

**REPORT ON SIGNIFICANT FINANCIAL
TRENDS AND FINDINGS
IDENTIFIED IN CHARTER SCHOOL AND
CHARTER TECHNICAL CAREER CENTER
2008-09 FISCAL YEAR AUDIT REPORTS**



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**REPORT ON SIGNIFICANT FINANCIAL TRENDS AND FINDINGS
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2008-09 FISCAL YEAR AUDIT REPORTS**

SUMMARY

This report provides a summary of significant financial trends and findings identified in the 2008-09 fiscal year audit reports submitted to us by October 1, 2010, for 370 charter schools and charter technical career centers (hereafter referred to as charter schools).

Significant Financial Trends

- Fifty-three (14 percent) of the 370 charter schools reported a deficit unreserved fund balance or unrestricted net assets for the general fund or other unrestricted fund at June 30, 2009. This is a slight decrease in the percentage of charter schools that reported a deficit unreserved fund balance or unrestricted net assets at June 30, 2008. However, 23 charter schools that had reported deficit balances in the previous fiscal year continued to report deficit balances, including 15 that had reported deficit balances for three or more consecutive fiscal years.
- Fifty-two charter schools that collectively for all funds reported a total or unreserved fund balance deficit, or total or unrestricted net assets deficit, were reported as meeting one or more of the conditions specified in Section 218.503(1), Florida Statutes. Although not reported by the respective independent certified public accountant (CPA) as meeting one or more of the specified conditions, one charter school reported a total net assets deficit, for which we requested but were not provided an explanation as to why the CPA did not report the school as having met the condition specified in Section 218.503(1)(e), Florida Statutes.

Significant Findings

- The audit reports for 12 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 196 charter schools included audit findings addressing weaknesses in internal control, instances of noncompliance with applicable laws or rules, or other matters. These included 44 audit reports that included findings that were considered by the CPAs to be material weaknesses in internal control.
- For many audit reports, the findings did not include one or more of the elements required by Chapter 10.850, Rules of the Auditor General.
- Of the 419 findings included in 2008-09 fiscal year audit reports for charter schools in operation during the 2007-08 fiscal year, 157 (37 percent) were repeated from 2007-08 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 internal control and compliance 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 Sections 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.

NUMBER OF CHARTER SCHOOLS IN OPERATION

As shown in Exhibit A, the total number of charter schools in operation increased significantly from 304 during the 2004-05 fiscal year to 388 during the 2008-09 fiscal year. During the 2008-09 fiscal year, one or more charter schools were in operation in 42 counties. Table 1 shows the 12 counties with the largest number of charter schools in operation during the 2008-09 fiscal year.

As of October 1, 2010, we had received audit reports for 370 of the 388 charter schools in operation during the 2008-09 fiscal year.

Table 1

County	Number of Charter Schools 2008-09
Miami-Dade	73
Broward	53
Palm Beach	34
Hillsborough	26
Polk	24
Orange	20
Lee	17
Alachua	13
* Lake	11
Manatee	9
Pinellas	9
Sarasota	9

* Includes Lake Technical Center, a charter technical career center.

Source: Auditor General

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 audit reports submitted to us for 370 charter schools for the 2008-09 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. Exhibit B shows the total and unreserved fund balances or unrestricted net assets balances, as applicable, at June 30, 2009, for the charter schools that submitted audit reports to us as of October 1, 2010.

Financial Condition Trends

The financial condition measure used in this report is the ratio of the unreserved 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 fund balance or unrestricted net assets for each of the past three fiscal years:

Table 2

Fund Balance or Net Assets:	Fiscal Year		
	2006-07	2007-08	2008-09
Average Ratio (percent)	13.9	16.1	16.5
Schools Above Average	148	127	128
Schools Below Average (positive balance)	139	159	189
Schools Below Average (negative balance)	54	53	53
Schools Not Identifiable	3	0	0
Total	344	339	370

Source: Auditor General

Fifty-three (14 percent) of the 370 charter schools reported a deficit unreserved fund balance or unrestricted net assets for the general fund or other unrestricted fund at June 30, 2009. This is a slight decrease in the percentage of charter schools that reported a deficit unreserved fund balance or unrestricted net assets at June 30, 2008.

The financial condition ratio for the 53 charter schools that reported deficit balances ranged from less than a negative 1 percent to a negative 166 percent, with an average of negative 15 percent. Fifteen of the 53 charter schools reporting a deficit balance were in their first year of operation. Of the 53 charter schools reporting a deficit, 23 had reported deficit balances in the previous fiscal year and, for 8 of these charter schools, the deficit balance had increased during

¹ As of June 30, 2009, approximately 30 percent of the charter schools had been in operation for three years or less, with 54 charter schools newly opened during the 2008-09 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 \$18,500,000 for the fiscal year ended June 30, 2009.

the 2008-09 fiscal year. Of these 23 schools, 15 have reported deficit balances for three or more consecutive fiscal years.

Financial Emergency Act Conditions

Part V of Chapter 218, Florida Statutes, is entitled the “Local Governmental Entity, Charter School, Charter Technical Center, and District School Board Financial Emergencies Act” (Act). The purposes of the Act are to promote fiscal responsibility of the specified entities, to assist the entities in providing essential services without interruption and in meeting their financial obligations, and to assist the entities through the improvement of local financial management procedures.

Pursuant to Chapter 10.850, Rules of the Auditor General, auditors conducting financial audits of charter schools must indicate in the management letter whether the school met one or more of the conditions specified in Section 218.503(1), Florida Statutes. The condition specified in Section 218.503(1)(e), Florida Statutes, is an unreserved or total fund balance or retained earnings² deficit, or unrestricted or total net assets deficit, as reported on the balance sheet or statement of net assets on the general purpose or fund financial statements, for which sufficient resources of the charter school, as reported on the balance sheet or statement of net assets on the general purpose or fund financial statements, are not available to cover the deficit. To determine whether a charter school has met this condition, fund balance or net assets reported for all funds must be considered.

Fifty-five (15 percent) of the 370 charter schools collectively for all funds reported an unreserved or total fund balance deficit, or an unrestricted or total net assets deficit, at June 30, 2009. Auditors for 52 of the 55 charter schools reported the charter school as meeting one or more of the conditions specified in Section 218.503(1), Florida Statutes. For 2 of the remaining 3 charter schools, we determined through review of the financial statements or inquiry pursuant to Section 11.45(7)(e), Florida Statutes, that there were sufficient resources reported on the financial statements to cover the deficit. However, for the remaining one charter school, which reported a total net assets deficit and appeared to have met the condition specified in Section 218.503(1)(e), Florida Statutes, we requested but were not provided an explanation as to why the CPA did not report the school as meeting such condition.

Future Financial Condition Monitoring Considerations

The weakness in the State of Florida’s economy for the last few fiscal years has resulted in State funding reductions from the original budgeted funding amounts via mid-year holdbacks for the charter schools. For the 2008-09 fiscal year, the base Florida Education Finance Program (FEFP) allocation was initially estimated to be \$3,971.74 per full-time equivalent (FTE) student. This amount was revised once, reducing the amount by a total of \$85.60, resulting in a final per FTE FEFP allocation of \$3,886.14. This amount represents a significant decrease of \$193.60 from the final per FTE FEFP of \$4,079.74 for the 2007-08 fiscal year. Based on the 2009-10 FEFP Fourth Calculation released by the Florida Department of Education in April 2010, the per FTE FEFP allocation for the 2009-10 fiscal year is expected to further decline by \$255.52 to \$3,630.62, from the 2008-09 fiscal year final allocation. For comparison purposes, this per FTE FEFP allocation amount of \$3,630.62 is virtually the same as the 2003-04 fiscal year final per FTE FEFP allocation amount of \$3,630.03. In addition, 60 charter schools operating during both the 2007-08 and 2008-09 fiscal years experienced enrollment declines ranging from 10 to 602 FTE from the 2007-08 fiscal

² Under generally accepted accounting principles, the term “retained earnings” has been replaced with the term “net assets” for proprietary operations.

year to the 2008-09 fiscal year. Under these conditions, 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.

Effective July 1, 2009, Section 1002.345, Florida Statutes, will assist in the monitoring of 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); 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.

Section 1002.345(2), Florida Statutes, provides, in part, that if a charter school is found to be in a state of financial emergency pursuant to Section 218.503(4), Florida Statutes, the charter school must file a financial recovery plan pursuant to Section 218.503, Florida Statutes, with the sponsor and the Commissioner of Education within 30 days after being notified by the Commissioner of Education that a financial recovery plan is needed.

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. In addition, Section 1002.345(6), Florida Statutes, provides that the sponsor may decide not to renew or may terminate a charter if the charter school fails to correct deficiencies noted in a corrective action plan within one year after being notified of the deficiencies or exhibits one or more of the conditions specified in Section 218.503(1), Florida Statutes, for two consecutive years.

AUDIT FINDINGS

Classification of Audit Findings

Auditing standards require that auditor's report significant deficiencies and material weaknesses in internal control that are disclosed during the course of a financial statement audit. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the charter school's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the charter school's financial statements that is more than inconsequential will not be prevented or detected. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements would not be prevented or detected.

The audit reports for 174 charter schools contained no audit findings, while audit reports for 196 charter schools included a total of 503 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.

Going Concern

The audit reports for 12 charter schools (see Table 3) included a statement by the respective CPAs regarding the ability of the charter school to continue operations on an ongoing basis (going concern).

Table 3

Charter Schools Reporting Going Concern Issues	
Broward	Miami-Dade
Smart School, Inc., Charter High School	Tree of Knowledge Learning Academy
Smart School, Inc., Charter Middle School	Orange
Sunshine Elementary Charter School	Rio Grande Charter School of Excellence
Touchdowns4Life	Palm Beach
Escambia	Potentials Charter School
Dr. Ruby J. Gainer School for Reaching Your Dreams	Potentials South Charter School
Lake	Polk
The Charter School at the National Deaf Academy	The Foundation School
Manatee	
Oasis Middle School	

Source: Auditor General

Material Weaknesses

The audit reports for 44 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 12 schools for which two material weakness findings were reported and 4 schools for which three or more material weakness findings were reported.

Table 4

Charter Schools Reporting Material Weaknesses	
Alachua	Martin
Hoggetowne Middle School Micanopy Area Cooperative School	The Hope Center for Autism
Brevard	Miami-Dade
Campus Charter School Palm Bay Academy Palm Bay Community Charter School – Patriot Campus	Academy of Arts and Minds Charter High School Mater Academy Charter High School Mater Academy Charter Middle School Mater Academy of International Studies Mater Performing Arts & Entertainment Academy Rise Academy – South Dade Charter School
Broward	Osceola
Eagle Academy Imagine Charter School at Broward Imagine Charter School at North Lauderdale Imagine Charter School at North Lauderdale Middle Rise Academy School of Science and Technology Smart School, Inc., Charter High School Smart School, Inc., Charter Middle School	Kissimmee Charter School New Dimensions High School
Escambia	Palm Beach
Beulah Academy of Science Byrnesville Elementary School Escambia Charter School	Gulfstream Goodwill L.I.F.E. Academy Palm Beach Maritime Academy
Flagler	Pasco
Cornerstone Elementary Heritage High School Imagine Schools at Town Center Summit Academy	Athenian Academy of Pasco County
Hillsborough	Pinellas
Brooks Debartolo Collegiate High School	Imagine School at St. Petersburg
Indian River	Sarasota
Imagine Schools at South Vero North County Charter School Sebastian Charter Junior High St. Peters Academy	Sarasota Military Academy
Manatee	Seminole
Imagine Charter School at Lakewood Ranch Manatee School of Arts and Sciences	Choices in Learning
	St. Johns
	ABLE School
	Volusia
	Boston Avenue Charter School
	Walton
	The Seaside School

Source: Auditor General

For the 44 charter schools, 20 had material weaknesses regarding the need for enhancements in procedures to ensure the accuracy and completeness of the financial statements or the lack of personnel with skills necessary to prepare the financial statements; 12 had material weaknesses regarding incorrect accounting treatment of transactions; 6 had material weaknesses regarding inadequate documentation to support expenditures; 6 had material weaknesses regarding missing transactions or transactions incorrectly posted to the general ledger; and 6 had material weaknesses regarding inadequate separation of duties. Examples of other material weakness findings included errors made in bank reconciliations, improper recording of capital assets and accumulated depreciation, and lack of approval and support for journal entries.

Significant Deficiencies and Other Audit Findings

Of the 196 charter schools for which audit reports included findings, 188 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 36 charter schools that also had material weaknesses). The following is a summary of the predominant audit findings not considered to be material weaknesses:

Separation of Duties. For 29 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 37 charter schools, the CPAs noted inadequate controls over budget administration. Findings included lack of Board approval of the budget or budget amendments, and budget amendments not being prepared for significant transactions. In addition, for 22 of the 37 charter schools, the CPAs noted that the budget had been overexpended, or the charter school budgeted an anticipated fund balance deficit. Weaknesses in budgetary controls could result in inefficient or inappropriate use of financial resources resulting in deteriorating financial condition.

Policies and Procedures. For 47 charter schools, the CPAs noted that policies and procedures had not been established in writing or were inadequate. For most of these charter schools, the CPAs reported that existing accounting procedures manuals did not reflect the procedures actually in place due to changes made in current procedures for which the manuals were not updated. One charter school was noted to be lacking a formal policy related to anonymous reporting of fraud or abuse. Adequate written policies and procedures are necessary to ensure implementation of internal controls and compliance with laws, rules, and good business practices.

Cash Controls. For 20 charter schools, the CPAs noted inadequate controls over cash and investments. Control deficiencies noted included inadequate safeguarding of collections, overdrawn bank accounts, and bank reconciliations that were not timely or correctly prepared. 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 26 of the charter schools, the CPAs noted a lack of adequate accountability for capital assets. Findings included inadequate or lack of subsidiary tangible personal property records, tangible personal property not marked or tagged to indicate ownership by the charter school, failure to conduct annual physical inventories, and failure to capitalize property acquisitions. Lack of controls over capital assets increases the risk that misuse or misappropriations could occur without being promptly detected.

Payroll and Personnel Administration. For 32 charter schools, the CPAs noted inadequate controls, or noncompliance with applicable legal requirements, regarding payroll and personnel administration. Deficiencies included inadequate documentation maintained in personnel files and failure to timely remit payroll taxes to the Internal Revenue Service. Such payroll and personnel problems affect the charter school's ability to demonstrate compliance with legal requirements and increase the risk of inappropriate or inefficient use of public resources.

For 8 of the 32 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. Absent timely fingerprinting, there is an increased risk that staff may have backgrounds that are not suitable for direct contact with students.

Other Expenditures. For 29 charter schools, the CPAs noted inadequate documentation to support payments for goods and services and proper approval for those payments, as well as other purchasing and disbursement control deficiencies. In addition, for 4 of the 29 charter schools, cancelled checks that required two signatures only had one. 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 47 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. Additionally, for 3 of the 47 charter schools, documentation to support journal entries was not maintained or was missing. Such deficiencies in recordkeeping affect the charter schools' ability to monitor use of public resources and increase the risk of inappropriate or inefficient use of such resources. Improper recording of transactions affects the reliability of the charter schools' reports on financial position and results of operations.

For 4 of the 47 charter schools, the CPAs noted that procedures were needed to ensure computer programs, files, and data were backed-up and maintained at offsite storage sites, and that a disaster recovery plan was in place. In the absence of these procedures over computer programs, files, and data, there is an increased risk that, in the event of a disaster, prompt and effective continuation of school operations may not occur.

Charter Contract Compliance. For 27 charter schools, the CPAs questioned the charter schools' compliance with charter contracts. Areas of noncompliance included required insurance coverage and timeliness of the submission of financial reports. For example, 11 of the 27 charter schools did not acquire, or could not document, the insurance coverage required by their charter contract; 8 of the 27 charter schools did not file monthly or annual financial reports timely with the district school board; and 2 of the 27 charter schools had entered into contracts to lease property or purchase goods and services from an officer or employee of the charter school contrary to terms in the school's contract.

Miscellaneous Findings. For 79 charter schools, various audit findings related to areas such as charter schools lacking people with skills necessary to prepare financial statements and note disclosures, improvements needed in financial position, 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 503 findings in the audit reports reviewed, 219 (44 percent) did not include one or more of the following elements required by Section 10.856(3)(c), 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 as discussed below.

ADDITIONAL CONSIDERATIONS

The Governmental Accounting Standards Board (GASB) issued Statement 54 to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The initial distinction that is made in reporting fund balance information is identifying amounts that are considered nonspendable, such as fund balance associated with inventories. Additional classifications are restricted, committed, assigned, and unassigned and are based on the relative strength of the constraints that control how specific amounts can be spent. Charter schools are required to implement GASB Statement 54 by the fiscal year ending June 30, 2011. Because this Statement redefined fund balance categories, it will have a significant impact on future trends beginning with the fiscal year ending June 30, 2011.

RECOMMENDATIONS FOR THE LEGISLATURE

A significant number of findings included in audit reports for the 2008-09 fiscal year were also included in audit reports for the prior fiscal year. Of the 503 findings in the audit reports reviewed, 419 were included in audit reports for charter schools in operation during the 2007-08 fiscal year. Of the 419 findings, 157 (37 percent) were repeated from 2007-08 fiscal year audit reports. The percentage of repeated findings indicates that some charter schools are not addressing audit findings in a timely manner.

Recommendation: The Legislature should consider amending Section 218.39, Florida Statutes, to include provisions that encourage charter schools to take timely and appropriate action to address audit findings.

Section 218.503(1)(e), Florida Statutes, and other Florida Statutes not pertaining to charter schools, contain various references to requirements relating to the term “unreserved fund balance” to describe that portion of fund balance available for general appropriation by governing bodies. However, since GASB Statement 54 redefines the components of fund balance, effective for fiscal years ending June 30, 2011, the term “unreserved fund balance” needs to be replaced with terminology consistent with GASB Statement 54.

Recommendation: Applicable Florida Statutes should be amended to replace the term “unreserved” with more current terminology.

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(8), Florida Statutes.

The scope of this project included a review of 365 audit reports (covering operations of 370 charter schools) prepared by independent certified public accountants and submitted to us by October 1, 2010, for the fiscal year ended June 30, 2009.

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 financial trends and significant findings identified in audits of charter schools for the 2008-09 fiscal year.



David W. Martin, CPA
Auditor General

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

County	Fiscal Years				
	2004-05	2005-06	2006-07	2007-08	2008-09
Alachua	14	15	14	13	13
Bay	1	3	2	2	3
Bradford	1	1	1	0	0
Brevard	11	12	13	8	8
Broward (1)	25	34	43	48	53
Citrus	1	1	1	1	1
Collier	2	2	2	2	2
Duval	8	5	4	5	5
Escambia	7	7	8	8	7
Flagler	2	3	4	4	5
Franklin	1	1	1	1	1
Gadsden	1	1	1	1	1
Glades	0	0	0	1	1
Hernando	1	1	1	1	1
Highlands	1	1	1	0	0
Hillsborough	21	26	25	27	26
Indian River	5	5	4	4	5
Jackson	1	0	0	0	0
Jefferson	0	0	0	0	1
Lake (2)	10	10	11	11	11
Lee	7	9	10	10	17
Leon (1)	3	3	4	5	6
Levy	2	3	3	2	2
Manatee	8	7	9	8	9
Marion	3	2	2	2	3
Martin	2	2	2	2	2
Miami-Dade	39	50	56	57	73
Monroe	3	3	3	3	3
Okaloosa	3	3	3	3	3
Orange	16	17	18	17	20
Osceola	11	11	8	8	7
Palm Beach	35	42	39	35	34
Pasco	5	5	6	4	5
Pinellas	5	6	6	6	9
Polk	24	23	24	23	24
Putnam	1	1	1	1	1
Santa Rosa	1	1	1	1	1
Sarasota	8	9	10	9	9
Seminole	3	3	3	3	3
St. Johns (2)	3	2	3	3	3
St. Lucie	0	0	0	0	1
Sumter	3	3	3	1	1
Volusia (2)	3	4	4	4	5
Wakulla	1	1	1	1	1
Walton	2	2	3	2	2
Total	304	340	358	347	388

(1) Includes one University lab school for the 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09 fiscal years chartered through Florida State University.
(2) Includes one charter technical career center for the 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09 fiscal years.

EXHIBIT B
SUMMARY OF UNRESERVED FUND BALANCE/UNRESTRICTED NET ASSETS
CHARTER SCHOOLS AND CHARTER TECHNICAL CAREER CENTERS
JUNE 30, 2009

	General or Other Unrestricted Fund		All Funds	
	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unrestricted Net Assets	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unreserved Net Assets
Alachua				
Alachua Learning Center	24,498	18,857	24,498	18,857
Caring & Sharing Learning School	121,857	121,857	121,857	121,857
Einstein Montessori School	307,188	231,891	307,188	231,891
Expressions Learning Arts Academy	196,416	196,416	271,298	196,416
Florida School for Integrated Academics and Technologies Gainesville	128,132	128,132	139,399	139,399
Genesis Preparatory School of Gainesville	333,137	331,413	333,137	331,413
Healthy Learning Academy	12,205	12,113	12,205	12,113
Hoggetowne Middle School	(51,663)	(51,663)	(10,331)	(10,331)
Love to Learn Educational Center	24,318	24,318	24,318	24,318
Micanopy Area Cooperative School	332,192	332,192	308,267	308,267
Micanopy Middle Charter School	(5,279)	(5,279)	8,523	(13,382)
One Room School House Project	452,357	443,857	467,153	443,857
Sweetwater Branch Academy	(40,209)	(40,209)	(40,209)	(40,209)
Bay				
Chautauqua Learn and Serve Charter School	240,771	240,771	240,771	240,771
NewPoint Bay	143,012	143,012	143,012	143,012
Brevard				
Brevard Innovative Charter School	622,320	622,320	1,830,412	622,320
Campus Charter School	18,937	9,004	18,937	9,004
Educational Horizons Charter School	101,502	101,502	101,502	101,502
Imagine Schools at West Melbourne (1)	9,078	9,078	42,595	42,595
Odyssey Charter School	461,474	461,474	555,746	461,474
Palm Bay Academy	487,477	433,470	2,437,763	433,470
Palm Bay Community Charter School - Patriot Campus	(2,498,066)	(2,498,066)	(2,498,066)	(2,498,066)
Royal Palm Charter School	271,677	271,677	228,927	228,927
Broward				
Ben Gamla Charter School	5,969	5,969	5,969	5,969
Broward Community Charter Middle School	87,293	87,293	87,293	87,293
Broward Community Charter School	13,202	13,202	13,202	13,202
Broward Community Charter School West	4,701	4,701	4,701	4,701
Central Charter School	1,582,478	1,559,420	1,582,478	1,559,420
Charter School Institute	(131,935)	(131,935)	(131,935)	(131,935)
Charter School of Excellence at Davie	(261,030)	(261,030)	(261,030)	(261,030)
City of Pembroke Pines Charter School – Elementary	3,340,736	3,327,486	3,340,736	3,327,486
City of Pembroke Pines Charter School – High	359,288	338,064	359,288	338,064
City of Pembroke Pines Charter School – Middle	861,848	851,281	861,848	851,281
City of Pembroke Pines Florida State University Charter Elementary School	525,068	522,299	525,068	522,299
Coral Springs Charter School	5,542,349	5,542,349	5,542,349	5,542,349
Discovery Middle Charter School	4,046	4,046	4,046	4,046
Eagle Academy	196,728	184,334	196,728	184,334
Eagles' Nest Elementary Charter School	9,029	9,029	9,029	9,029
Eagles' Nest Middle Charter School	158	158	158	158
Excelsior Charter School of Broward	63,222	63,222	63,222	63,222
Florida High School for Accelerated Learning - North Broward Campus	1,721	1,721	250,788	1,721
Florida High School for Accelerated Learning - South Broward Campus	11,449	11,449	277,974	11,449

EXHIBIT B (CONTINUED)
SUMMARY OF UNRESERVED FUND BALANCE/UNRESTRICTED NET ASSETS
CHARTER SCHOOLS AND CHARTER TECHNICAL CAREER CENTERS
JUNE 30, 2009

	General or Other Unrestricted Fund		All Funds	
	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unrestricted Net Assets	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unrestricted Net Assets
Broward (Continued)				
Florida High School for Accelerated Learning of Broward County	17,110	17,110	270,601	17,110
Florida Intercultural Academy	389,140	389,140	389,140	389,140
Florida Intercultural Academy Middle School	(6,687)	(6,687)	(6,687)	(6,687)
Hollywood Academy of Arts and Science	277,571	260,566	277,571	260,566
Hollywood Academy of Arts and Science Middle School	111,463	103,631	111,463	103,631
Imagine Charter School at Broward	(254,704)	(268,494)	(254,704)	(268,494)
Imagine Charter School at North Lauderdale	118,792	118,792	118,792	118,792
Imagine Charter School at North Lauderdale Middle	(90,619)	(90,619)	(90,619)	(90,619)
Imagine Charter School at Weston	231,878	221,898	231,878	221,898
International School of Broward	(232,346)	(232,346)	(232,346)	(232,346)
Kidz Choice Charter School	10,251	10,251	10,251	10,251
Life Skills Center Broward County	139,914	139,914	154,397	139,914
North Broward Academy of Excellence	89,153	67,511	89,153	67,511
North Broward Academy of Excellence Middle School	88,681	79,935	88,681	79,935
Paragon Academy of Technology	10,561	10,561	10,561	10,561
Paragon Elementary Charter School	85,334	85,334	85,334	85,334
Parkway Academy at Broward Community College	(143,142)	(143,142)	(143,142)	(143,142)
Pompano Charter Middle School	(5,267)	(5,267)	(5,267)	(5,267)
Rise Academy School of Science and Technology	4,601	4,601	4,601	4,601
Smart School, Inc., Charter High School	0	0	0	0
Smart School, Inc., Charter Middle School	(1,737,204)	(1,748,582)	(1,737,204)	(1,748,582)
Somerset Academy and Somerset Neighborhood School	416,148	45,917	416,148	45,917
Somerset Academy Charter High School	914,904	715,056	914,904	715,056
Somerset Academy Davie Charter School	387,534	387,534	387,534	387,534
Somerset Academy Middle School	212,519	5,470	212,519	5,470
Somerset Academy Middle School Miramar	197,623	88,568	197,623	88,568
Somerset Academy Miramar	676,956	425,770	676,956	425,770
Somerset Arts Conservatory	131,978	131,978	131,978	131,978
Sunshine Elementary Charter School	(119,110)	(119,110)	(119,110)	(119,110)
The Charter School of Excellence	108,259	108,259	108,259	108,259
Touchdowns4Life	(156,932)	(156,932)	(156,932)	(156,932)
Collier				
Marco Island Charter Middle School	1,524,308	1,484,004	1,955,523	1,484,004
RCMA Immokalee Community School	10,847	10,847	10,847	10,847
Duval				
Florida Community College at Jacksonville Pathways Academy	313,126	306,729	313,126	306,729
Florida School for Integrated Academics and Technologies Jacksonville	136,385	136,385	677,479	677,479
River City Science Academy	6,124	6,124	6,124	6,124
S.O.C.K. Outstanding Students (S.O.S.) Academy	41,821	41,821	(76,561)	(76,561)
Wayman Academy of the Arts	45,111	45,111	45,111	45,111
Escambia				
Beulah Academy of Science	802,704	662,704	808,120	668,120
Byrneville Elementary School	657,418	657,418	657,418	657,418
Capstone Academy – Pensacola	143,337	142,472	143,337	142,472
Dr. Ruby J. Gainer School for Reaching Your Dreams	(15,040)	(15,040)	(7,869)	(7,869)
Escambia Charter School	351,598	351,598	384,898	384,898

EXHIBIT B (CONTINUED)
SUMMARY OF UNRESERVED FUND BALANCE/UNRESTRICTED NET ASSETS
CHARTER SCHOOLS AND CHARTER TECHNICAL CAREER CENTERS
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	General or Other Unrestricted Fund		All Funds	
	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unrestricted Net Assets	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unrestricted Net Assets
Escambia (Continued)				
Jacqueline Harris Preparatory Academy	(10,592)	(10,592)	(10,592)	(10,592)
Pensacola Beach Elementary School	493,970	477,749	578,974	477,749
Flagler				
Cornerstone Elementary	(45,495)	(45,495)	(17,609)	(45,495)
Easter Seal Society of Volusia and Flagler Counties	2,974,498	2,974,498	3,859,618	2,974,498
Heritage High School	11,288	11,288	20,587	11,288
Imagine Schools at Town Center	116,139	116,139	116,139	116,139
Summit Academy	(71,119)	(71,119)	(59,775)	(71,119)
Franklin				
Apalachicola Bay Charter School	539,879	536,790	689,072	536,790
Gadsden				
Crossroad Academy Charter School	1,584,757	1,584,757	1,584,757	1,584,757
Glades				
Pemayetv Emahakv	350,711	350,711	350,711	350,711
Hernando				
Gulf Coast Academy of Science and Technology	133,044	133,044	133,044	133,044
Hillsborough				
Brooks Debartolo Collegiate High School	61,636	61,636	61,636	61,636
Community Charter School of Excellence	(30,891)	(30,891)	(30,891)	(30,891)
Florida Autism Charter School of Excellence	9,944	9,944	101	101
Hope Preparatory School	234,242	234,242	234,242	234,242
Kid's Community College	142,476	142,476	142,476	142,476
Learning Gate Community School	54,386	54,386	1,392,118	54,386
Literacy, Leadership, Technology Academy	123,577	123,577	123,577	123,577
Literacy, Leadership, Technology High School	(34,865)	(34,865)	(34,865)	(34,865)
Metropolitan Ministries Academy	289,491	96,408	289,491	96,408
Mt. Pleasant Standard Base Middle School	367,952	367,952	367,952	367,952
Pepin High School	(2,989,083)	(2,994,083)	(2,989,083)	(2,994,083)
Quest Middle School	266,638	266,638	266,638	266,638
RCMA Wimauma Academy	51,420	51,420	51,420	51,420
Shiloh Charter Schools	70,195	70,195	70,195	70,195
Tampa Charter School	157,466	157,466	157,466	157,466
Tampa Transitional School	247,565	247,565	247,565	247,565
Terrace Community Middle School	187,258	187,258	1,045,777	187,258
The Charter School of Tampa Bay Academy	204,619	204,619	204,619	204,619
The Richardson Montessori Academy	326,898	326,898	326,898	326,898
The Upper School at Trinity School for Children	(164,225)	(164,225)	(164,225)	(164,225)
Trinity School for Children	(255,741)	(255,741)	(255,741)	(255,741)
Village of Excellence	79,357	79,357	79,357	79,357
Walton Academy for the Performing Arts	409,721	409,721	409,721	409,721
Indian River				
Imagine Schools at South Vero	113,956	113,956	113,956	113,956
Indian River Charter High School	1,341,355	1,341,355	1,785,935	1,785,935
North County Charter School	356,828	356,828	74,678	74,678
Sebastian Charter Junior High	26,614	26,614	44,506	44,506
St. Peters Academy	88,046	88,046	58,449	58,449
Jefferson				
CARE Charter School of Excellence	(36,144)	(36,144)	(36,144)	(36,144)

EXHIBIT B (CONTINUED)
SUMMARY OF UNRESERVED FUND BALANCE/UNRESTRICTED NET ASSETS
CHARTER SCHOOLS AND CHARTER TECHNICAL CAREER CENTERS
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	General or Other Unrestricted Fund		All Funds	
	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unrestricted Net Assets	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unrestricted Net Assets
Lake				
Alee Academy	348,222	123,122	348,222	123,122
Altoona School	121,972	91,972	127,180	91,972
Lake Technical Center (Charter Technical Career Center)	3,595,771	3,287,771	3,595,771	3,287,771
Mascotte Elementary School	1,410,846	1,156,742	1,410,846	1,156,742
Milestones Community School of Lake County	96,895	92,674	96,895	92,674
Minneola Elementary School	3,443,391	3,091,487	3,443,391	3,091,487
Rivendell Academy	3,375	3,375	3,375	3,375
Round Lake Elementary School	3,594,066	3,161,965	3,594,066	3,161,965
South Lake Charter Elementary School	210,320	210,320	210,320	210,320
Spring Creek Elementary School	1,234,550	1,174,665	1,234,550	1,174,665
The Charter School at the National Deaf Academy	(158,159)	(158,159)	(158,159)	(158,159)
Lee				
Bonita Springs Charter School	412,725	280,817	412,725	280,817
Cape Coral Charter School	7,081	(12,894)	7,081	(12,894)
Cape Coral Charter School Authority	221,467	155,863	221,467	155,863
Florida High School for Accelerated Learning - North Lee Campus	35,858	35,858	35,858	35,858
Florida High School for Accelerated Learning - South Lee Campus	66	66	66	66
Gateway Charter High School	280,287	253,414	280,287	253,414
Gateway Charter School	1,708,750	1,679,920	1,708,750	1,679,920
Gateway Intermediate Charter School	1,061,656	1,038,700	1,061,656	1,038,700
Goodwill Academies of Southwest Florida	1,077	1,077	1,077	1,077
Lee Alternative Charter High School	(24,674)	(24,674)	(24,674)	(24,674)
Lee Charter Academy	30,798	30,798	30,798	30,798
Life Skills Center Lee County	100,123	100,123	100,123	100,123
Richard Milburn Academy of Lee County	399,543	399,543	399,543	399,543
Six Mile Charter Academy	561,836	539,743	561,836	539,743
The Island School	222,233	179,145	222,233	179,145
Leon				
C.K. Steele - Leroy Collins Community Charter Middle School	81,212	77,601	101,061	80,822
Florida State University School	5,055,036	4,975,831	12,505,541	12,426,336
Imagine Charter School at Leon	246,357	204,691	246,357	204,691
Life Skills Center Leon County	51,349	51,349	51,349	51,349
Stars Educational Services	18,758	18,758	18,758	18,758
The School of Arts and Sciences Foundation	219,901	219,901	556,960	219,901
Levy				
Nature Coast Middle School	39,534	39,534	39,534	39,534
Whispering Winds Charter School	230,330	227,754	316,337	227,754
Manatee				
Bradenton Charter School	33,904	33,904	33,904	33,904
Imagine Charter School at North Manatee	(68,755)	(68,755)	(68,755)	(68,755)
Imagine School at Lakewood Ranch	(229,747)	(229,747)	(229,747)	(229,747)
Manatee School for the Arts	3,142,915	487,875	3,142,915	487,875
Manatee School of Arts and Sciences	482,083	482,083	482,083	482,083
Oasis Middle School	(11,085)	(44,652)	(11,085)	(44,652)
Opportunity Charter School	152,040	16,731	152,040	16,731
PAL Academy Charter School	240,490	157,473	240,490	157,473
Richard Milburn Academy of Manatee County	238,182	238,182	254,801	238,182

EXHIBIT B (CONTINUED)
SUMMARY OF UNRESERVED FUND BALANCE/UNRESTRICTED NET ASSETS
CHARTER SCHOOLS AND CHARTER TECHNICAL CAREER CENTERS
JUNE 30, 2009

	General or Other Unrestricted Fund		All Funds	
	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unrestricted Net Assets	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unrestricted Net Assets
Marion				
Francis Marion Military Academy	(32,307)	(32,307)	(32,307)	(32,307)
Marion Charter School	37,388	37,388	142,531	37,388
McIntosh Area School	414,771	414,771	453,690	453,690
Martin				
Clark Advanced Learning Center	1,939,377	1,747,376	1,939,377	1,747,376
The Hope Center for Autism	80,448	80,448	80,448	80,448
Miami-Dade				
Academy of Arts and Minds Charter High School	64,100	64,100	64,100	64,100
Archimedean Academy	148,055	128,265	194,539	174,749
Archimedean Middle Conservatory	48,626	38,400	48,626	38,400
Archimedean Upper Conservatory	5,033	227	5,033	227
ASPIRA Eugenio Maria De Hostos Youth Leadership Charter School	33,941	33,941	33,941	33,941
ASPIRA South Youth Leadership Charter School	1,165,123	1,144,455	1,165,123	1,144,455
ASPIRA Youth Leadership Charter School	1,546,048	1,412,170	1,546,048	1,412,170
Aventura City of Excellence School	1,060,315	1,025,751	1,060,315	1,025,751
Balere Language Academy	(72,202)	(72,202)	(72,202)	(72,202)
Charter School at Waterstone	1,561,670	1,561,670	1,561,670	1,561,670
City of Hialeah Education Academy	7,917	7,917	7,917	7,917
Coral Reef Montessori Academy Charter School	547,076	547,076	547,076	547,076
Doctors Charter School of Miami Shores	165,922	165,922	390,147	165,922
Doral Academy Charter Middle School	1,630,046	1,294,204	1,630,046	1,294,204
Doral Academy High School	2,346,642	2,004,182	2,346,642	2,004,182
Doral Performing Arts and Entertainment Academy	356,371	356,371	356,371	356,371
Early Beginnings Academy Civic Center Charter School	118,792	102,432	118,792	102,432
Excelsior Language Academy of Hialeah	27,738	27,738	27,738	27,738
Florida International Academy	173,580	121,523	173,580	121,523
Florida School for Integrated Academics and Technologies Miami-Dade	177,364	177,364	451,770	451,770
International Studies Charter High School	59,515	59,515	59,515	59,515
Keys Gate Charter School	3,996,899	3,959,643	3,996,899	3,959,643
Lawrence Academy	48,466	48,466	48,466	48,466
Lawrence Academy Elementary School	3,187	3,187	3,187	3,187
Lawrence Academy Senior High	8,680	8,680	8,680	8,680
Life Skills Center Dade County	95,330	95,330	95,330	95,330
Life Skills Center Liberty City	0	0	0	0
Life Skills Center Opa Locka	103,349	103,349	103,349	103,349
Mater Academy	5,436,735	5,436,735	5,436,735	5,436,735
Mater Academy Charter High School	3,539,423	3,539,423	3,539,423	3,539,423
Mater Academy Charter Middle School	3,635,528	3,635,528	3,635,528	3,635,528
Mater Academy East Charter High School	225,847	225,847	371,847	225,847
Mater Academy East Charter Middle School	106,166	106,166	106,166	106,166
Mater Academy East Charter School	809,553	809,553	809,553	809,553
Mater Academy Gardens	97,747	97,747	97,747	97,747
Mater Academy Gardens Middle School	3,734	3,734	3,734	3,734
Mater Academy High School of International Studies	3,830	3,830	3,830	3,830
Mater Academy Lakes High School	574,508	574,508	574,508	574,508
Mater Academy Lakes Middle School	438,842	438,842	438,842	438,842
Mater Academy Middle School of International Studies	12,103	12,103	12,103	12,103
Mater Academy of International Studies	700	700	700	700

EXHIBIT B (CONTINUED)
SUMMARY OF UNRESERVED FUND BALANCE/UNRESTRICTED NET ASSETS
CHARTER SCHOOLS AND CHARTER TECHNICAL CAREER CENTERS
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	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unrestricted Net Assets	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unrestricted Net Assets
Miami-Dade (Continued)				
Mater Performing Arts & Entertainment Academy	1,469,153	1,469,153	1,469,153	1,469,153
Miami Children's Museum Charter School	790,837	790,837	790,837	790,837
Miami Community Charter Middle School	1,709	1,709	1,709	1,709
Miami Community Charter School	181,990	181,990	181,990	181,990
Oxford Academy of Miami	2,510	2,510	2,510	2,510
Pinecrest Academy (South Campus)	217,854	217,854	217,854	217,854
Pinecrest Academy Charter Middle School	519,764	383,071	519,764	383,071
Pinecrest Preparatory Academy	966,318	810,606	966,318	810,606
Pinecrest Preparatory High School	114,809	114,809	114,809	114,809
Renaissance Elementary Charter School	1,054,546	892,344	1,054,546	892,344
Renaissance Middle Charter School	167,811	165,233	167,811	165,233
Richard Allen Leadership Academy	(46,814)	(49,039)	(46,814)	(49,039)
Rise Academy - South Dade Charter School	(269,016)	(269,016)	(269,016)	(269,016)
River Cities Community Charter School	2,918	2,918	2,918	2,918
Sandor Wiener School of Opportunity, North	(66,694)	(70,776)	(66,694)	(70,776)
Sandor Wiener School of Opportunity, South	(106,292)	(110,376)	(106,292)	(110,376)
Somerset Academy	240,462	156,894	240,462	156,894
Somerset Academy at Silver Palms	39,400	39,400	39,400	39,400
Somerset Academy Charter High School	422,843	422,843	422,843	422,843
Somerset Academy Charter Middle School	242,113	242,113	242,113	242,113
Somerset Academy Middle School (South Campus)	255,858	255,858	255,858	255,858
Somerset Academy High School (South Campus)	214,016	214,016	214,016	214,016
Somerset City Arts Conservatory	84,489	84,489	84,489	84,489
Somerset Country Palms	9,893	9,893	9,893	9,893
Somerset Middle Country Palms	5,307	5,307	5,307	5,307
Summerville Advantage Academy	195,529	195,529	195,529	195,529
The Doral Academy	2,481,939	2,481,939	2,481,939	2,481,939
The Downtown Miami Charter School	626,958	617,498	626,958	617,498
Theodore R. and Thelma A. Gibson Charter School	41,148	41,148	41,148	41,148
Tree of Knowledge Learning Academy	47,269	47,269	47,269	47,269
Youth Co-Op Charter School	3,282,507	2,872,092	3,282,507	2,872,092
Monroe				
Big Pine Elementary Academy	30,280	30,280	30,280	30,280
Montessori Elementary Charter School	274,940	274,940	274,940	274,940
Treasure Village Montessori	577,520	577,520	577,520	577,520
Okaloosa				
Liza Jackson Preparatory School	519,702	519,702	519,702	519,702
Northwest Florida State College Collegiate High School	72,671	72,671	72,671	72,671
Okaloosa Academy	75,525	75,525	152,699	152,699
Orange				
Aloma High School	13,121	13,121	13,121	13,121
Chancery High School	14,860	14,860	14,860	14,860
Hope Charter School	383,672	206,537	383,672	206,537
Lake Eola Charter School	383,382	383,382	595,049	492,394
Legacy High School	11,450	11,450	139,566	11,450
Life Skills Center Orange County	61,380	61,380	61,380	61,380
Nap Ford Community School	99,564	93,684	155,303	93,684
Oakland Avenue Charter School	1,134,210	1,134,210	1,198,371	1,198,371

EXHIBIT B (CONTINUED)
SUMMARY OF UNRESERVED FUND BALANCE/UNRESTRICTED NET ASSETS
CHARTER SCHOOLS AND CHARTER TECHNICAL CAREER CENTERS
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	General or Other Unrestricted Fund		All Funds	
	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unrestricted Net Assets	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unreserved Net Assets
Orange (Continued)				
Orlando Science Middle/High Charter Schools	58,723	58,723	58,723	58,723
Passport High School	327,228	327,228	327,228	327,228
Princeton House Charter School	835,847	820,847	835,847	820,847
Rio Grande Charter School of Excellence	(4,873)	(8,502)	(4,873)	(8,502)
Sheeler High School	15,067	15,067	15,067	15,067
The Passport School	727,206	727,206	727,206	727,206
UCP East Orange Child Development Center Charter School	(131,886)	(131,886)	(131,886)	(131,886)
UCP Orange Child Development Center Charter School	701,497	701,497	701,497	701,497
UCP Pine Hills Child Development Center Charter School	353,810	353,810	353,810	353,810
UCP Transitional Learning Academy Charter School	51,943	51,943	51,943	51,943
Workforce Advantage Academy	430,127	420,181	507,670	420,181
Osceola				
Bellalago Charter Academy	428,857	196,851	429,276	197,270
Four Corners Charter School	701,185	701,185	701,185	701,185
Kissimmee Charter School	701,506	701,506	701,506	701,506
New Dimensions High School	673,493	664,722	724,032	664,722
UCP Osceola Child Development Center Charter School	900,015	900,015	900,015	900,015
Palm Beach				
Academy for Positive Learning	304,228	304,228	304,228	304,228
Believers Academy	270,080	270,080	270,080	270,080
Boca Raton Charter School	119,138	119,138	119,138	119,138
Bright Futures Academy (2)	216,670	216,670	216,670	216,670
Chancellor Charter School at Lantana	77,133	58,108	77,133	58,108
Charter School of Boynton Beach	29,832	29,832	29,832	29,832
DayStar Academy of Excellence Charter School	(24,833)	(24,833)	(24,833)	(24,833)
Delray Youth Vocational Charter School	233,619	233,619	233,619	233,619
Ed Venture Charter School	827,558	827,558	827,558	827,558
Everglades Preparatory Academy	54,518	41,138	54,518	41,138
Glades Academy of Agricultural & Ecological Studies	25,326	25,326	25,326	25,326
Gulfstream Goodwill L.I.F.E. Academy	(67,378)	(67,378)	(67,378)	(67,378)
Gulfstream Goodwill Transitions Academy	(25,872)	(25,872)	(25,872)	(25,872)
Inlet Grove Community High School	709,165	709,165	709,165	709,165
JFK Medical Center Charter School	0	0	0	0
Joseph Littles Nguzo Saba Charter School	(94,743)	(94,743)	(94,743)	(94,743)
Lakeside Academy	408,960	408,960	577,624	408,960
Leadership Academy West	79,909	79,909	79,909	79,909
Life Skills Center Palm Beach County	78,175	78,175	95,683	78,175
Montessori Academy of Early Enrichment	277,045	277,045	277,045	277,045
Noah's Ark International Charter School	324	324	324	324
Palm Beach Maritime Academy	4,539	4,539	4,539	4,539
Palm Beach School for Autism	471,394	420,448	705,628	420,448
Potentials Charter School	11,250	11,250	11,250	11,250
Potentials South Charter School	26,250	26,250	26,250	26,250
Riviera Beach Maritime Academy	(194,957)	(194,957)	(194,957)	(194,957)
Seagull Academy for Independent Living	86,724	86,724	86,724	86,724
South Tech Charter Academy	2,788,469	2,598,972	2,788,469	2,598,972
Students in the ArtsTV/G-Star TV	570,523	570,523	1,490,281	604,386
The Palm Beach Academy for Learning	(211,308)	(211,308)	(211,308)	(211,308)

EXHIBIT B (CONTINUED)
SUMMARY OF UNRESERVED FUND BALANCE/UNRESTRICTED NET ASSETS
CHARTER SCHOOLS AND CHARTER TECHNICAL CAREER CENTERS
JUNE 30, 2009

	General or Other Unrestricted Fund		All Funds	
	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unrestricted Net Assets	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unrestricted Net Assets
Palm Beach (Continued)				
The Renaissance Learning Center	70,225	70,225	70,225	70,225
Toussaint L'Ouverture High School for Arts and Social Justice	(30,733)	(30,733)	(30,733)	(30,733)
Western Academy Charter School	494,055	494,055	494,055	494,055
Pasco				
Academy at the Farm	213,408	213,408	213,408	213,408
Athenian Academy of Pasco County	40,655	40,655	40,655	40,655
Countryside Montessori School	158,588	158,588	158,588	158,588
Dayspring Academy for Education and the Arts	153,910	153,910	153,910	153,910
Imagine School at Land O' Lakes	(167,004)	(167,004)	(167,004)	(167,004)
Pinellas				
Academie Da Vinci Charter School	173,870	173,870	233,700	233,700
Alfred Adler Elementary School	41,301	41,301	41,301	41,301
Imagine School at St. Petersburg	(493,723)	(493,723)	(493,723)	(493,723)
Life Skills Center - North Pinellas	17,987	17,987	17,987	17,987
Life Skills Center Pinellas County	178,687	178,687	358,128	178,687
Pinellas Preparatory Academy	355,917	351,755	355,917	351,755
Plato Academy Charter School	210,420	210,420	210,420	210,420
St. Petersburg College Collegiate High School	716,857	591,385	716,857	591,385
The Athenian Academy	65,198	65,198	65,198	65,198
Polk				
Achievement Academy	1,548,869	718,230	1,548,869	718,230
Berkley Accelerated Middle School	772,761	772,761	772,761	772,761
Berkley Charter School	841,302	841,302	841,302	841,302
Central Florida Speech and Hearing Center, Inc.'s A.C.E. Charter School	171,114	163,601	171,114	163,601
Compass Charter Middle School	900,906	900,906	900,906	900,906
Dale R. Fair Babson Park Elementary School	(597,851)	(605,215)	(597,851)	(605,215)
Discovery Academy of Lake Alfred	2,614,187	2,523,003	2,614,187	2,523,003
Edward W. Bok Academy	(220,800)	(220,800)	(220,800)	(220,800)
Hartridge Academy	270,160	191,586	270,160	191,586
Hillcrest Elementary School	523,122	523,122	153,122	523,122
Janie Howard Wilson Elementary School	546,499	546,499	546,499	546,499
Lake Wales High School	1,986,281	1,986,281	1,986,281	1,986,281
Lakeland Montessori Schoolhouse	605,588	593,830	605,588	593,830
Life Skills Center Polk County	69,927	69,927	79,703	69,927
Life Skills Center Polk County East	47,537	47,537	47,537	47,537
McKeel Academy of Technology	1,555,854	1,482,349	1,555,854	1,482,349
McKeel Elementary Academy	777,199	777,199	777,199	777,199
Our Children's Academy	552,527	552,527	552,527	552,527
Polk Avenue Elementary School	184,570	183,864	184,570	183,864
Polk State College Chain of Lakes Collegiate Charter High School	704,762	599,319	704,762	599,319
Polk State College Collegiate High School	803,307	624,775	803,307	624,775
Ridgeview Global Studies Academy	1,081,752	1,081,752	1,130,937	1,130,937
South McKeel Elementary Academy	918,864	918,864	918,864	918,864
The Foundation School	199,928	199,928	43,522	43,522
Putnam				
Children's Reading Center Charter School	631,537	631,537	631,537	631,537

EXHIBIT B (CONTINUED)
SUMMARY OF UNRESERVED FUND BALANCE/UNRESTRICTED NET ASSETS
CHARTER SCHOOLS AND CHARTER TECHNICAL CAREER CENTERS
JUNE 30, 2009

	General or Other Unrestricted Fund		All Funds	
	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unrestricted Net Assets	Total Fund Balance or Net Assets	Unreserved Fund Balance or Unreserved Net Assets
Santa Rosa				
The Learning Academy	22,068	22,068	72,449	72,449
Sarasota				
Imagine School at North Port	212,782	212,782	212,782	212,782
Island Village Middle School	13,758	13,758	13,758	13,758
Island Village Montessori Charter School	184,760	184,760	184,760	184,760
Island Village Montessori North	51,651	51,651	51,651	51,651
Sarasota Military Academy	688,948	616,296	688,948	616,296
Sarasota School of Arts and Sciences	887,061	887,061	887,061	887,061
Sarasota Suncoast Academy	66,029	(80,659)	66,029	(80,659)
Student Leadership Academy of Venice	135,693	135,693	135,693	135,693
Suncoast School for Innovative Studies	241,351	241,351	241,351	241,351
Seminole				
Choices in Learning	570,957	560,607	968,760	958,410
UCP Seminole Child Development Center Charter School	(65,341)	(65,341)	(65,341)	(65,341)
St. Johns				
ABLE School	128,550	128,550	128,550	128,550
First Coast Technical College (Charter Technical Career Center)	1,685,914	1,564,628	1,685,914	1,564,628
Sumter				
The Villages Charter School	(372,317)	(372,317)	(464,925)	(464,925)
Volusia				
Boston Avenue Charter School	3,879	3,879	3,879	3,879
Reading Edge Academy	29,190	29,190	(231,687)	(272,072)
Richard Milburn Academy of Volusia County	175,572	175,572	223,554	175,572
The Chiles Academy	88,198	77,134	88,198	77,134
Volusia Flagler Advanced College (Charter Technical Career Center)	0	0	0	0
Wakulla				
Wakulla's Charter School of Arts, Science and Technology	71,333	69,070	124,579	122,316
Walton				
The Seaside School	221,625	125,225	252,050	155,650
Walton Academy	137,833	131,419	241,369	234,955

Notes: (1) Formerly reported as River's Edge Charter Academy
(2) Academy for International Studies and Bright Futures International merged to form Bright Futures Academy.