

**BRIDGEPREP ACADEMY OF TAMPA
CHARTER SCHOOL
TAMPA, FLORIDA
(A COMPONENT UNIT OF THE SCHOOL BOARD
OF HILLSBOROUGH COUNTY, FLORIDA)**

**BASIC FINANCIAL STATEMENTS,
INDEPENDENT AUDITOR'S REPORT AND
SUPPLEMENTAL INFORMATION**

JUNE 30, 2019

BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
BASIC FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION
JUNE 30, 2019

TABLE OF CONTENTS

	PAGES
General Information.....	1
BASIC FINANCIAL STATEMENTS	
Independent Auditor’s Report.....	2-4
Management’s Discussion and Analysis (not covered by Independent Auditor’s Report).....	5-9
Basic Financial Statements	
<i>Government-wide Financial Statement:</i>	
Statement of Net Position.....	10
Statement of Activities.....	11
<i>Fund Financial Statements:</i>	
Balance Sheet – Governmental Funds.....	12
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position.....	13
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds.....	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities.....	15
<i>Notes to Basic Financial Statements</i>	16-22
Required Supplemental Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – General Fund.....	23
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget And Actual – Capital Projects Fund.....	24
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget And Actual – Special Revenue Fund.....	25
<i>Note to Required Supplemental Information</i>	26
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	27-28
Management Letter.....	29-30

BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
(A Charter School Under Bridgeprep Academy of Tampa, Inc.)

2418 W Swann Avenue
Tampa, FL 33609
(813) 258-5652

2018-19

BOARD OF DIRECTORS

Ms. Yeneir Rodriguez-Padron, Chair
Ms. Connie Arnold, Secretary
Mr. Dipa Shah, Director
Mr. Lou Lofranco, Treasurer

SCHOOL ADMINISTRATION

Ms. Christine Harris, Principal



Verdeja • De Armas • Trujillo

Certified Public Accountants and Advisors

Manny Alvarez, C.P.A.
Monique Bustamante, C.P.A.
Pedro M. De Armas, C.P.A.
Eric E. Santa Maria, C.P.A.
Alejandro M. Trujillo, C.P.A.
Octavio A. Verdeja, C.P.A.
Tab Verdeja, C.P.A.

Michelle del Sol, C.P.A.
Tommy Trujillo, C.P.A.
Javier Verdeja, C.P.A.

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Bridgeprep Academy of Tampa Charter School
Tampa, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, and each major fund of Bridgeprep Academy of Tampa Charter School (the "School"), a charter school under Bridgeprep Academy of Tampa, Inc., and a component unit of the District School Board of Hillsborough County, as of and for the year ended June 30, 2019, 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, 2019, 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

As described in Note 1, the accompanying financial statements referred to above present only the financial position of Bridgeprep Academy of Tampa Charter School as of June 30, 2019, and the respective changes in financial position for the year then ended, and it is not intended to be a complete presentation of Bridgeprep Academy of Tampa, Inc. These financial statements do not purport to and do not present fairly the financial position of Bridgeprep Academy of Tampa, Inc. as of June 30, 2019 and its changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-9 and budgetary comparison information on pages 23 through 25 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 introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2019, 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.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 28, 2019

Management’s Discussion and Analysis
Bridgeprep Academy of Tampa Charter School
June 30, 2019

The corporate officers of Bridgeprep Academy of Tampa Charter School (the “School”) have prepared this narrative overview and analysis of the School’s financial activities for the fiscal year ended June 30, 2019.

FINANCIAL HIGHLIGHTS

1. The School’s enrollment for the 2018-19 fiscal year, its 5th year of operations, was 375, an increase from 332 students in the prior year.
2. The School had a change in net position of \$430 for the fiscal year ending June 30, 2019 and an ending net position of \$171,198.
3. At year-end, the School had current assets of \$243,801 at June 30, 2019.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the School’s basic financial statements. The School’s financial statements for the year ended June 30, 2019 are presented in accordance with GASB Codification Section 2200. The financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the 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* are designed to provide readers with a broad overview of the School’s finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the School’s assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. The difference is reported as *net position*. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the School is improving or deteriorating.

The *Statement of Activities* presents information on how the School’s net position changed during the fiscal year. All changes in net assets are reported as soon as the underlying event resulting in the change occurs, without regard to the timing of related cash flows. Accordingly, 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 can be found on pages 10 – 11 of this report.

Fund Financial Statements

A “fund” is a collection of related accounts grouped to maintain control over resources that have been segregated for specific activities, projects, or objectives. The School, like other state and local governments, uses fund accounting to ensure and report compliance with finance-related legal requirements.

All of the funds of the School are governmental funds. *Governmental Funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

Governmental Fund financial statements, however, focus on *near-term* inflows and outflows of spendable resources, as well as on the balances of spendable resources which are available at the end of the fiscal year. Such information may be used to evaluate a government's requirements for near-term financing.

Prior to the start of the School's fiscal year, the Board of the School adopts an annual budget for its general and special revenue fund. A budgetary comparison statement has been provided for the School's governmental funds to demonstrate compliance with the School's budget. The basic governmental fund financial statements can be found on pages 12 – 15 of this report.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 16 – 22 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, over time net position may serve as a useful indicator of a school's financial position. A summary of the School's net position as of June 30, 2019 and 2018 follows:

Assets	2019	2018
Cash and cash equivalents	\$ 184,687	\$ 197,414
Accounts receivable	2,094	2,341
Prepaid expenses and other assets	57,020	-
Deposits receivable	12,000	12,000
Capital assets, net	64,297	94,495
Total Assets	<u>\$ 320,098</u>	<u>\$ 306,250</u>
Liabilities and Net Position		
Accounts and wages payable and accrued liabilities	\$ 132,308	\$ 127,482
Due to management company	8,000	8,000
Long-term debt	8,592	-
Total Liabilities	<u>148,900</u>	<u>135,482</u>
Net investment in capital assets	64,297	94,495
Restricted	-	6,807
Unrestricted	106,901	69,466
Total Net Position	<u>171,198</u>	<u>170,768</u>
Total Liabilities and Net Position	<u>\$ 320,098</u>	<u>\$ 306,250</u>

At June 30, 2019, the School's total assets were \$320,098 and total liabilities were \$148,900 with an ending net position of a positive \$171,198. The fiscal year ended June 30, 2019, was the School's 5th year of operations.

A summary and analysis of the School's revenues and expenses for the years ended June 30, 2019 and 2018 follows:

REVENUES	2019	2018
Program Revenues		
Federal passed through local	\$ 69,001	\$ -
National School Lunch Program	-	150,475
State capital outlay funding	211,717	108,696
Charges for services	80,627	80,611
General Revenues		
FEFP nonspecific revenues	2,396,673	2,243,100
Fundraising & other revenue	16,560	6,412
Total Revenues	\$ 2,774,578	\$ 2,589,294
 EXPENSES		
Instruction	\$ 1,217,052	\$ 1,111,631
Instructional support services	59,323	74,969
General administration	369,671	321,974
School administration	468,602	216,109
Facilities acquisition & construction	330,866	308,000
Food services	46,376	143,668
School board	7,721	10,349
Operation of plant	126,721	181,084
Maintenance of plant	57,024	17,176
Community services	39,122	41,730
Interest expense	1,004	-
Depreciation	50,666	45,177
Total Expenses	\$ 2,774,148	\$ 2,471,867
Change in Net Position	430	117,427
 Net Position at Beginning of Year	170,768	53,341
Net Position at End of Year	\$ 171,198	\$ 170,768

The School's total revenues for the year ended June 30, 2019, were \$2,774,578 while its total expenses were \$2,774,148, for a net increase of \$430. This was the School's 5th year of operations. The School's enrollment for the 2019-2020 school year increased to 354 students from 345 in the prior year.

ACCOMPLISHMENTS

The School has just completed its 5th year of operations. In 2018-19, the School qualified and received Title I funding based on the high percentage of Free and Reduced Lunch applications, which allowed them to supplement their instructional costs. The School qualifies for the same program for the 2019-2020 school year.

This year, the School grade maintained a "B". This is the 4th year in a row that the school has improved or sustained a letter grade. The School is confident this trend will continue for the 2018-2019 school year and an "A" will be achieved at the end of the school year.

SCHOOL LOCATION

The School operates in the Tampa area located at 2418 W Swann Avenue, Tampa, FL 33609.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND

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

GOVERNMENTAL FUNDS

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

At the end of the fiscal year, the School's governmental funds reported a combined ending fund balance of \$123,493 and a positive net change in fund balance of \$39,220 for the fiscal year ending June 30, 2019.

CAPITAL ASSETS

The School's investment in capital assets, as of June 30, 2019, amounts to \$64,297 (net of accumulated depreciation). This investment in capital assets includes leasehold improvements, fixtures, furniture and equipment. The School maintains a continuous capital improvements program to enhance facilities and update fixtures and equipment as required.

GENERAL FUND BUDGET ANALYSIS

Prior to the start of the School's fiscal year, the Board of the School adopted an annual budget. A budgetary comparison statement has been provided for the governmental funds to demonstrate compliance with the School's budget.

	All Governmental Funds		
	Original Budget	Final Budget	Actual
REVENUES			
State passed through local	\$ 3,044,349	\$ 2,396,673	\$ 2,396,673
State capital outlay funding	154,000	211,717	211,717
Federal passed through local	155,000	69,001	69,001
Charges for services	85,000	80,627	80,627
Other income	15,000	16,560	16,560
TOTAL REVENUES	3,453,349	2,774,578	2,774,578
EXPENDITURES			
Instruction	1,690,000	1,217,052	1,217,052
Instructional support services	100,000	59,323	59,323
Board	10,000	-	-
General administrative - district administrative fee	83,088	80,937	80,937
General administrative - management fee	255,000	205,441	205,441
General administrative - other	75,000	83,293	83,293
School administration	250,000	468,602	468,602
Facilities acquisition & construction - rent	318,600	330,866	330,866
Other capital outlay	75,000	20,468	20,468
Food services	161,807	46,376	46,376
Fiscal services	1,500	7,721	7,721
Operation of plant	200,000	126,721	126,721
Maintenance of plant	50,000	57,024	57,024
Community services - childcare programs	75,000	39,122	39,122
Debt service	8,000	4,279	4,279
TOTAL EXPENDITURES	3,352,995	2,747,225	2,747,225
Change in fund balance before other financing sources	100,354	27,353	27,353
Other financing sources	-	11,867	11,867
Net change in fund balance	\$ 100,354	\$ 39,220	\$ 39,220

REQUESTS FOR INFORMATION

This financial report is intended to provide a general overview of the finances of the School. Requests for additional information may be addressed to Mr. Juan Carlos Quintana of S.M.A.R.T. Management, LLC located at 9875 SW 72nd Street, Miami, Florida 33173.

BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
STATEMENT OF NET POSITION
JUNE 30, 2019

	<u>Governmental Activities</u>
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 184,687
Accounts receivable	2,094
Prepaid expenses	57,020
TOTAL CURRENT ASSETS	<u>243,801</u>
CAPITAL ASSETS, NET	
Buildings and fixed equipment	24,016
Less accumulated depreciation	(16,309)
Furniture and equipment	221,448
Less accumulated depreciation	(164,858)
Total capital assets, net	<u>64,297</u>
Deposit receivable and other assets	12,000
TOTAL ASSETS	<u>\$ 320,098</u>
LIABILITIES AND NET POSITION	
LIABILITIES	
Accounts payable and accrued liabilities	\$ 3,622
Accrued wages payable	128,686
Obligations under capital lease - current portion	3,865
TOTAL CURRENT LIABILITIES	<u>136,173</u>
Due to management company	8,000
Obligations under capital lease - long-term portion	4,727
TOTAL LIABILITIES	<u>148,900</u>
NET POSITION	
Net investment in capital assets	64,297
Unrestricted	106,901
TOTAL NET POSITION	<u>171,198</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 320,098</u>

The accompanying notes are an integral part of this financial statement.

BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 1,217,052	\$ -	69,001	\$ -	\$ (1,148,051)
Instructional support services	59,323	-	-	-	(59,323)
General administrative - District Administrative fee	80,937	-	-	-	(80,937)
General administrative - management fee	205,441	-	-	-	(205,441)
General administrative - other	83,293	-	-	-	(83,293)
School administration	468,602	-	-	-	(468,602)
Facilities acquisition & construction - rent	330,866	-	-	211,717	(119,149)
Food services	46,376	4,144	-	-	(42,232)
Fiscal services	7,721	-	-	-	(7,721)
Operation of plant	126,721	-	-	-	(126,721)
Maintenance of plant	57,024	-	-	-	(57,024)
Community services - childcare programs	39,122	76,483	-	-	37,361
Interest expense	1,004	-	-	-	(1,004)
Depreciation expense	50,666	-	-	-	(50,666)
Total Governmental Activities	\$ 2,774,148	\$ 80,627	\$ 69,001	\$ 211,717	\$ (2,412,803)

GENERAL REVENUES:

Government grants not restricted to specific programs	2,396,673
Contributions and other income	16,560
Total general revenues	<u>2,413,233</u>

Change in Net Position 430

NET POSITION - BEGINNING 170,768

NET POSITION - ENDING \$ 171,198

The accompanying notes are an integral part of this financial statement.

BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
BALANCE SHEET- GOVERNMENTAL FUNDS
JUNE 30, 2019

	<u>Governmental Fund</u>
ASSETS	
Cash and cash equivalents	\$ 184,687
Accounts receivable	2,094
Prepaid expenses	57,020
Deposit receivable and other assets	12,000
TOTAL ASSETS	<u><u>\$ 255,801</u></u>
LIABILITIES AND FUND BALANCES	
LIABILITIES	
Accounts payable and accrued liabilities	3,622
Accrued wages payable	128,686
TOTAL LIABILITIES	<u>132,308</u>
FUND BALANCE	
Nonspendable	
Deposit receivable and other assets	69,020
Unassigned	54,473
TOTAL FUND BALANCE	<u>123,493</u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 255,801</u></u>

The accompanying notes are an integral part of this financial statement.

BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2019

Total Fund Balance - Governmental Funds \$ 123,493

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

Capital assets, net of accumulated depreciation used in governmental activities are not financial resources and therefore are not reported in the fund.

Capital assets	245,464
Accumulated depreciation	(181,167)

Advances from other charter schools and other long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds.

Due to management company	(8,000)
Obligations under capital lease	(8,592)

Total Net Position - Governmental Activities	\$ 171,198
--	------------

The accompanying notes are an integral part of this financial statement.

BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	Governmental Funds	Capital Projects Fund	Special Revenue Fund	Total Governmental Funds
REVENUES				
State passed through local	\$ 2,396,673	\$ -	\$ -	\$ 2,396,673
State capital outlay funding	-	211,717	-	211,717
Federal passed through local	-	-	69,001	69,001
Charges for services	80,627	-	-	80,627
Other income	16,560	-	-	16,560
TOTAL REVENUES	\$ 2,493,860	\$ 211,717	\$ 69,001	\$ 2,774,578
EXPENDITURES				
Current:				
Instruction	\$ 1,148,051	\$ -	\$ 69,001	\$ 1,217,052
Instructional support services	59,323	-	-	59,323
General administrative - district administrative fee	80,937	-	-	80,937
General administrative - management fee	205,441	-	-	205,441
General administrative - other	83,293	-	-	83,293
School administration	468,602	-	-	468,602
Facilities acquisition & construction - rent	119,149	211,717	-	330,866
Food services	39,569	-	6,807	46,376
Fiscal services	7,721	-	-	7,721
Operation of plant	126,721	-	-	126,721
Maintenance of plant	57,024	-	-	57,024
Community services - childcare programs	39,122	-	-	39,122
Capital Outlay:				
Other capital outlay	20,468	-	-	20,468
Debt service:				
Redemption of principal	3,275	-	-	3,275
Interest expense	1,004	-	-	1,004
TOTAL EXPENDITURES	\$ 2,459,700	\$ 211,717	\$ 75,808	\$ 2,747,225
Excess of revenues over expenditures	34,160	-	(6,807)	27,353
Other Financing Sources				
Proceeds from loan and capital lease obligation	11,867	-	-	11,867
Total Other Financing Sources	11,867	-	-	11,867
Net change in fund balance	46,027	-	(6,807)	39,220
Fund balance at beginning of year	77,466	-	6,807	84,273
Fund balance at end of year	\$ 123,493	\$ -	\$ -	\$ 123,493

The accompanying notes are an integral part of this financial statement.

**BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

Change in Fund Balance - Governmental Funds \$ 39,220

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

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

Capital outlays	20,468
Depreciation expense	(50,666)

The proceeds from advances provide current financial resources to governmental funds, but increases long-term liabilities in the statement of net assets. Repayment of advance principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Proceeds from capital lease obligation	(11,867)
Redemption of principal	3,275

Change in Net Position of Governmental Activities	\$ 430
---	--------

The accompanying notes are an integral part of this financial statement.

**BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019**

NOTE 1 – ORGANIZATION AND OPERATIONS

Reporting Entity

Bridgeprep Academy of Tampa Charter School (the “School”) is a charter school sponsored by the School Board of Hillsborough County, Florida (the “District”) and is a component unit of the District. The School’s charter is held by Bridgeprep Academy of Tampa, Inc., a not-for-profit corporation, organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and Section 1002.33, Florida Statutes. The governing body of the School is the not-for-profit corporation Board of Directors which is comprised of four members.

The general operating authority of Bridgeprep Academy of Tampa Charter School (the “School”) is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the District School Board of Hillsborough County, Florida (the “School Board”). The current charter is effective until June 30, 2019. At the end of the term of the charter, the School Board may choose not to renew the charter under grounds specified in the charter, in which case the School Board is required to notify the School in writing at least 90 days prior to the School’s expiration. During the term of the charter, the School Board may also terminate the charter if good cause is shown. The charter may be renewed for up to an additional 15 years by mutual agreement.

These financial statements are for the year ended June 30, 2019, when over 348 students were enrolled in grades Kindergarten through 8th grade.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Based on the guidance provided in the American Institute of Certified Public Accountants Audit and Accounting Guide – Audits per State and Local Governments and provisions of Florida Statutes, the School is presented as a governmental organization for financial statement reporting purposes under standards set by the Government Auditing Standards Board (“GASB”).

Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information for the School as a whole. Both statements report only governmental activities as the School does not engage in any business type activities. These statements do not include fiduciary funds.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, (2) operating grants and contributions which finance annual operating activities, and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. Other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements are provided for governmental funds. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures. Major individual governmental funds, namely, the general, special revenue and capital project funds are reported as separate columns in the fund financial statements:

BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

General Fund – is the School’s primary operating fund. It accounts for all financial resources not accounted for and reported in another fund.

Special Revenue Fund – used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service and capital projects.

Capital Projects Fund – used to account for financial resources used for the acquisition or construction of major capital facilities and for the proceeds and related expenditures of charter school capital outlay funding.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The financial statements of Bridgeprep Academy of Tampa Charter School (the “School”) are prepared in accordance with generally accepted accounting principles (GAAP). The School’s reporting entity applies all relevant Governmental Accounting Standards Board (GASB) *Codification of Accounting and Financial Reporting Guidelines*.

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenues from non-exchange transactions are reported according to Governmental Accounting Standards Board (GASB) Codification Section 1600.111 and Section N50 “*Accounting and Financial Reporting for Non-Exchange Transactions*”. On the accrual basis, revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements report 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 90 days of the end of the fiscal year. Florida Education Finance Program (FEFP) revenues are recognized when received. A one-year availability period is used for revenue recognition for all other governmental fund revenues. When grant terms provide that the expenditure of funds is the prime factor for determining eligibility for federal, state, and other grant funds, revenue is recognized at the time the expenditure is made. 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.

Budgetary Basis Accounting

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries, purchased services, and capital outlay). Any revisions to the annual budget are approved by the Board.

Cash and Cash Equivalents

The School’s cash is considered to be cash on hand and demand deposits, with original maturities of three months or less.

Accounts receivable

Accounts receivable consists of after school care fees pending to be collected. Any bad debts are expensed in the subsequent period when they are determined to be uncollectible.

BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Due from Other Agencies

Due from other agency consists of amounts due from other governmental units for revenues from federal, federal through state, state or other sources.

Capital Assets, Depreciation and Amortization

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. The School capitalization levels are \$750 on tangible personal property. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the costs and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follows:

Furniture and equipment	5 Years
Computer equipment and software	7 Years
Building and improvements	39 Years

Compensated Absences

The School grants a specific number of days of sick/personal leave. Full-time employees are eligible for one day per month to up to ten days of active work during the ten-month period (a “benefit year”). In the event that available time is not used by the end of the benefit year, employees may “rollover” all unused days for use in future benefit years. There is an opportunity to “cash out” unused sick days; however, the employees may only cash out if they have used three days or less of their sick leave in that benefit year. Employees may not cash out more than ten days per school year and are required to always maintain a minimum of twenty-one unused days. The cash value is eighty percent of their current daily rate. There is no termination payment for accumulated unused sick days.

GASB Codification Section C60, *Accounting for Compensated Absences*, provides that compensated absences that are contingent on a specific event that is outside the control of the employer and employee should be accounted for in the period those events take place. Accordingly, these financial statements do not include an accrual for compensated absences available to be used in future benefit years.

The School also provides certain days to be used for specific personal matters such as family death and jury duty. Because the use of such days is contingent upon those events taking place and such events are out of the control of both the employer and the employee, there is no accrual for such days.

Government-wide Fund Net Assets

Government-wide fund net assets are divided into three components:

- Net investment in capital assets – consists of the historical cost capital assets less accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets plus deferred outflows of resources less deferred inflows of resources. The net investment in capital assets for the year ending June 30, 2019 was \$64,297.
- Restricted net assets – consists of net assets with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments less related liabilities and deferred inflows of resources. The restricted net position for the year ending June 30, 2019 was \$0.
- Unrestricted – all other net position is reported in this category.

BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

- Nonspendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned). At June 30, 2019, the School had \$69,020 in nonspendable fund balance.
- Restricted – fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. At June 30, 2019, there is no restricted fund balance.
- Committed – fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School’s Board of Directors. At June 30, 2019, there is no committed fund balance.
- Assigned – fund balance classification is intended to be used by the School’s management for specific purposes but does not meet the criteria to be classified as restricted or committed. At June 30, 2019, there is no assigned fund balance.
- Unassigned – fund balance is the residual classification for the School’s general fund and includes all spendable amounts not contained in the other classifications.

Order of Fund Balance Spending Policy

The School’s policy is to apply expenditures against non-spendable fund balance, restricted fund balance, and committed fund balance at the end of the fiscal year by adjusting journal entries. First Non-spendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purposes amounts exceed the positive fund balance for the non-general fund. As of June 30, 2019, there are no minimum fund balance requirements for any of the School’s funds.

Revenue Sources

Revenues for operations will be received primarily from the District School Board of Hillsborough County (the “School Board”) pursuant to the funding provisions included in the School's charter. The basic amount of funding through the FEFP under section 1011.62 is the product of (1) the School’s unweighted FTE, multiplied by (2) the cost factor for each program, multiplied by (3) the base student allocation established by the legislature. Additional funds for exceptional students who do not have a matrix of services are provided through the guaranteed allocation designated in Section 1011.62(1)(e)2., Florida Statutes. For the 2018-2019 school year the School reported 347.77 un-weighted FTE. Weighted funding represented approximately .0042% of total FEFP funding.

FEFP funding may also be adjusted as a result of subsequent FTE audits conducted by the Auditor General pursuant to Section 1010.305, Florida Statutes, and Rule 6A-1.0453, Florida Administrative Code (FAC). Schools are required to maintain the following documentation for three years or until the completion of the FTE audit:

- Attendance and membership documentation (Rule 6A-1.044, FAC)
- Teacher certificates and other certification documentation (Rule 6A-1.0503, FAC)
- Procedural safeguards for weighted programs (Rule 6A-6.03411, FAC)
- Evaluation and planning documents for weighted programs (Section 1011.62(1)(e), FS, and Rule 6A-6.03411, FAC)

BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition, the School receives an annual allocation of charter school capital outlay funds for leasing of School facilities.

The School may also receive federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to and approved by various granting agencies. For federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred. Any excess amounts are recorded as deferred revenues until expensed. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

Income Taxes

The School is a division of a nonprofit corporation. The School qualifies as a tax exempt organization under the Internal Revenue Code Section 501(c)(3), and is, therefore, exempt from income tax. Accordingly, no tax provision has been made in the accompanying financial statements.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The School has evaluated subsequent events and transactions for potential recognition or disclosure through September 28, 2019, which is the date the financial statements were available to be issued.

NOTE 3 – CAPITAL ASSETS

The following schedule provides a summary of changes in capital assets, acquired substantially with public funds, for the year ended June 30, 2019:

	Balance 7/1/2018	Additions	Deletions	Balance 6/30/2019
Capital Assets				
Building & fixed equipment	\$ 15,415	\$ 8,601	\$ -	\$ 24,016
Furniture & equipment	209,581	11,867	-	221,448
Total Capital Assets	<u>224,996</u>	<u>20,468</u>	<u>-</u>	<u>245,464</u>
Less Accumulated Depreciation				
Building & fixed equipment	(11,643)	(4,666)	-	(16,309)
Furniture & equipment	(118,858)	(46,000)	-	(164,858)
Total Accumulated Depreciation	<u>(130,501)</u>	<u>(50,666)</u>	<u>-</u>	<u>(181,167)</u>
Capital Assets, net	<u>\$ 94,495</u>	<u>\$ (30,198)</u>	<u>\$ -</u>	<u>\$ 64,297</u>

Depreciation expense for the year ended June 30, 2019 was \$50,666 of which \$4,666 and \$46,000 was allocated to operation of plant and instruction, respectively.

BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 4 – EDUCATION SERVICE AND SUPPORT PROVIDER

The School entered into an agreement with S.M.A.R.T. Management LLC to provide professional management and consulting services to the School. In its capacity as the School’s education service and support provider, S.M.A.R.T. Management LLC manages the finances and operations and makes recommendations to the School’s independent board of directors which make the final determinations regarding polices and contracts.

In providing management services to the School, officers of S.M.A.R.T. Management LLC may not serve as members of the Board of Directors of the School. The agreement began on July 1, 2018, and it is a five year agreement with an option to renew. The contract can be terminated by either party with 60 days notice. The contract calls for a management fee between 8 and 10% of full time equivalent (FTE) revenues based on the School’s enrollment in addition to \$500 per month for after-care services. The management fee percentage for the year ending June 30, 2019 was 8% of total FTEP funding of \$2,348,653 plus \$1,000 per month for after-care services. During the year-ended June 30, 2019, the School incurred management fees of \$205,441.

Additionally, the management company advanced \$8,000 in the prior year. There were no payments made on the amount owed during the year ended June 30, 2019. Below is the summary of changes for advances made by the management company:

	Balance July 1, 2018	Advances	Payments	Balance June 30, 2019
Due to Management Company	\$ 8,000	\$ -	\$ -	\$ 8,000
	<u>\$ 8,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,000</u>

NOTE 5 – COMMITMENTS AND CONTINGENCIES

The School entered into a lease agreement in June 2014 to lease facilities. From September 1, 2017 through August 30, 2018, the base rent was \$26,550 per month, which subsequently increased to \$27,665 per month from September 1, 2018 – June 30, 2019. For the year ended June 30, 2019, the amount paid by the School for the use of the facilities and services was \$330,866. The School has an option for two additional 5 year renewals. The School has elected to renew the first option. Estimated future payments for rent to be as follows:

<u>Year Ended June 30</u>	
2020	\$ 331,980
2021	331,980
2022	331,980
Total	<u>\$ 995,940</u>

BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 6 – CAPITAL LEASE OBLIGATIONS

The School leases equipment under a capital lease expiring July 2023. As of June 30, 2019, the leased equipment is reflected at a total cost of \$197,509 and related accumulated depreciation of \$37,554. The lease require monthly payments of principal and interest totaling \$4,182 at an interest rate of 10.133% per annum.

Future minimum payments under capital leases as of June 30, 2019 are as follows:

	Year Ended June 30,	
2020		\$ 4,668
2021		4,668
2022		389
Total minimum lease payments		9,725
Interest		(1,133)
Present value of net minimum lease payments		8,592
Obligations under capital lease- current portion		(3,865)
Obligations under capital lease- long-term portion		<u>\$ 4,727</u>

	Balance July 1, 2018	Amount Financed	Payments	Balance June 30, 2019
Capital lease payable	\$ -	\$ 11,867	\$ 3,275	\$ 8,592
	<u>\$ -</u>	<u>\$ 11,867</u>	<u>\$ 3,275</u>	<u>\$ 8,592</u>

NOTE 7 – DEPOSITS POLICY AND CREDIT RISK

It is the School’s policy to maintain its cash and cash equivalents in one financial institution. Deposits at FDIC-insured financial institutions are insured up to \$250,000 per depositor, per financial institution. The School is a charter school under Bridgeprep Academy of Tampa, Inc., which also operates various other charter schools. All bank accounts are opened under the account ownership of Bridgeprep Academy of Tampa, Inc., therefore, bank balances at times may potentially be in excess of FDIC coverage. As of June 30, 2019 the carrying amount of the School’s operating cash deposit accounts was \$184,687 and the bank balance was \$238,688.

NOTE 8 – GRANTS

In the normal course of operations, the School receives grant funds from various federal, state and local agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not reflected in these financial statements.

NOTE 9 – RISK MANAGEMENT

The School is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions, and natural disasters for which the School carries commercial insurance. Settlement amounts have not exceeded insurance coverage in the past. In addition, there were no reductions in insurance coverage from those in the prior year. The School does not sponsor a public entity risk pool and has had no settlements that have exceeded their insurance coverage.

REQUIRED SUPPLEMENTAL INFORMATION

BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	General Fund		
	Original Budget	Final Budget	Actual
REVENUES			
State passed through local	\$ 3,044,349	\$ 2,396,673	\$ 2,396,673
Charges for services	85,000	80,627	80,627
Other income	15,000	16,560	16,560
TOTAL REVENUES	3,144,349	2,493,860	2,493,860
EXPENDITURES			
Instruction	1,690,000	1,148,051	1,148,051
Instructional support services	100,000	59,323	59,323
Board	10,000	-	-
General administrative - district administrative fee	83,088	80,937	80,937
General administrative - management fee	255,000	205,441	205,441
General administrative - other	75,000	83,293	83,293
School administration	250,000	468,602	468,602
Facilities acquisition & construction - rent	164,600	119,149	119,149
Food services	-	39,569	39,569
Fiscal services	1,500	7,721	7,721
Operation of plant	200,000	126,721	126,721
Maintenance of plant	50,000	57,024	57,024
Community services - childcare programs	75,000	39,122	39,122
Other capital outlay	75,000	20,468	20,468
Debt service:	8,000	4,279	4,279
TOTAL EXPENDITURES	3,037,188	2,459,700	2,459,700
Change in fund balance before other financing sources	107,161	34,160	34,160
Other financing sources	-	11,867	11,867
Net change in fund balance	<u>\$ 107,161</u>	<u>\$ 46,027</u>	<u>\$ 46,027</u>

See accompanying note to the required supplemental information.

BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Capital Projects Funds		
	Original Budget	Final Budget	Actual
REVENUES			
State capital outlay funding	\$ 154,000	\$ 211,717	\$ 211,717
TOTAL REVENUE	<u>154,000</u>	<u>211,717</u>	<u>211,717</u>
EXPENDITURES			
Facilities acquisition & construction - rent	154,000	211,717	211,717
TOTAL EXPENDITURES	<u>154,000</u>	<u>211,717</u>	<u>211,717</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying note to the required supplemental information.

BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Special Revenue Funds		
	Original Budget	Final Budget	Actual
REVENUES			
Federal through State and Local	\$ 155,000	\$ 69,001	\$ 69,001
TOTAL REVENUE	<u>155,000</u>	<u>69,001</u>	<u>69,001</u>
EXPENDITURES			
Food services	161,807	69,001	69,001
TOTAL EXPENDITURES	<u>161,807</u>	<u>69,001</u>	<u>69,001</u>
Net change in fund balance	<u>\$ (6,807)</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying note to the required supplemental information.

**BRIDGEPREP ACADEMY OF TAMPA CHARTER SCHOOL
NOTE TO REQUIRED SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2019**

NOTE A – BUDGETARY INFORMATION

Budgetary Basis of Accounting

The School's annual budget is adopted for the entire operations at the combined governmental level and may be amended by the Board. The budget presented for the year ended June 30, 2019, has been amended according to Board procedures. During the fiscal year, expenditures were controlled at the fund level.

Although budgets are adopted for the entire operation, budgetary comparisons have been presented for the general and special revenue funds for which a legally adopted budget exists.

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries, purchased services, and capital outlay).



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*

Board of Directors of
Bridgeprep Academy of Tampa Charter School
Tampa, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Bridgeprep Academy of Tampa Charter School (the "School"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated September 28, 2019.

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.

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

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

Compliance and Other Matters

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

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



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 28, 2019



MANAGEMENT LETTER

Board of Directors of
Bridgeprep Academy of Tampa Charter School
Tampa, Florida

Report on the Financial Statements

We have audited the financial statements of Bridgeprep Academy of Tampa Charter School (the “School”), a non-major component unit of the District School Board of Hillsborough County, Florida, as of and for the fiscal year ended June 30, 2019, and have issued our report thereon dated September 28, 2019.

Auditor’s Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in that report, which is dated September 28, 2019, 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 findings or recommendations made in the preceding annual financial audit report.

Official Title

Section 10.854(1)(e)5, Rules of the Auditor General, requires the name or official title of the entity and the School code assigned by the Florida Department of Education be disclosed in this management letter.. The official title of the entity is Bridgeprep Academy of Tampa Charter School, #297675.

Page 2

Financial Condition and Management

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

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by them. The financial condition assessment procedures applied in connection with our audit, have led us to believe that the School's overall financial condition as of June 30, 2019 is not deteriorating.

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

Transparency

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

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires 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 Bridgeprep Academy of Tampa, Inc. and is not intended to be and should not be used by anyone other than these specified parties.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 28, 2019