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REPORT ON SIGNIFICANT FINANCIAL TRENDS AND FINDINGS IDENTIFIED IN CHARTER SCHOOL AND CHARTER TECHNICAL CAREER CENTER 2011-12 FISCAL YEAR AUDIT REPORTS

STATE OF FLORIDA
AUDITOR GENERAL
DAVID W. MARTIN, CPA

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REPORT ON SIGNIFICANT FINANCIAL TRENDS AND FINDINGS IDENTIFIED IN CHARTER SCHOOL AND CHARTER TECHNICAL CAREER CENTER 2011-12 FISCAL YEAR AUDIT REPORTS

SUMMARY

This report provides a summary of significant financial trends and findings identified in the 2011-12 fiscal year audit reports submitted to us by June 30, 2013, for 499 charter schools and charter technical career centers (hereafter referred to as charter schools).

Significant Financial Trends

- **Fifty-eight (12 percent) of the 499 charter schools reported, collectively for all funds, a total or unassigned/assigned fund balance deficit, or total or unrestricted net assets deficit, at June 30, 2012.**
- **Fifty-eight (12 percent) of the 499 charter schools also reported a deficit unassigned/assigned fund balance or unrestricted net assets for the general fund or other unrestricted fund at June 30, 2012. In comparison, only 25 (6 percent) of the 445 charter schools in operation during the 2010-11 fiscal year reported a deficit at June 30, 2011.**

Significant Findings

- **The audit reports for four charter schools included a statement by the respective CPAs regarding the ability of the charter school to continue operations on an ongoing basis.**
- **The audit reports for 145 charter schools included 273 audit findings addressing weaknesses in internal control, instances of noncompliance with applicable laws or rules, or additional matters that should be addressed by management. These included 25 audit reports that included findings that were considered by the CPAs to be material weaknesses in internal control.**
- **Of the 273 findings reviewed, 159 (58 percent) did not include one or more of the elements required by Chapter 10.850, Rules of the Auditor General.**
- **Of the 230 findings included in 2011-12 fiscal year audit reports for charter schools in operation during the 2010-11 fiscal year, 70 (30 percent) were repeated from 2010-11 fiscal year audit reports. Of the 205 findings included in the 2011-12 fiscal year audit reports for charter schools in operation during the 2010-11 and 2009-10 fiscal years, 38 (19 percent) were repeated from the 2009-10 fiscal year audit reports.**

BACKGROUND

Charter schools and charter technical career centers are established pursuant to Sections 1002.33 and 1002.34, Florida Statutes, respectively, and are part of the State's program of public education. Additionally, State universities may grant charters to lab (developmental research) schools pursuant to Section 1002.32, Florida Statutes. Charter schools operate under a charter with a sponsoring school district or university, but are exempt from many of the laws and rules that govern the operations of school districts and universities. Charter technical career centers operate under a charter with a sponsoring school district, college, or a consortium of one or more of each, and are also exempt from many of the laws and rules that govern the operations of school districts and colleges. Charter schools must be organized as, or operated by, a nonprofit organization, or be operated by a municipality or other public entity. Charter technical career centers must be organized as a nonprofit organization.

Charter schools receive funding similar to other public schools. Charter technical career centers receive State funding for student enrollment and program outcomes as provided in law, in addition to funding received directly from the sponsors as stated in the charter.

Section 218.39, Florida Statutes, provides for audits of charter schools and charter technical career centers (hereafter referred to as charter schools) to be performed annually by CPAs. The scope of these audits includes an examination of the financial statements, the issuance of a report on compliance and internal control in accordance with generally accepted government auditing standards, and, if applicable, the issuance of a report on compliance and internal control relative to Federal awards in accordance with United States Office of Management and Budget Circular A-133.

Section 218.503(2), Florida Statutes, requires a charter school to notify its sponsor, the Commissioner of Education, and the Legislative Auditing Committee when one or more of the conditions specified in Section 218.503(1), Florida Statutes, have occurred or will occur if action is not taken to assist the charter school. Chapter 10.850, Rules of the Auditor General, requires the CPA to state in the management letter whether or not the charter school has met one or more of the conditions described in Section 218.503(1), Florida Statutes. Pursuant to Section 218.503(4), Florida Statutes, a charter school may be required to prepare a financial recovery plan.

Section 11.45(7)(f), Florida Statutes, requires that we annually compile a summary of significant financial trends and findings identified in audits of charter schools performed by CPAs. Section 11.45(7)(e), Florida Statutes, requires us to notify the Commissioner of Education and the Legislative Auditing Committee of any charter school audit report reviewed by us that contains a statement that the charter school has met one or more of the conditions specified in Section 218.503(1), Florida Statutes.

Section 218.39(8), Florida Statutes, requires that we notify the Legislative Auditing Committee of charter school audit reports that indicate that the charter school failed to take full corrective action in response to a recommendation that was included in the two preceding financial audit reports.

NUMBER OF CHARTER SCHOOLS IN OPERATION

As shown in Exhibit A, the total number of charter schools in operation has increased by 48 percent from 347 during the 2007-08 fiscal year to 514 during the 2011-12 fiscal year. During the 2011-12 fiscal year, one or more charter schools were in operation in 44 counties. Table 1 shows the 10 counties with the largest number of charter schools in operation during the 2011-12 fiscal year.

As of June 30, 2013, we had received audit reports for 499 of the 514 charter schools in operation during the 2011-12 fiscal year.

Table 1

County	Number of Charter Schools 2011-12
Miami-Dade	109
Broward	73
Hillsborough	36
Palm Beach	35
Orange	29
Polk	24
Lee	22
Duval	18
Pinellas	17
Alachua	16

FINANCIAL TRENDS

Historical financial information for some charter schools is limited and the size and organizational structure of the schools vary significantly; consequently, identifying meaningful trend data is somewhat problematic.[1] However, while financial reporting models may differ, there is basic financial information that is subject to review and analysis for determining the financial condition of charter schools as a whole.

We reviewed the 499 charter school audit reports submitted to us for the 2011-12 fiscal year and analyzed the ending fund balance or unrestricted net assets. These balances generally represent residual amounts at fiscal year-end that are available to finance the subsequent fiscal year's operations and may provide some indication of the financial health of the entity as of the end of the reporting period.

Financial Condition Trends

The financial condition measure used in this report is the ratio of the unreserved or unassigned/assigned fund balance or unrestricted net assets to the general fund or other unrestricted fund revenues. Table 2 shows the number of charter schools for which the financial condition ratio was above and below the average ratio, and the number of charter schools ending the fiscal year with a deficit unreserved or unassigned/assigned fund balance or unrestricted net assets for the general fund or other unrestricted fund for each of the past three fiscal years:

Table 2

	Fiscal Year		
Fund Balance or Net Assets:	**2009-10**	**2010-11**	**2011-12**
Average Ratio (percent)	16.2	17.8	16.4
Schools Above Average	141	153	162
Schools Below Average (positive balance)	214	267	279
Schools Below Average (negative balance)	39	25	58
Total	394	445	499

Fifty-eight (12 percent) of the 499 charter schools reported a deficit unassigned/assigned fund balance or unrestricted net assets for the general fund or other unrestricted fund at June 30, 2012. In comparison, only 25 (6 percent) of the 445 charter schools in operation during the 2010-11 fiscal year reported a deficit at June 30, 2011.

The financial condition ratio for the 58 charter schools that reported deficit balances ranged from less than negative 1 percent to negative 88 percent, with an average of negative 9 percent. Twenty of the 58 charter schools reporting a deficit balance were in their first year of operation.

As shown on Exhibit B, 58 of the 499 charter schools reported, collectively for all funds, a total or unassigned/assigned fund balance deficit, or a total or unrestricted net assets deficit, at June 30, 2012.

[1] As of June 30, 2012, approximately 35 percent of the charter schools had been in operation for three years or less, with 76 charter schools newly opened during the 2011-12 fiscal year. Many charter schools are small, single entity organizations. Some are operated by municipalities or not-for-profit organizations. Some present audited financial information on the governmental accounting basis, while others present the information on the not-for-profit basis. Charter schools reported annual revenues of up to approximately $36,200,000 for the fiscal year ended June 30, 2012.

Financial Condition Monitoring

For the 2011-12 fiscal year, the base Florida Education Finance Program (FEFP) allocation was initially estimated to be $3,479.22 per full-time equivalent (FTE) student and the allocation was not revised. This amount represents a decrease of $144.54 from the final per FTE FEFP allocation of $3,623.76 for the 2010-11 fiscal year. Conversely, based on the 2012-13 FEFP Fourth Calculation released by the Florida Department of Education in April 2013, the per FTE FEFP allocation for the 2012-13 fiscal year is expected to increase by $103.73, from the 2011-12 fiscal year final allocation, to $3,582.95. FTE for the 441 charter schools operating during both the 2010-11 and 2011-12 fiscal years collectively increased by approximately 12,400 from the 2010-11 fiscal year to the 2011-12 fiscal year. This is a change compared to recent years in which many charter schools experienced declining enrollment. However, the previously noted significant increase in charter schools reporting a deficit unassigned/assigned fund balance or unrestricted net assets indicates that effective financial monitoring and timely and appropriate adjustments to operations are critical to charter schools to ensure that the costs of operations remain within available financial resources.

AUDIT FINDINGS

Going Concern

The 2011-12 fiscal year audit reports for four charter schools (see Table 3) included statements by the respective CPAs regarding the ability of the charter schools to continue operations on an ongoing basis (going concern). For the 2010-11 fiscal year, there were two charter school audit reports with similar statements.

Table 3

Charter Schools Reporting Going Concern Issues
Lee
Lee Charter Academy
Manatee
Manatee School of Arts and Sciences
Miami-Dade
Lawrence Academy Middle School
Lawrence Academy Senior High

Classification of Audit Findings

Auditing standards require auditors to report significant deficiencies and material weaknesses in internal control that are disclosed during the course of a financial statement audit. 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 *significant deficiency* is a deficiency, or 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. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis.

The audit reports for 354 charter schools contained no audit findings, while the audit reports for 145 charter schools included a total of 273 findings. For purposes of this report, audit findings are generally classified in one of two categories. The first category consists of material weaknesses, as defined above. The second category of other audit findings consists of significant deficiencies as defined above, instances of noncompliance with applicable laws or rules, or additional matters that should be addressed by management.

Material Weaknesses

The audit reports for 25 charter schools (see Table 4) included findings that were considered by the respective CPAs to be material weaknesses in the charter schools' internal control. This included 7 schools for which two material weakness findings were reported and 2 schools for which three or more material weakness findings were reported.

Table 4

Charter Schools Reporting Material Weaknesses	
Alachua	Indian River
Alachua Learning Center Elementary School	Sebastian Charter Junior High
Alachua Learning Center Middle School	Lake
Hoggetowne Middle School	Imagine Schools at South Lake
The One Room School House Project	Leon
Bay	C.K. Steele – Leroy Collins Community Charter Middle School
Bay Haven Charter Academy Elementary School	Orange
Bay Haven Charter Academy Middle School	Oakland Avenue Charter School
North Bay Haven Charter Career Academy	Pinellas
North Bay Haven Charter Elementary School	Academie Da Vinci Charter School
North Bay Haven Charter Middle School	Polk
Brevard	McKeel Academy of Technology
Palm Bay Academy	Mckeel Elementary Academy
Escambia	South McKeel Academy
Byrneville Elementary School	Sarasota
Jacquline Harris Preparatory Academy	Sarasota School of Arts and Sciences
Pensacola Beach Elemenatry School	Walton
Hillsborough	Chautauqua Learn and Serve at The ARC of Walton County
Brooks Debartolo Collegiate High School	The Seaside School

For the 25 charter schools, 12 had material weaknesses regarding incorrect accounting treatment of transactions, 9 had material weaknesses regarding the need for enhancements in the design of internal controls to ensure the accuracy and completeness of the financial statements, 6 had material weaknesses regarding inadequate separation of duties, and 3 had material weaknesses regarding the lack of personnel with skills necessary to prepare the financial statements. The other material weakness findings concerned adoption of the budget, bank reconciliations, and policy and procedures over fixed assets.

Significant Deficiencies and Other Audit Findings

Of the 145 charter schools for which audit reports included findings, 130 had findings that were considered by the respective CPAs to be significant deficiencies, instances of noncompliance with applicable laws and rules, or additional matters not considered to be material weaknesses (this includes 11 charter schools that had both significant deficiencies and material weaknesses). The following is a summary of the predominant audit findings not considered to be material weaknesses:

Separation of Duties. For 10 charter schools, the CPAs noted certain duties and responsibilities were not adequately separated. Consequently, the charter schools' ability to properly safeguard assets was limited and there was an increased risk that errors or fraud, should they occur, may not be detected on a timely basis. Although some of the findings indicated that the lack of separation of duties was due to the small size of the charter schools and staff involved, there were several instances in which the auditors recommended that the charter schools reassign duties and responsibilities or establish compensating controls.

Budget Administration. For 11 charter schools, the CPAs noted inadequate controls over budget administration. For 3 (27 percent) of the 11 charter schools, the CPAs noted that the budget had been overexpended. Other findings included failure to prepare budget amendments for significant transactions. Weaknesses in budgetary controls could result in inefficient or inappropriate use of financial resources resulting in deteriorating financial condition.

Policies and Procedures. For 9 charter schools, the CPAs noted that policies and procedures had not been established in writing, were inadequate, or were not being followed. Establishment of adequate written policies and procedures, and compliance therewith, is necessary to ensure implementation of internal controls and compliance with laws, rules, and good business practices.

Cash Controls. For 14 charter schools, the CPAs noted inadequate controls over cash and investments. Control deficiencies included charter schools with bank reconciliations that were not timely or correctly prepared, inadequate safeguarding of collections, and failure to use qualified public depositories. Such cash control issues increase the risk of unauthorized disbursements or that a loss of cash could occur and not be detected in a timely manner.

Capital Assets. For 11 charter schools, the CPAs noted a lack of adequate accountability for capital assets. Findings included inadequate or lack of subsidiary tangible personal property records, capital expenditures being improperly expensed, failure to reconcile annual physical inventory results to the subsidiary records, and errors in calculating depreciation expense. Lack of controls over capital assets increases the risk that misuse or misappropriations could occur without being promptly detected.

Payroll and Personnel Administration. For 17 charter schools, the CPAs noted inadequate controls, or noncompliance with applicable legal requirements, regarding payroll and personnel administration. For 9 (53 percent) of the 17 charter schools, the CPAs reported that the charter schools either overpaid or underpaid unemployment tax, did not correctly calculate Federal income tax withholding, or failed to timely remit payroll taxes to the Internal Revenue Service. Such payroll and personnel problems affect the charter schools' ability to demonstrate compliance with legal requirements and increase the risk of inappropriate or inefficient use of public resources. For 8 (47 percent) of the 17 charter schools, the CPAs noted that certain board members had not been fingerprinted or there was no documentation maintained to evidence that certain employees had been fingerprinted. Untimely fingerprinting increases the risk that staff may have backgrounds that are not suitable for direct contact with students.

Other Expenditures. For 17 charter schools, the CPAs noted purchasing and other disbursement control deficiencies. Deficiencies included failure to prevent the payment of sales tax, lack of proper approval for disbursements, and inadequate documentation to support expenditures. Lack of controls over purchasing and invoice payment functions could affect the charter school's ability to demonstrate the appropriate use of public resources.

Records Management. For 70 charter schools, the CPAs noted that accounting and financial records were not properly and accurately maintained. Deficiencies included transactions that were not posted or incorrectly posted to the general ledger, and insufficient monitoring and review of general ledger balances. For example, instances of not following accrual accounting, or recognizing expenditures and liabilities in the correct accounting period were noted. Improper recording of transactions affects the reliability of the charter schools' reports on financial position and

results of operations. Additionally, 38 charter schools did not correctly account for Federal funds in a special revenue fund. Such deficiencies in recordkeeping affect the charter schools' ability to monitor use of public resources and increase the risk of inappropriate use of such resources.

Charter Contract Compliance. For 28 charter schools, the CPAs questioned the charter schools' compliance with charter contracts. Deficiencies included board members that failed to receive required training within 90 days, contrary to State Board of Education Rule 6A-6.0784, Florida Administrative Code, and insurance coverage that was not adequate, obtained, or had expired.

Miscellaneous Findings. For 15 charter schools, the CPAs noted various audit findings related to areas such as improvements needed in financial position, preparation of financial statements, and charter schools operating at a deficit.

Detail of Audit Findings

Chapter 10.850, Rules of the Auditor General, prescribes the required elements of audit findings. Of the 273 findings in the audit reports reviewed, 159 (58 percent) did not include one or more of the following elements required by Section 10.856(3), Rules of the Auditor General:

- A description of the criteria or specific requirement upon which the audit finding was based (e.g., statutory, regulatory, or other citation).
- A description of the condition found, including facts that support the condition identified in the finding.
- A proper perspective for judging the prevalence and consequences of the finding, such as whether the finding represents an isolated instance or a systemic problem (e.g., the number of records examined and the quantity or dollar value of the condition).
- A recommendation as to what corrective action should be taken.

Inadequately written audit findings make it difficult for audit report users to determine the exact nature of the problem being addressed by the finding and necessary corrective action. This may have contributed to the percentage of repeated findings discussed below.

Repeated Findings from Prior Fiscal Years

A significant number of findings included in audit reports for the 2011-12 fiscal year were also included in audit reports for the 2010-11 and 2009-10 fiscal years. Of the 230 findings included in 2011-12 fiscal year audit reports for charter schools in operation during the 2010-11 fiscal year, 70 (30 percent) were repeated from 2010-11 fiscal year audit reports. Of the 205 findings included in the 2011-12 fiscal year audit reports for charter schools in operation during the 2010-11 and 2009-10 fiscal years, 38 (19 percent) were repeated from the 2009-10 fiscal year audit reports.

Pursuant to Section 218.39(8), Florida Statutes, on June 17, 2013, we notified the Legislative Auditing Committee of 31 charter schools that failed to take full corrective action in response to one or more recommendations included in the two preceding financial audit reports.

RECOMMENDATIONS FOR THE LEGISLATURE

Section 1002.345, Florida Statutes, provides assistance in monitoring charter school financial conditions. Section 1002.345(1)(a), Florida Statutes, provides that a charter school is subject to an expedited review by the sponsor if one of the following occurs: (1) failure to provide for an audit required by Section 218.39, Florida Statutes; (2) failure to comply with reporting requirements pursuant to Sections 1002.33(9), 1002.34(11)(f), or 1002.34(14), Florida Statutes; (3) a deteriorating financial condition identified through an annual audit pursuant to Section 218.39(5), Florida Statutes, or a monthly financial statement pursuant to Sections 1002.33(9)(g) or 1002.34(11)(f), Florida Statutes; or (4) notification pursuant to Section 218.503(2), Florida Statutes, that one or more of the conditions specified in Section 218.503(1), Florida Statutes, have occurred or will occur if action is not taken to assist the charter school.

Sponsors are required to notify the charter school's governing board within 7 business days when the charter school is subjected to an expedited review. Section 1002.345(1)(c), Florida Statutes, requires the charter school governing board and sponsor to develop a corrective action plan and file the plan with the Commissioner of Education within 30 business days after the sponsor's notification of the expedited review. However, there is no requirement in Section 1002.345(1), Florida Statutes, for the sponsor to notify the Commissioner of Education of charter schools subjected to an expedited review. While the Commissioner of Education is notified of charter schools that fail to provide an audit pursuant to Section 218.39, Florida Statutes, and those that meet one or more of the conditions specified in Section 218.503(1), Florida Statutes, the Commissioner of Education would not be aware that additional charter schools are subject to an expedited review because of (1) failure to comply with specified reporting requirements or (2) a deteriorating financial condition identified through a financial audit, or a monthly financial statement pursuant to Sections 1002.33(9)(g) or 1002.34(11)(f), Florida Statutes. As a result, the Commissioner of Education may not be aware of all charter schools for which a corrective action plan is required and which should be included in the Commissioner of Education's annual report to the State Board of Education discussed below.

Section 1002.345(3), Florida Statutes, requires the Commissioner of Education to annually report to the State Board of Education each charter school that is subject to a financial recovery plan or a corrective action plan. However, this section of law does not specify the date by which the report is required to be provided to the State Board of Education. This requirement was effective July 1, 2009, and according to Florida Department of Education staff, the Commissioner of Education had received 65 notifications for 51 charter schools that were subjected to expedited reviews as of June 21, 2013.

Recommendation: The Legislature should consider revising Section 1002.345(1), Florida Statutes, to require sponsors to notify the Commissioner of Education of those charter schools that are subjected to expedited reviews. The Legislature should also consider revising Section 1002.345(3), Florida Statutes, to specify the date by which the report of charter schools that were subjected to a financial recovery plan or corrective action plan should be filed with the State Board of Education.

OBJECTIVES, SCOPE, AND METHODOLOGY

The objective of this project was to identify significant financial trends and findings based on our review of charter school audit reports submitted pursuant to Section 218.39, Florida Statutes.

The scope of this project included a review of 499 audit reports prepared by independent CPAs and submitted to us by June 30, 2013, for the fiscal year ended June 30, 2012.

Our methodology included a review of applicable audit reports and a compilation of significant financial trends and findings. We conducted this review in accordance with applicable generally accepted government auditing standards. We believe that the procedures performed provide a reasonable basis for the summaries of significant financial trends and findings included in this report.

AUTHORITY

Pursuant to the provisions of Section 11.45(7)(f), Florida Statutes, I have directed that this report be prepared to present the summary of significant financial trends and findings identified in charter school audit reports prepared by independent CPAs for the 2011-12 fiscal year.



David W. Martin, CPA
Auditor General

EXHIBIT A
NUMBER OF CHARTER SCHOOLS AND CHARTER TECHNICAL CAREER CENTERS IN OPERATION

County	Fiscal Years				
	2007-08	2008-09	2009-10	2010-11	2011-12
Alachua	13	13	12	13	16
Bay	2	3	3	8	8
Brevard	8	8	9	9	7
Broward (1)	48	53	56	66	73
Charlotte	0	0	1	1	1
Citrus	1	1	1	1	1
Collier	2	2	2	2	3
Desoto	0	0	0	0	1
Dixie	0	0	0	0	1
Duval	5	5	7	13	18
Escambia	8	7	6	7	9
Flagler	4	5	4	3	3
Franklin	1	1	1	1	1
Gadsden	1	1	1	1	1
Glades	1	1	1	2	2
Hernando	1	1	1	1	1
Hillsborough	27	26	27	30	36
Indian River	4	5	5	5	5
Jefferson	0	1	1	1	0
Lake (2)	11	11	9	10	10
Lee	10	17	17	18	22
Leon (1)	5	6	6	6	5
Levy	2	2	2	2	2
Manatee	8	9	8	10	10
Marion	2	3	3	3	3
Martin	2	2	2	2	2
Miami-Dade	57	73	85	92	109
Monroe	3	3	3	4	6
Okaloosa	3	3	3	3	3
Orange	17	20	20	28	29
Osceola	8	7	8	8	8
Palm Beach	35	34	33	32	35
Pasco	4	5	5	5	5
Pinellas	6	9	12	13	17
Polk	23	24	22	23	24
Putnam	1	1	1	1	1
Santa Rosa	1	1	2	2	2
Sarasota	9	9	10	8	9
Seminole	3	3	2	2	3
St. Johns (2)	3	3	4	4	4
St. Lucie (3)	0	1	2	3	3
Sumter	1	1	1	1	1
Volusia (2)	4	5	6	7	10
Wakulla	1	1	1	1	1
Walton	2	2	2	2	3
Total	347	388	407	454	514

(1) Includes one University lab school for the 2007-08, 2008-09, 2009-10, 2010-11, and 2011-12 fiscal years chartered through Florida State University.
(2) Includes one charter technical career center for the 2007-08, 2008-09, 2009-10, 2010-11, and 2011-12 fiscal years.
(3) Included one University lab school for the 2008-09, 2009-10, 2010-11, and 2011-12 fiscal years chartered through Florida Atlantic University.

EXHIBIT B
SUMMARY OF FUND BALANCE / NET ASSETS DEFICITS
CHARTER SCHOOLS AND CHARTER TECHNICAL CAREER CENTERS
JUNE 30, 2012

	General or Other Unrestricted Fund		All Funds	
	Total Fund Balance or Net Assets	Unassigned / Assigned Fund Balance or Unrestricted Net Assets	Total Fund Balance or Net Assets	Unassigned / Assigned Fund Balance or Unreserved Net Assets
Alachua				
Alachua Mycroschool of Integrated Academics and Technologies (Mycroschool Gainesville)	49,570	29,511	3,070	(16,989)
Broward				
Ben Gamla Charter School	163	(213,516)	163	(213,516)
Ben Gamla Charter School Hallandale	1,207	(217)	1,207	(217)
Ben Gamla Charter School South Broward	12,782	(108,119)	12,782	(108,119)
Broward Community Charter School (Elementary)	2,490	(12,153)	2,490	(12,153)
Broward Community Charter School West	308	(41,614)	308	(41,614)
Charter School of Excellence Fort Lauderdale 1	(13,221)	(25,362)	(13,221)	(25,362)
Franklin Academy B	(130,277)	(153,353)	(130,277)	(153,353)
International School of Broward	(153,569)	(130,277)	(153,569)	(130,277)
Kathleen C. Wright Leadership	(85,639)	(94,295)	(85,639)	(94,295)
Kidz Choice Charter School	898	(2,760)	898	(2,760)
Mavericks High School of Central Broward	(143,984)	(193,792)	(143,984)	(193,792)
Paragon Elementary Charter School	(3,414)	(3,414)	(3,414)	(3,414)
Pompano Charter Middle School	(8,091)	(8,091)	(8,091)	(8,091)
RISE Academy School of Science and Technology	60,337	(3,663)	60,337	(3,663)
RISE Academy School of Science and Technology II	(60,286)	(60,286)	(60,286)	(60,286)
Somerset Academy Charter High School (Broward)	366,968	(37,014)	366,968	(37,014)
Somerset Academy Charter High School Miramar Campus	(3,644)	(47,794)	145,685	101,535
Duval				
S.O.C.K. Outstanding Students (S.O.S.) Academy	78,673	78,673	(22,933)	(22,933)
Escambia				
AA Dixon Charter School of Excellence	(58,698)	(63,554)	(58,698)	(63,554)
Newpoint Pensacola Academy Middle School	100	(17,900)	100	(17,900)
Flagler				
Palm Harbor Academy	(3,914)	(3,914)	(3,914)	(3,914)
Hillsborough				
Brooks Debartolo Collegiate High School	(1,127,094)	(1,135,665)	(1,127,094)	(1,135,665)
Mt. Pleasant Standard Base Middle School	(13,246)	(13,246)	(13,246)	(13,246)
Lake				
Altoona School	(37,001)	(80,976)	(37,001)	(80,976)
Lee				
Lee Charter Academy	(59,135)	(87,135)	(59,135)	(87,135)
Pivot Charter School - Ft Myers	532	(7,346)	532	(7,346)
Richard Milburn Academy of Lee County	(504,077)	(527,580)	(504,077)	(527,580)
Richard Milburn Academy South	(324,931)	(333,515)	(324,931)	(333,515)
Levy				
Nature Coast Middle School	716	(809)	716	(809)
Manatee				
Manatee School for the Arts	131,015	(829,099)	131,015	(829,099)

EXHIBIT B (CONTINUED)
SUMMARY OF FUND BALANCE / NET ASSETS DEFICITS
CHARTER SCHOOLS AND CHARTER TECHNICAL CAREER CENTERS
JUNE 30, 2012

	General or Other Unrestricted Fund		All Funds	
	Total Fund Balance or Net Assets	Unassigned / Assigned Fund Balance or Unrestricted Net Assets	Total Fund Balance or Net Assets	Unassigned / Assigned Fund Balance or Unreserved Net Assets
Miami-Dade				
Advanced Learning Charter School	(48,247)	(48,247)	(48,247)	(48,247)
Ben Gamla Charter School Kendall (Miami Beach)	27,206	(15,548)	43,058	304
Bridgepoint Academy (K-5)	(37,538)	(79,016)	(37,538)	(79,016)
Bridgepoint Academy of Greater Miami (K-5)	(171,679)	(208,679)	(171,679)	(208,679)
Bridgepoint Academy of Village Green (K-8)	(226,596)	(236,196)	(226,596)	(236,196)
Excelsior Language Academy of Hialeah	36,986	(66,553)	36,986	(66,553)
Green Springs High School Charter	23,053	(27,809)	23,053	(27,809)
Lawrence Academy Elementary School	(27,285)	(131,411)	(27,285)	(131,411)
Lawrence Academy Senior High	(13,946)	(21,389)	(13,946)	(21,389)
Mavericks High School of North Miami Dade County	(26,785)	(85,118)	(26,785)	(85,118)
Mavericks High School of South Miami Dade County	(122,562)	(180,895)	(122,562)	(180,895)
Miami Arts	7,306	(128,732)	7,306	(128,732)
North Gardens High School	4,155	(6,464)	4,155	(6,464)
North Park High School Charter	(23,643)	(111,331)	(23,643)	(111,331)
Oxford Academy of Miami	(55,341)	(84,800)	(55,341)	(84,800)
Somerset Preparatory Academy at Silver Palms	2,883	(97,947)	2,883	(97,947)
Monroe				
Ocean Studies Charter School	(32,397)	(35,515)	(32,397)	(35,515)
Orange				
Legacy High School	(48,350)	(48,350)	(48,350)	(48,350)
UCP East Orange Child Development Center Charter School	(491,701)	(491,701)	(491,701)	(491,701)
Palm Beach				
Excel Leadership Academy	(25,027)	(26,930)	(25,027)	(26,930)
Joseph Littles Nguzo Saba Charter School	(170,638)	(170,638)	(170,638)	(170,638)
Riviera Beach Maritime Academy	1,264	(74,614)	1,264	(74,614)
Toussaint L'Ouverture High School for Arts and Social Justice	(52,585)	(113,655)	(52,585)	(113,655)
Pinellas				
Newpoint Charter School- Pinellas	100	(36,525)	100	(36,525)
Pinellas Primary Academy (1)	(180,935)	(180,935)	(180,935)	(180,935)
Plato Academy Seminole Charter School	1,822	(668)	1,822	(668)
Sumter				
The Villages Charter School	(402,225)	(424,782)	(449,786)	(478,987)
Volusia				
Burns Science and Technology Charter School	(7,582)	(31,865)	(7,582)	(31,865)
Ivy Hawn Charter School of the Arts	(29,480)	(33,955)	(29,480)	(33,955)

(1) Charter school did not report fund balance in accordance with GASB Statement No. 54. However, the charter school reported the equivalent of a deficit unassigned/assigned fund balance.

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