Impact:**

The financial impact for this item is \$8,750.  
There is no increase over SY16.  
The amount of \$8,750. is in the SY18 budget.

**South Tech Preparatory  
Academy, Inc.**

Basic Financial Statements  
and Additional Information  
For the Year Ended June 30, 2017

DRAFT

# South Tech Preparatory Academy, Inc.

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
South Florida Preparatory Academy, Inc.  
Boynton Beach, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of South Tech Preparatory Academy, Inc. (the "School") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the School, as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 6 and budgetary comparison schedules – general fund and special revenue fund on pages 27 and 28 and the schedules related to the pension plan on pages 29 through 34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated (DATE), on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
(DATE)

MANAGEMENT'S DISCUSSION  
AND ANALYSIS

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Our discussion and analysis of South Florida Preparatory Academy's (the "School") financial performance provides an overview of the School's financial activities for the years ended June 30, 2017 with certain comparative information for 2016. Please read it in conjunction with the School's financial statements which immediately follow this discussion.

## Financial Highlights

The following are highlights of financial activity for the year ended June 30, 2017:

- The School's assets and deferred outflows exceeded its total liabilities and deferred inflows as of June 30, 2017 by \$ 190,226.
- The School's net position increased by \$ 85,350 during the current fiscal year as a result of this year's operations.

## Overview of the Financial Statements

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

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

- The statement of net position presents information on all the School's assets, liabilities, and deferred inflows/outflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.
- The statement of activities presents information showing how the School's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

The government-wide financial statements can be found on pages 7 and 8 of this report.

**Fund Financial Statements:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School only has one category of funds - governmental funds.

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

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

The School maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance. The General and Special Revenue Funds are considered to be the School's major funds.

The School adopts an annual budget for its governmental funds. A budgetary comparison statement has been provided for the General and Special Revenue Funds to demonstrate compliance with the budgets adopted for each.

The governmental funds financial statements can be found on pages 9 through 12 of this report.

**Notes to Basic Financial Statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 13 through 26 of this report.

**Other Information:** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the School's adopted budget to actual results and schedules relating to the School's Pension Plan. Required supplementary information can be found on pages 27 through 34 of this report.

## Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of financial position. The following table reflects the condensed government-wide statement of net position as of June 30:

		South Florida Preparatory Academy Statements of Net Position	
		<u>2017</u>	<u>2016</u>
<b>Current Assets</b>	\$	619,263	\$ 480,016
<b>Noncurrent Assets and Deferred Outflows</b>		<u>555,306</u>	<u>310,522</u>
Total assets and deferred outflows		<u>1,174,569</u>	<u>790,538</u>
<b>Current Liabilities</b>		93,140	130,486
<b>Noncurrent Liabilities and Deferred Inflows</b>		<u>891,203</u>	<u>555,176</u>
Total liabilities and deferred inflows		<u>984,343</u>	<u>685,662</u>
<b>Net Position:</b>			
Net Investment in capital assets		28,654	52,635
Unrestricted		<u>161,572</u>	<u>52,241</u>
Total net position	\$	<u><u>190,226</u></u>	\$ <u><u>104,876</u></u>

**South Tech Preparatory Academy, Inc.  
Management's Discussion and Analysis  
June 30, 2017**

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A portion of the School's net position reflects its investment in capital assets, less any related outstanding debt used to acquire those assets. The School uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the School's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The remaining balance, unrestricted, may be used to meet the School's ongoing obligations.

The following table reflects the School's change in net position for the years ended June 30, 2017 and 2016:

South Florida Preparatory Academy Statements of Changes in Net Position		
	2017	2016
<b>Revenues:</b>		
General revenues	\$ 3,560,688	\$ 2,632,712
Program revenues	254,095	173,875
Total revenues	3,814,783	2,806,587
<b>Expenses:</b>		
Instruction	1,779,857	1,477,581
Administration	815,788	533,604
Operation and maintenance of plant	587,643	340,123
Student transportation services	454,567	205,200
Fiscal services	32,393	40,216
Central services	41,993	46,691
Board expenditures	17,192	7,500
Total expenses	3,729,433	2,650,915
Change in net position	85,350	155,672
<b>Net Position (Deficit), July 1</b>	104,876	(50,796)
<b>Net Position (Deficit), June 30</b>	\$ 190,226	\$ 104,876

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

As noted earlier, the School uses fund accounting to maintain control over resources that have been segregated for specific activities or objectives. The focus of the School's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the School's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the School. At the end of year 2017, unassigned fund balance of the General Fund was \$ 497,635, an increase of \$ 212,814 for the year. The overall General Fund balance increased by \$ 252,201.

### General Fund Budgetary Highlights

The 2016-2017 budget was amended at the end of the fiscal year to agree with the actual results of operations.

### Capital Assets and Debt Administration

**Capital assets:** The School's investment in capital assets as of June 30, 2017 amounts to \$ 28,654 net of accumulated depreciation as compared to \$ 52,635 as of June 30, 2016. This investment in capital assets is composed of audio visual and computer software and furniture.

**Debt:** At June 30, 2017, the School had outstanding debt of \$ 167,400 on its note with South Tech Charter Academy, Inc. (Note 7). Additional information regarding changes in debt can be found in Note 8 to the financial statements.

### Economic Factors

Facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations of the School in the year 2017 are an increase in revenues from the State for general operations due to increased enrollment as the School enters its fourth year of operations with grades 6-8.

### Requests for Information

This financial report is designed to provide a general overview of South Tech Preparatory Academy, Inc. for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the South Tech Preparatory Academy, Inc.; 1325 Gateway Boulevard, Boynton Beach, FL 33426.

# BASIC FINANCIAL STATEMENTS

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South Tech Preparatory Academy, Inc.  
Statement of Net Position  
June 30, 2017

	<b>Governmental Activities</b>
<b>Current Assets:</b>	
Cash	\$ 424,893
Due from government agencies	120,000
Prepays	<u>74,370</u>
Total current assets	<u>619,263</u>
<b>Noncurrent Assets:</b>	
Deposits	87,400
Capital assets, net of accumulated depreciation	<u>28,654</u>
Total noncurrent assets	<u>116,054</u>
Total assets	<u>735,317</u>
<b>Deferred Outflows of Resources:</b>	
Deferred pension outflows	<u>439,252</u>
Total assets and deferred outflows	<u>1,174,569</u>
<b>Current Liabilities:</b>	
Accounts payable	12,491
Accrued liabilities	63,873
Due to related party	<u>16,776</u>
Total current liabilities	<u>93,140</u>
<b>Noncurrent Liabilities:</b>	
Compensated absences payable	20,512
Note payable - due in more than one year	167,400
Net pension liability	<u>674,713</u>
Total noncurrent liabilities	<u>862,625</u>
Total liabilities	<u>955,765</u>
<b>Deferred Inflows of Resources:</b>	
Deferred pension inflows	<u>28,578</u>
Total liabilities and deferred inflows	<u>984,343</u>
<b>Net Position:</b>	
Net investment in capital assets	28,654
Unrestricted	<u>161,572</u>
Total net position	<u>\$ 190,226</u>

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

South Tech Preparatory Academy, Inc.  
Statement of Activities  
For the Year Ended June 30, 2017

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Governmental Activities Net Revenue (Expense) and Change in Net Position</u>
		<u>Capital Grants and Contributions</u>	<u>Operating Grants and Contributions</u>	
<b>Functions/Programs:</b>				
Governmental activities:				
Instruction	\$ 1,698,216	\$ -	\$ 254,095	\$ (1,444,121)
Pupil personnel services	65,145	-	-	(65,145)
Instructional staff training	6,650	-	-	(6,650)
Instructional-related technology	9,846	-	-	(9,846)
Board expenditures	17,192	-	-	(17,192)
General administration	155,227	-	-	(155,227)
School administration	612,989	-	-	(612,989)
Fiscal services	32,393	-	-	(32,393)
Central services	41,993	-	-	(41,993)
Student transportation services	454,567	-	-	(454,567)
Operation and maintenance of plant	587,643	-	-	(587,643)
Administrative technology services	47,572	-	-	(47,572)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total governmental activities	\$ <u>3,729,433</u>	\$ <u>-</u>	\$ <u>254,095</u>	<u>(3,475,338)</u>
General revenues:				
FTE nonspecific revenues				3,478,833
Contributions and other revenue				<u>81,855</u>
Total general revenues				<u>3,560,688</u>
Change in net position				85,350
Net position, July 1, 2016,				<u>104,876</u>
Net position, June 30, 2017				\$ <u><u>190,226</u></u>

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

**South Tech Preparatory Academy, Inc.**  
**Balance Sheet - Governmental Funds**  
**June 30, 2017**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
<b>Assets:</b>			
Cash	\$ 424,893	\$ -	\$ 424,893
Due from government agencies	16,793	103,207	120,000
Prepays	74,370	-	74,370
Due from other funds	103,207	-	103,207
Deposits	87,400	-	87,400
	<u>706,663</u>	<u>103,207</u>	<u>809,870</u>
Total assets	\$ <u>706,663</u>	\$ <u>103,207</u>	\$ <u>809,870</u>
<b>Liabilities:</b>			
Accounts payable	\$ 12,491	\$ -	\$ 12,491
Accrued liabilities	63,873	-	63,873
Due to other funds	-	103,207	103,207
Due to related party	16,776	-	16,776
	<u>93,140</u>	<u>103,207</u>	<u>196,347</u>
Total liabilities	<u>93,140</u>	<u>103,207</u>	<u>196,347</u>
<b>Fund Balances:</b>			
Nonspendable for prepaids and deposits	161,770	-	161,770
Assigned to school-based student activity organizations	46,584	-	46,584
Unassigned	405,169	-	405,169
	<u>613,523</u>	<u>-</u>	<u>613,523</u>
Total fund balances	<u>613,523</u>	<u>-</u>	<u>613,523</u>
Total liabilities and fund balances	\$ <u>706,663</u>	\$ <u>103,207</u>	\$ <u>809,870</u>

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



**South Tech Preparatory Academy, Inc.**  
**Reconciliation of the Balance Sheet - Governmental Funds**  
**to the Statement of Net Position**  
**June 30, 2017**

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**Total Fund Balances - Governmental Funds** \$ 613,523

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

Capital assets used in governmental activities are not financial resources; therefore, they are not reported in the governmental funds.

Cost of capital assets	\$	147,032	
Accumulated depreciation		<u>(118,378)</u>	28,654

Certain funds related to pension assets and liabilities are not reported in the governmental funds.

Deferred outflows, relating to the net pension liability			439,252
Deferred inflows, relating to the net pension liability			<u>(28,578)</u>

Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.

Note payable			(167,400)
Net pension liability			<u>(674,713)</u>

Amounts accrued for compensated absences are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.

			<u>(20,512)</u>
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**Net Position of Governmental Activities** **\$ 190,226**

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

**South Tech Preparatory Academy, Inc.  
Statement of Revenues, Expenditures and  
Changes in Fund Balances - Governmental Funds  
For the Year Ended June 30, 2017**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
<b>Revenues:</b>			
Federal sources	\$ -	\$ 252,514	\$ 252,514
State sources	3,478,833	-	3,478,833
Local sources	81,855	1,581	83,436
	<u>3,560,688</u>	<u>254,095</u>	<u>3,814,783</u>
Total revenues			
<b>Expenditures:</b>			
Current:			
Instruction	1,399,544	230,196	1,629,740
Pupil personnel services	36,238	23,749	59,987
Instructional staff training	6,650	-	6,650
Instructional-related technology	9,846	-	9,846
Board expenditures	17,192	-	17,192
General administration	142,920	-	142,920
School administration	609,360	-	609,360
Fiscal services	32,243	150	32,393
Central services	41,993	-	41,993
Student transportation services	454,567	-	454,567
Operation and maintenance of plant	587,467	-	587,467
Administrative technology services	46,075	-	46,075
Capital outlay	-	-	-
	<u>3,384,095</u>	<u>254,095</u>	<u>3,638,190</u>
Total expenditures			
Net change in fund balances	176,593	-	176,593
<b>Fund Balances, July 1, 2016</b>	<u>436,930</u>	<u>-</u>	<u>436,930</u>
<b>Fund Balances, June 30, 2017</b>	<u>\$ 613,523</u>	<u>\$ -</u>	<u>\$ 613,523</u>

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

**South Tech Preparatory Academy, Inc.  
 Reconciliation of the Statement of Revenues,  
 Expenditures and Changes in Fund Balances - Governmental  
 Funds to the Statement of Activities  
 For the Year Ended June 30, 2017**

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**Net Change in Fund Balances - Governmental Funds** \$ 176,593

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities, these costs are allocated over their estimated useful lives as a provision for depreciation.

Cost of capital assets	\$ -	
Provision for depreciation	(23,981)	(23,981)

Certain changes related to pension assets and liabilities are not reported in the net change in the governmental funds.

Change in deferred outflows		268,765
Change in deferred inflows		34,841

Some expenses reported in the statement of activities require the use of current financial resources and, therefore not reported as expenditures in the governmental funds.

Change in compensated absences	(11,072)	
Change in the net pension liability	(359,796)	(370,868)

**Change in Net Position of Governmental Activities** \$ 85,350

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

## Note 1 - Organization and Operations

South Florida Preparatory Academy, Inc. (the "School") is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 228.056, Florida Statutes. The School commenced operations in July 2013 and offers classes for grades six through eight in the City of Boynton Beach, Florida. Four hundred and ninety two (492) students were enrolled in classes when the school year ended June 30, 2017.

## Note 2 - Summary of Significant Accounting Policies

**Reporting entity:** The School operates under a charter granted by the sponsoring School Board, the School Board of Palm Beach County, Florida. The current charter is effective until June 30, 2018, and may be renewed at the end of the term provided that all requirements of the sponsor are met. At the end of the term of the charter, the Board may choose not to renew the charter under grounds specified in the charter, in which case the Board is required to notify the School in writing at least ninety days prior to the charter's expiration. During the term of the charter, the Board may also terminate the charter if good cause is shown.

The School may also be financially accountable if an organization is fiscally dependent on the School regardless of whether the organization has a separately elected governing board, a governing board appointed by another government, or a jointly approved board. In addition, component units can be other organizations for which the nature and significance of their relationship with the School are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

As a result of evaluating the above criteria, management has determined that no component units exist for which the School is financially accountable which would require inclusion in the School's financial statements.

**Basis of presentation:** Based on the guidance presented in the American Institute of Certified Public Accountants Audit and Accounting Guide – Not-for-Profit Organizations and provisions of Section 228.056(9), Florida Statutes, the School is presented as a governmental organization for financial statement reporting purposes.

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

In the government-wide statement of net position, the governmental activities column is presented on a consolidated basis, if applicable, and is reported on a full accrual, economic resource basis, which recognizes all noncurrent assets and receivables, as well as all noncurrent debt and obligations.

The government-wide statement of activities reports both the gross and net cost of each of the School's functions. The net costs, by function, are also supported by general revenues (unrestricted contributions, investment earnings, miscellaneous revenue, etc.). The statement of activities reduces gross expenses (including provision for depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function.

Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

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

This government-wide focus is more on the ability to sustain the School as an entity and the change in the School's net position resulting from the current year's activities.

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

The School reports the following major funds:

- **General Fund** – This fund is employed in accounting for all the operating activities of the School except those required to be accounted for in another fund.
- **Special Revenue Fund** – This fund is used to account for federal grants that are legally restricted to expenditures for particular purposes.

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

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

**Fund balance:** The School has implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance classifications to report on the nature and extent to which the School is bound to have constraints on the specific purposes for which amounts in those funds can be spent.

The following classifications describe the relative strength of the spending constraints:

- Nonspendable – amounts that are not in spendable form (such as prepaid items and deposits) or are legally or contractually required to be maintained intact.
- Restricted – amounts constrained to specific purposes by external providers (such as grantors) or imposed by law through constitutional provisions, or by enabling legislation.
- Committed – amounts constrained to specific purposes by formal action of the School itself, using its highest level of decision making authority (i.e., the School Board) through Resolution. To be reported as committed, amounts cannot be used for any other purpose unless the School's Board takes the same highest level action (i.e., Resolution) to remove or change the constraint.

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

- Assigned – amounts the School intends to use for a specific purpose but are neither restricted nor committed. Assignments can be made by the School's body or any delegated authority at their direction.
- Unassigned – amounts that have not been assigned to other funds and that have not been restricted, committed or assigned to specific purposes within the General Fund.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the School considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned or unassigned fund balances are available, the School considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the School Board or its delegated official or body has provided otherwise in its commitment or assignment actions.

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

Governmental activity in the government-wide financial statements is presented on the full accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental fund basic financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The School considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for long-term debt principal and interest which are reported as expenditures in the year due.

**Cash and cash equivalents:** Cash and cash equivalents are defined as demand deposits, money market accounts, and short-term investments with original maturities of three months or less from the date of acquisition.

**Due from government agencies:** Amounts due to the School by governments or agencies are for grants or programs under which the services have been provided by the School.

**Due to/from other funds:** Interfund receivables and payables arise from interfund transaction and are recorded by all funds affected in the period in which transactions are executed. The balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

**Prepaid expenses/expenditures:** Certain payments to vendors reflect cost applicable to a future accounting period and are recorded as prepaid items in both government-wide and fund financial statements.

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

**Capital assets:** Capital assets purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the School as assets with an initial cost of \$ 1,000 and useful life of over one year. Donated capital assets are valued at their estimated fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related capital assets. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives as follows:

Audio visual and computer software	3 years
Furniture	5-7 years

**Compensated absences:** Compensated absences (i.e. paid absences for employee vacation leave and sick leave) are recorded as expenditures in governmental funds when leave is used or when accrued as payable to employees entitled to cash payment in lieu of taking leave. In the government-wide financial statements, compensated absences are recorded as an expense when earned by the employees. The liability for compensated absences is classified as a long-term liability that is due within one year because the amount of vacation and sick time to be used after the following year cannot be reasonably estimated.

**Deferred outflows/inflows of resources:** In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. At June 30, 2017, the School had deferred outflows of \$ 439,252, which is related to the net pension liability.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. At June 30, 2017, the School had deferred inflows of \$ 28,578, which is related to the net pension liability.

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

**Grant and contract revenue:** Grant and contract revenue is recognized when the allowable costs as defined by the individual grant or contract are incurred.

**Revenue recognition:** Student funding is provided by the State of Florida through the School Board. Such funding is recorded as entitlement revenue in the government-wide financial statements and state source revenue in the fund financial statements and is net of a 5% administration fee retained by the School Board. This funding is received on a prorata basis over the twelve month period and is adjusted for changes in full-time equivalent (FTE) student population.

**Income taxes:** The School is an organization exempt from income taxation under Section 501(a) as an entity described in Section 501(c)3 of the Internal Revenue Code of 1986, as amended. Accordingly, no provision for federal income taxes is included in the accompanying financial statements.

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

**Use of estimates:** The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**Date of management’s review:** Subsequent events have been evaluated by management through (DATE), which is the date the financial statements were available to be issued.

**Note 3 - Budgets**

The School formally adopted budgets for the General and Special Revenue Funds by function for the year ended June 30, 2017. The budgets have been prepared in accordance with accounting principles generally accepted in the United States of America. A comparison of the actual results of operations to the final budgeted amounts for the General Fund and Special Revenue Fund are presented as required supplementary information.

**Note 4 - Deposits**

At June 30, 2017 the total carrying amount of the School's cash balances was \$ 424,893. The bank balance at local depositories was \$ 486,435.

State statute require, and it is the School’s policy, that all deposits be made into, and be held by, financial institutions designated by the treasurer of the State of Florida as qualified public depositories as defined by Chapter 280 of the Florida Statutes. This statute requires that every qualified public depository institution maintain eligible collateral to secure the public entity’s funds. The minimal collateral to be pledged by an institution, the collateral eligible for pledge, and reporting requirements of the qualified public depositor to the treasurer is defined by the statute. Collateral is pooled in a multiple qualified public depository institution pool with the ability to assess members of the pool should the need arise. The School’s deposits are held in a qualified public depository. They are covered by the collateral pool, as the School has identified itself as a public entity at June 30, 2017.

**Note 5 - Capital Assets**

A summary of changes in governmental capital assets is as follows:

	Balance at July 1, 2016	Additions	Deletions	Balance at June 30, 2017
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Capital assets, being depreciated:				
Audio visual and computer software	\$ 131,723	\$ -	\$ -	\$ 131,723
Furniture	<u>15,309</u>	<u>-</u>	<u>-</u>	<u>15,309</u>
 Total capital assets, being depreciated	 <u>147,032</u>	 <u>-</u>	 <u>-</u>	 <u>147,032</u>



**Note 5 - Capital Assets (continued)**

	Balance at July 1, 2016	Additions	Deletions	Balance at June 30, 2017
Accumulated depreciation:				
Audio visual and computer software	87,439	21,794	-	109,233
Furniture	<u>6,958</u>	<u>2,187</u>	-	<u>9,145</u>
Total accumulated depreciation	<u>94,397</u>	<u>23,981</u>	-	<u>118,378</u>
Net capital assets	\$ <u>52,635</u>	\$ <u>(23,981)</u>	\$ -	\$ <u>28,654</u>

The provision for depreciation for the year ended June 30, 2017 amounted to \$ 23,981, of which \$ 21,583 was allocated to instruction and \$ 2,398 was allocated to school administration.

As part of the School's charter contract, all capital assets purchased with public funds will automatically revert to the district school board upon the non-renewal or termination of the contract.

**Note 6 - Contingencies and Commitments**

**Grant funding:** The School received financial assistance from federal, state, and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and may be subject to audit by the grantor agencies. In accordance with Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards Uniform Guidance*) and the Florida Single Audit Act, the School is not required to conduct "single audits" since the required threshold for both federal and state financial assistance is currently \$ 750,000 and the School did not exceed either threshold.

**Note 7 – Related Party Transactions**

The School is related to South Tech Charter Academy, Inc. ("STA") through common board members. STA is a high school which was originally granted its charter in July 2004. To assist with the School's start up, monies were advanced from STA in the form of a debt agreement which is outstanding between the Schools. The outstanding balance of the note at June 30, 2017 was \$ 167,400 (Note 8). The School also received grant funding during the year of \$ 252,514 from the State of Florida Department of Education that was passed through from STA for its use. In addition, at June 30, 2017, the School has an amount due to STA in the amount of \$ 16,776, which represents the reimbursement of certain shared expenditures.

**Note 8 – Debt**

As stated in Note 7, the School has a note payable to STA outstanding at June 30, 2017. This note was granted on April 30, 2013, prior to the opening of the School. The note provided \$ 350,000 to the School to fund start-up operations. The note bears no interest and all outstanding principal is due and payable on April 1, 2019.

**Note 8 – Debt (continued)**

The following table summarizes the debt activity for the year ended June 30, 2017:

	Balance at July 1, 2016	Additions	Deletions	Balance at June 30, 2017	Due In One Year
Note payable - STA	\$ 167,400	\$ -	\$ -	\$ 167,400	\$ -
	<u>\$ 167,400</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 167,400</u>	<u>\$ -</u>

**Note 9 - Lease**

Effective August 1, 2015, the School entered into a facility lease with a third party. This lease is through August 2020, with two five year renewal options. Monthly rent from August 1, 2016 through July 31, 2017 is \$ 27,917 and will increase to \$ 43,541 from August 1, 2017 through July 31, 2018. Commencing August 1, 2018, rent will then increase the lesser of 2.5%, the published CPI, or the All Urban Consumers Index. In addition, the School will be responsible for their share of common area maintenance, which will be approximately \$ 6,700 per month. Total rent expense under this lease for the year ended June 30, 2017 was approximately \$ 400,000.

The future approximate minimum lease payments required under this lease as of June 30, 2017, including the common area maintenance, are as follows:

2018	\$ 587,300
2019	\$ 614,900
2020	\$ 628,200
2021	\$ 52,400
Thereafter	\$ NONE

**Note 10 – Florida Retirement System**

As provided by Chapters 121 and 112, Florida Statutes, the Florida Retirement System (“FRS”) provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan (“Pension Plan”) and the Retiree Health Insurance Subsidy (“HIS Plan”). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site: [www.dms.myflorida.com/workforce\\_operations/retirement/publications](http://www.dms.myflorida.com/workforce_operations/retirement/publications).

## Note 10 – Florida Retirement System (continued)

### Pension Plan:

Plan Description - The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (“DROP”) for eligible employees.

Benefits Provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers’ class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers’ class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

**Note 10 – Florida Retirement System (continued)**

Contributions - Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from July 1, 2016 through June 30, 2017, were as follows: Regular - 7.52%; Special Risk Administrative Support - 28.06%; Special Risk - 22.57%; Senior Management Service - 21.77%; Elected Officers' - 42.27%; and DROP participants - 12.99%. These employer contribution rates include 1.66% HIS Plan subsidy for the periods from July 1, 2016 through June 30, 2017.

The School's contributions, including employee contributions, to the Pension Plan totaled \$ 35,097 for the fiscal year ended June 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2017, the School reported a liability of \$ 362,654 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The School's proportion of the net pension liability was based on a projection of the School's 2016-17 fiscal year contributions relative to the 2016-17 fiscal year contributions of all participating members. At June 30, 2016, the School's proportion was 0.00143620% percent, which was a decrease of 0.00029209% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the School recognized pension expense of \$ 92,265. At June 30, 2017, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 35,426	\$ -
Changes of assumptions	19,378	-
Net difference between projected and actual earnings on pension plan investments	259,598	-
Changes in proportion and differences between School contributions and proportionate share of contributions	1,916	(17,642)
School contributions subsequent to the measurement date	<u>18,804</u>	<u>-</u>
Total	<u>\$ 335,122</u>	<u>\$ (17,642)</u>

The deferred outflows of resources related to the Pension Plan, totaling \$ 18,804 resulting from School contributions to the Pension Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

**Note 10 – Florida Retirement System (continued)**

Year Ended <u>June 30:</u>	<u>Amount</u>
2018	\$ 46,408
2019	\$ 46,408
2020	\$ 119,966
2021	\$ 74,987
2022	\$ 8,088
Thereafter	\$ 2,819

Actuarial Assumptions - The total pension liability in the July 1, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	3.25%, average, including inflation
Investment rate of return	7.60%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables. The actuarial assumptions used in the July 1, 2016, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

The FRS Actuarial Assumption Conference is responsible for setting the assumptions used in the valuations of the defined benefit pension plans pursuant to section 216.136(10), Florida Statutes. During presentations to the 2016 FRS Actuarial Assumption Conference, Aon Hewitt, the investment consultant for the State Board of Administration, and the consulting actuary both recommended reducing the investment return assumption. Based on their respective capital market outlook models, the 50th percentile average annual long-term future return rates ranged between 6.3 percent and 6.6 percent. When Aon Hewitt applied the State Board of Administration’s approach to assumption development, the investment return forecast was 7.0 percent. The consulting actuary notes the reduced investment return assumption adopted by the FRS Actuarial Assumption Conference conflicts with their judgment of a reasonable assumption as defined by the Actuarial Standards of Practice Number 27 (ASOP 27).

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

**Note 10 – Florida Retirement System (continued)**

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	3.0%	3.0%	1.7%
Fixed income	18.0%	4.7%	4.6%	4.6%
Global equity	53.0%	8.1%	6.8%	17.2%
Real estate (property)	10.0%	6.4%	5.8%	12.0%
Private equity	6.0%	11.5%	7.8%	30.0%
Strategic investments	12.0%	6.1%	5.6%	11.1%
Total	<u>100.0%</u>			
Assumed Inflation - Mean		2.6%		1.9%

(1) As outlined in the Pension Plan's investment policy

Discount Rate – The discount rate used to measure the total pension liability was 7.60%. The pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation of the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the School's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the School's proportionate share of the net pension liability calculated using the discount rate of 7.60%, as well as what the School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.60%) or one percentage point higher (8.60%) than the current rate:

	<u>1% Decrease (6.60%)</u>	<u>Current Discount Rate (7.650%)</u>	<u>1% Increase (8.60%)</u>
School's proportionate share of the net pension liability	\$ 667,770	\$ 362,654	\$ 108,768

Pension Plan Fiduciary Net Position - Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

**HIS Plan:**

Plan Description - The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

**Note 10 – Florida Retirement System (continued)**

Benefits Provided - For the fiscal year ended June 30, 2017, eligible retirees and beneficiaries received a monthly HIS payment of \$ 5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$ 30 and a maximum HIS payment of \$ 150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions - The HIS Plan is funded by required contributions from FRS participating employers asset by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2016, the HIS contribution for the period from July 1, 2016 through June 30, 2017 was 1.66%. The School contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The School’s contributions to the HIS Plan totaled \$ 13,724 for the fiscal year ended June 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2017, the School reported a liability of \$ 312,059 for its proportionate share of the HIS Plan’s net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The School’s proportion of the net pension liability was based on a projection of the School’s 2016-17 fiscal year contributions relative to the 2016-17 fiscal year contributions of all participating members. At June 30, 2016, the School’s proportion was 0.00267747% percent, which was a decrease of 0.00021502% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the School recognized pension expense of \$ 46,347. At June 30, 2017, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of assumptions	\$ 63,416	\$ -
Net difference between projected and actual earnings on pension plan investments	123	-
Differences between expected and actual experience	-	(1,110)
Changes in proportion and differences between School HIS Plan contributions and proportionate share of contributions	27,197	(9,826)
School HIS Plan contributions subsequent to the measurement date	13,394	-
	\$ 104,130	\$ (10,936)

**Note 10 – Florida Retirement System (continued)**

The deferred outflows of resources related to the HIS Plan, totaling \$ 13,394 resulting from School contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

<u>Year Ended June 30:</u>	<u>Amount</u>
2018	\$ 14,664
2019	\$ 14,664
2020	\$ 14,629
2021	\$ 14,612
2022	\$ 13,237
Thereafter	\$ 7,994

Actuarial Assumptions - The total pension liability in the July 1, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	3.25%, average, including inflation
Municipal bond rate	2.85%

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan. The municipal rate used to determine total pension liability was decreased from 3.80% to 2.85%.

Discount Rate - The discount rate used to measure the total pension liability was 2.85%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is funded on a pay-as-you-go basis, no experience study has been completed for that program.

Sensitivity of the School’s Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the School’s proportionate share of the net pension liability calculated using the discount rate of 2.85%, as well as what the School’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.85%) or one percentage point higher (3.85%) than the current rate:



**Note 10 – Florida Retirement System (continued)**

	<u>1% Decrease (1.85%)</u>	<u>Current Discount Rate (2.85%)</u>	<u>1% Increase (3.85%)</u>
School's proportionate share of the net pension liability	\$ 358,003	\$ 312,059	\$ 273,929

Pension Plan Fiduciary Net Position – Detailed information regarding the HIS Plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

**Note 11 – Risk Financing**

The School is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School places all insurance risk, less nominal deductibles, in the hands of commercial carriers. At the present time, management believes that any claims the School may have are insured and that any expense associated with them will not materially affect the financial position of the School.

REQUIRED SUPPLEMENTARY  
INFORMATION

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**South Tech Preparatory Academy, Inc.  
Statement of Revenues, Expenditures and  
Budgetary Comparison Schedule - General Fund  
For the Year Ended June 30, 2017**

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>				
State sources	\$ 3,426,912	\$ 3,478,833	\$ 3,478,833	\$ -
Local sources	78,250	81,855	81,855	-
	<u>3,505,162</u>	<u>3,560,688</u>	<u>3,560,688</u>	<u>-</u>
Total revenues	<u>3,505,162</u>	<u>3,560,688</u>	<u>3,560,688</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction	1,537,956	1,399,544	1,399,544	-
Pupil personnel services	137,006	36,238	36,238	-
Instructional staff training	2,000	6,650	6,650	-
Instructional-related technology	38,000	9,846	9,846	-
Board expenditures	15,409	17,192	17,192	-
General administration	140,832	142,920	142,920	-
School administration	466,315	609,360	609,360	-
Fiscal services	30,922	32,243	32,243	-
Central services	52,501	41,993	41,993	-
Student transportation services	225,000	454,567	454,567	-
Operation and maintenance of plant	611,779	587,467	587,467	-
Administrative technology services	77,067	46,075	46,075	-
	<u>3,334,787</u>	<u>3,384,095</u>	<u>3,384,095</u>	<u>-</u>
Total expenditures	<u>3,334,787</u>	<u>3,384,095</u>	<u>3,384,095</u>	<u>-</u>
Net change in fund balance	<u><u>170,375</u></u>	<u><u>176,593</u></u>	<u><u>176,593</u></u>	<u><u>-</u></u>

**South Tech Preparatory Academy, Inc.  
Statement of Revenues, Expenditures and  
Budgetary Comparison Schedule - Special Revenue Fund  
For the Year Ended June 30, 2017**

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>				
Title I funds	\$ 198,634	\$ 177,842	\$ 177,842	\$ -
IDEA grant funds	74,843	73,322	73,322	-
Title II funds	-	1,350	1,350	-
K-12 supportive grant	1,250	1,581	1,581	-
	<u>274,727</u>	<u>254,095</u>	<u>254,095</u>	<u>-</u>
Total revenues	<u>274,727</u>	<u>254,095</u>	<u>254,095</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction	229,722	230,196	230,196	-
Pupil personnel services	45,005	23,749	23,749	-
Fiscal services	-	150	150	-
	<u>274,727</u>	<u>254,095</u>	<u>254,095</u>	<u>-</u>
Total expenditures	<u>274,727</u>	<u>254,095</u>	<u>254,095</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**South Tech Preparatory Academy, Inc.**  
**Schedule of Proportionate Share of Net Pension Liability**  
**Florida Retirement System**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>
South Tech Preparatory Academy, Inc.'s proportion of the net pension liability	0.00088776%	0.00172829%	0.00143620%
South Tech Preparatory Academy, Inc.'s proportionate share of the net pension liability	\$ 54,165	\$ 166,289	\$ 362,654
South Tech Preparatory Academy, Inc.'s covered-employee payroll	\$ 507,016	\$ 1,249,889	\$ 1,732,814
South Tech Preparatory Academy, Inc.'s proportionate share of the net pension liability as a percentage of its covered-employee payroll	10.68%	13.30%	20.93%
Plan fiduciary net position as a percentage of total pension liability	96.09%	92.00%	84.88%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**South Tech Preparatory Academy, Inc.**  
**Schedule of Proportionate Share of Net Pension Liability**  
**Health Insurance Subsidy Program**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>
South Tech Preparatory Academy, Inc.'s proportion of the net pension liability	0.00148866%	0.00289250%	0.00267747%
South Tech Preparatory Academy, Inc.'s proportionate share of the net pension liability	\$ 139,193	\$ 148,628	\$ 312,059
South Tech Preparatory Academy, Inc.'s covered-employee payroll	\$ 507,016	\$ 1,249,889	\$ 1,732,814
South Tech Preparatory Academy, Inc.'s proportionate share of the net pension liability as a percentage of its covered-employee payroll	27.45%	11.89%	18.01%
Plan fiduciary net position as a percentage of total pension liability	0.99%	0.50%	0.97%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**South Tech Preparatory Academy, Inc.  
Schedule of Contributions  
Florida Retirement System Pension Plan  
Last 10 Fiscal Years \*  
(Unaudited)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Contractually required contribution	\$ 19,446	\$ 42,137	\$ 35,097
Contributions in related to the contractually required contribution	\$ <u>(19,446)</u>	\$ <u>(42,137)</u>	\$ <u>(35,097)</u>
Contribution deficiency (excess)	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>
South Tech Preparatory Academy, Inc.'s covered-employee payroll	\$ 507,016	\$ 1,249,889	\$ 1,732,814
Contributions as a percentage of covered payroll	3.84%	3.37%	2.03%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**South Tech Preparatory Academy, Inc.**  
**Schedule of Contributions**  
**Retiree Health Insurance Subsidy Program**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Contractually required contribution	\$ 5,100	\$ 11,057	\$ 13,724
Contributions in related to the contractually required contribution	\$ <u>(5,100)</u>	\$ <u>(11,057)</u>	\$ <u>(13,724)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
South Tech Preparatory Academy, Inc.'s covered-employee payroll	\$ 507,016	\$ 1,249,889	\$ 1,732,814
Contributions as a percentage of covered payroll	1.01%	0.88%	0.79%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.



**South Tech Preparatory Academy, Inc.  
Schedule of Investment Returns  
Florida Retirement System Pension Plan  
Last 10 Fiscal Years \*  
(Unaudited)**

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	<u>2014</u>	<u>2015</u>	<u>2016</u>
Annual money-weighted annual rate of return, net of investment expenses	17.57%	3.77%	0.57%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

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**South Tech Preparatory Academy, Inc.  
Schedule of Investment Returns  
Retiree Health Insurance Subsidy Program  
Last 10 Fiscal Years \*  
(Unaudited)**

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	<u>2014</u>	<u>2015</u>	<u>2016</u>
Annual money-weighted annual rate of return, net of investment expenses	17.57%	3.77%	0.57%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

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## OTHER AUDITOR'S REPORTS

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

To the Board of Directors  
South Florida Preparatory Academy, Inc.  
Boynton Beach, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of South Florida Preparatory Academy (the "School") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon dated (DATE).

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over financial reporting.

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

This purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
(DATE)

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

To the Board of Directors  
South Tech Preparatory Academy, Inc.  
Boynton Beach, Florida

### **Report on the Financial Statements**

We have audited the financial statements of South Tech Preparatory Academy (the "School") as of and for the year ended June 30, 2017, and have issued our report thereon dated (DATE).

### **Auditor's Responsibility**

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

### **Other Report**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated (DATE), should be considered in conjunction with this management letter.

### **Prior Audit Findings**

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

### **Official Title**

Section 10.854(1)(e)5, Rules of the Auditor General, requires the name or official title of the entity. The official title of the entity is South Tech Preparatory Academy, Inc.

### **Financial Condition**

Section 10.854(1)(e)2., Rules of the Auditor General, requires that we report the results of our determination as to whether or not the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

**Transparency**

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

**Other Matters**

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

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

**Purpose of this Letter**

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

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
(DATE)