

**BRIDGEPREP ACADEMY OF GREATER MIAMI  
CHARTER SCHOOL**  
MIAMI, FLORIDA  
(A COMPONENT UNIT OF THE SCHOOL BOARD  
OF MIAMI-DADE COUNTY, FLORIDA)

BASIC FINANCIAL STATEMENTS, INDEPENDENT  
AUDITORS' REPORT AND SUPPLEMENTAL  
INFORMATION

JUNE 30, 2016

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL**  
**BASIC FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION**  
**JUNE 30, 2016**

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**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL**  
(A Charter School Under Bridgeprep Academy, Inc.)

137 NE 19<sup>th</sup> Street,  
Miami, FL 33132  
(786) 477-4372

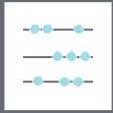
2015-2016

**BOARD OF DIRECTORS**

Mr. Luis Necuze, Chair  
Ms. Yeneir Rodriguez-Padron, Treasurer  
Mr. Lou LoFranco, Secretary  
Ms. Jessica Jewett, Director

**SCHOOL ADMINISTRATION**

Ms. Ana Natali, Principal



## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Bridgeprep Academy of Greater Miami Charter School  
Miami, 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 Greater Miami Charter School (the "School"), a charter school under Bridgeprep Academy, Inc., and a component unit of the District School Board of Miami-Dade County, as of and for the year ended June 30, 2016, 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, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9 and budgetary comparison information on pages 23 through 26 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 August 31, 2016, 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  
August 31, 2016

**Management's Discussion and Analysis**  
Bridgeprep Academy of Greater Miami Charter School  
June 30, 2016

The corporate officers of Bridgeprep Academy of Greater Miami Charter School (the "School") have prepared this narrative overview and analysis of the School's financial activities for the fiscal year ended June 30, 2016.

**FINANCIAL HIGHLIGHTS**

1. The assets of the School exceeded its liabilities at June 30, 2016 by \$447,813 and at year-end, had current assets of \$508,230.
2. The School had an increase in net position of \$379,639 during the current fiscal year of operations.
3. The School had an increase in fund balance during the fiscal year of \$352,287, and had a combined ending fund balance of \$334,258 at June 30, 2016.

***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, 2016, 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 position 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 basic 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, 2016 and 2015 follows:

<b>Assets</b>	2016	2015
Cash	\$ 470,130	\$ 120,178
Due from other agencies	38,100	20,003
Deposits receivable	63,429	63,429
Capital assets, net	135,635	133,095
Total Assets	<u>\$ 707,294</u>	<u>\$ 336,705</u>
<b>Liabilities and Position</b>		
Accounts and wages payable and accrued liabilities	\$ 237,401	\$ 221,639
Loan payable	22,080	46,892
Total Liabilities	<u>259,481</u>	<u>\$ 268,531</u>
Investment in capital assets, net of related debt	113,555	86,203
Unrestricted	334,258	(18,029)
Total Net Position	<u>447,813</u>	<u>\$ 68,174</u>
Total Liabilities and Net Position	<u>\$ 707,294</u>	<u>\$ 336,705</u>



At June 30, 2016, the School's total assets were \$707,294 and total liabilities were \$259,481 and had reported a net position of \$447,813, which increased by \$379,639 due to the increased enrollment and increased funding for the Class Size Reduction Program from the district.

A summary and analysis of the School's revenues and expenses for the years ended June 30, 2016 and 2015 follows:

<b>REVENUES</b>	<u>2016</u>	<u>2015</u>
Program Revenues		
Federal lunch program	\$ 152,062	\$ 103,199
State capital outlay funding	65,965	107,798
Charges for services	159,033	174,979
General Revenues		
FEFP nonspecific revenue	3,362,771	2,593,298
Fundraising & other revenue	30,191	19,370
Total Revenues	<u>\$ 3,770,022</u>	<u>\$ 2,998,644</u>
 <b>EXPENSES</b>		
Instruction	\$ 1,513,071	\$ 1,340,585
Instructional support services	6,971	6,533
Instructional staff training services	15,854	3,217
General administrative	664,036	551,971
School administration	323,700	275,484
Facilities acquisition & construction	5,200	51,715
Fiscal services	9,321	11,283
Food services	161,201	142,787
Operation of plant	510,447	434,031
Maintenance of plant	49,205	38,304
Community services	65,431	73,565
Interest expense	2,273	3,483
Unallocated depreciation	63,673	52,884
Total Expenses	<u>\$ 3,390,383</u>	<u>\$ 2,985,842</u>
Change in Net Position	379,639	12,802
 <b>Net Position at Beginning of Year</b>	<u>68,174</u>	<u>55,372</u>
<b>Net Position at End of Year</b>	<u>\$ 447,813</u>	<u>\$ 68,174</u>

The School's total revenues for the year ended June 30, 2016, were \$3,770,022 while its total expenses were \$3,390,383 for a net increase of \$379,639. Enrollment for the 2015-2016 school year increased throughout the year to 470 students due to the expansion of the School's facilities. This resulted in increased FEFP funding and Class Size Reduction Program funding from the district. A significant increase in rent, school administration, and instructional expenses also occurred as a result of the expansion. Administrative Staff was added in order to meet the growth of the school. A full additional wing was committed to on the lease, which was an investment taken by the school's board in order to properly prepare for the 2015-2016 school year's projected growth.

## **ACCOMPLISHMENTS**

During 2015-2016, the School completed its 5th year of operations. The School served over 470 students for the 2015-2016 school year, due to the acquisition of the new kindergarten wing in July 2014. The steady increase is due to a high retention rate and a steady growth of satisfied parent referrals.

The School implemented new technological support programs that provided supplemental assistance and intervention to all students in all subjects. Also, a resource program for gifted students has been implemented to service our high achieving population. This program promises to continue an exciting curriculum aligning Science, Mathematics and Literacy. Students will take field trips and explore some of Miami's finest and most interesting places. Our goal is to bring real world concepts alive in the classroom, therefore enhancing student learning through enriching activities.

The School has established a "parents of the round table" philosophy to incorporate and increase its fundraising efforts as they work closely with the parents and school stakeholders. Our goal is to increase the use of technology by investing in more computers and online programs throughout the campus.

The School's board has approved Curriculum Support Staff which will provide support to all campuses in the following areas: Financial Compliance, Reading and Language Arts Support, Mathematics Support, and Administrative support. These efforts have been accomplished as the facility was accredited during the school year. This status allows the campus to receive additional monies towards Capital Outlay expenses allowing the facility to use its FTE towards staff support.

## **SCHOOL LOCATION**

The School operates in the Miami area located at 137 NE 19<sup>th</sup> Street, Miami, FL 33132.

## **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 \$334,258 and an increase in fund balance of \$352,287.

## **CAPITAL ASSETS**

The School's investment in capital assets, as of June 30, 2016, amounts to \$135,635 (net of accumulated depreciation). This investment in capital assets includes leasehold improvements, fixtures, furniture and equipment, audio visual materials, and computer software. The School maintains a continuous capital improvements program to enhance facilities and update fixtures and equipment as required.

**LONG-TERM LIABILITIES**

The School has a loan payable that bears interest at 6.0% at June 30, 2016, and matures in April 2017. The balance at June 30, 2016, was \$22,080. The School made principal repayments of \$24,812 for the year ended June 30, 2016.

**GOVERNMENTAL 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 Funds		
	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
State passed through local	\$ 3,346,092	\$ 3,346,092	\$ 3,362,771
State capital outlay funding	129,250	129,250	65,965
Federal lunch program	120,000	120,000	152,062
Charges for services	266,500	266,500	159,033
Other income	-	-	30,191
<b>TOTAL REVENUES</b>	<b>\$ 3,861,842</b>	<b>\$ 3,861,842</b>	<b>\$ 3,770,022</b>
<b>EXPENDITURES</b>			
Instruction	\$ 1,459,000	\$ 1,459,000	\$ 1,513,071
Instructional support services	7,000	7,000	6,971
Instructional staff training services	8,000	8,000	15,854
General administrative	628,992	628,992	664,036
School administration	278,000	278,000	323,700
Facilities acquisition & construction & other capital outlay	129,250	129,250	71,411
Fiscal services	10,000	10,000	9,321
Food services	155,000	155,000	161,201
Operation of plant	429,750	429,750	510,447
Maintenance of plant	40,000	40,000	49,205
Community service	110,000	110,000	65,431
Debt service	30,000	30,000	27,087
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,284,992</b>	<b>\$ 3,284,992</b>	<b>\$ 3,417,735</b>
Change in fund balance before other financing sources	576,850	576,850	352,287
Other financing sources	-	-	-
<b>Net change in fund balance</b>	<b>\$ 576,850</b>	<b>\$ 576,850</b>	<b>\$ 352,287</b>

**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 7990 Southwest 117<sup>th</sup> Avenue, #210, Miami, Florida 33183.

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2016**

	Governmental Activities <u>2016</u>
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	\$ 470,130
Accounts receivable	10,384
Due from governmental agencies	27,716
<b>TOTAL CURRENT ASSETS</b>	<u>508,230</u>
<b>CAPITAL ASSETS, NET</b>	
Improvements other than buildings	25,540
Less accumulated depreciation	(21,116)
Building and fixtures	29,557
Less accumulated depreciation	(27,833)
Furniture and equipment	229,045
Less accumulated depreciation	(124,542)
Audio visual materials & computer software	61,844
Less accumulated depreciation	(36,860)
<b>Total capital assets, net</b>	<u>135,635</u>
Deposit receivable and other assets	63,429
<b>TOTAL ASSETS</b>	<u>\$ 707,294</u>
<b>LIABILITIES AND NET POSITION</b>	
<b>LIABILITIES</b>	
Accounts payable and accrued liabilities	\$ 11,001
Accrued wages payable	226,400
Loan payable - current	22,080
<b>TOTAL CURRENT LIABILITIES</b>	<u>259,481</u>
<b>NET POSITION</b>	
Invested in capital assets, net of related debt	113,555
Unrestricted	334,258
<b>TOTAL NET POSITION</b>	<u>447,813</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 707,294</u>

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

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2016**

2016					
<b>Functions</b>	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental Activities:</b>					
Instruction	\$ 1,513,071	\$ -	\$ -	\$ -	\$ (1,513,071)
Instructional support services	6,971	-	-	-	(6,971)
Instructional staff training services	15,854	-	-	-	(15,854)
General administrative	664,036	-	-	-	(664,036)
School administration	323,700	-	-	-	(323,700)
Facilities acquisition & construction	5,200	-	-	-	(5,200)
Fiscal services	9,321	-	-	-	(9,321)
Food services	161,201	34,126	152,062	-	24,987
Operation of plant	510,447	-	-	65,965	(444,482)
Maintenance of plant	49,205	-	-	-	(49,205)
Community services	65,431	124,907	-	-	59,476
Interest expense	2,273	-	-	-	(2,273)
Unallocated depreciation expense	63,673	-	-	-	(63,673)
<b>Total Governmental Activities</b>	<b>\$ 3,390,383</b>	<b>\$ 159,033</b>	<b>\$ 152,062</b>	<b>\$ 65,965</b>	<b>\$ (3,013,323)</b>

GENERAL REVENUES:

Government grants not restricted to specific programs	3,362,771
Fundraising and other revenue	30,191
Total general revenues	3,392,962

Change in Net Position 379,639

NET POSITION - BEGINNING 68,174

NET POSITION - ENDING \$ 447,813

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

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL  
 BALANCE SHEET- GOVERNMENTAL FUNDS  
 JUNE 30, 2016**

	<u>2016</u>
	<u>Governmental Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 470,130
Accounts receivable	10,384
Due from governmental agencies	27,716
Deposit receivable and other assets	<u>63,429</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 571,659</u></u>
<b>LIABILITIES AND FUND BALANCES</b>	
<b>LIABILITIES</b>	
Accounts payable and accrued liabilities	\$ 11,001
Accrued wages payable	<u>226,400</u>
<b>TOTAL LIABILITIES</b>	<u>237,401</u>
<b>FUND BALANCE</b>	
Nonspendable	
Deposit receivable and other assets	63,429
Deficit in unassigned	<u>270,829</u>
<b>TOTAL FUND BALANCE</b>	<u><u>334,258</u></u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u><u>\$ 571,659</u></u>

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

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL**  
**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2016**

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Total Fund Balance - Governmental Funds \$ 334,258

Amounts reported for governmental activities in the statement of net position are the same. There are no reconciling items.

Capital assets of \$345,986, net of accumulated depreciation of \$210,351 used in governmental activities are not financial resources and therefore are not reported in the fund. 135,635

Long-term liabilities of \$22,080 are not due and payable in the current period and therefore, are not reported in the funds. (22,080)

Total Net Position - Governmental Activities \$ 447,813

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

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	2016			Total Governmental
	General Fund	Capital Projects Fund	Special Revenue Fund	
<b>REVENUES</b>				
State passed through local	\$ 3,362,771	\$ -	\$ -	\$ 3,362,771
State capital outlay funding	-	65,965	-	65,965
Federal lunch program	-	-	152,062	152,062
Charges for services	159,033	-	-	159,033
Other income	30,191	-	-	30,191
<b>TOTAL REVENUES</b>	<b>\$ 3,551,995</b>	<b>\$ 65,965</b>	<b>\$ 152,062</b>	<b>\$ 3,770,022</b>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Instruction	\$ 1,513,071	\$ -	\$ -	\$ 1,513,071
Instructional support services	6,971	-	-	6,971
Instructional staff training services	15,854	-	-	15,854
General administrative	664,036	-	-	664,036
School administration	323,700	-	-	323,700
Facilities acquisition & construction	5,200	-	-	5,200
Fiscal services	9,321	-	-	9,321
Food services	9,139	-	152,062	161,201
Operation of plant	444,482	65,965	-	510,447
Maintenance of plant	49,205	-	-	49,205
Community services	65,431	-	-	65,431
<b>Capital Outlay:</b>				
Other capital outlay	66,211	-	-	66,211
<b>Debt Service:</b>				
Redemption of principal and interest	27,087	-	-	27,087
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,199,708</b>	<b>\$ 65,965</b>	<b>\$ 152,062</b>	<b>\$ 3,417,735</b>
Net change in fund balance	\$ 352,287	\$ -	\$ -	\$ 352,287
Fund balance (deficit) at beginning of year	(18,029)	-	-	(18,029)
Fund balance at end of year	<b>\$ 334,258</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 334,258</b>

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



**BRIDGEPREP ACADEMY OF GREATER MIAMI 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, 2016**

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Change in Fund Balance - Governmental Funds \$ 352,287

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. This is the amount by which capital outlays of \$66,211 exceeded depreciation expense of \$63,671. 2,540

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount of the repayments of \$24,812 in the current period. 24,812

Change in Net Position of Governmental Activities \$ 379,639

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

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

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**NOTE 1 – ORGANIZATION AND OPERATIONS**

**Reporting Entity**

Bridgeprep Academy of Greater Miami Charter School, (the “School”) a component unit of the School Board of Miami-Dade County, Florida is sponsored by its charter-holder, Bridgeprep Academy, 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 Board of Directors which is comprised of five members.

The general operating authority of Bridgeprep Academy of Greater Miami 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 Miami-Dade County, Florida (the “School Board”). The current charter is effective until June 30, 2020. 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 10 years by mutual agreement.

These financial statements are for the year ended June 30, 2016, when 470 students were enrolled in grades Kindergarten through 5<sup>th</sup> 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.

**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.

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:

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

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The financial statements of Bridgeprep of Greater Miami 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).

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.

Due from Governmental Agencies

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

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2016 was \$135,635.
- 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, 2016 was \$0.
- Unrestricted – all other net position is reported in this category.

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

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NOTE 2 - 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, 2016, the School had \$63,429 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, 2016, 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, 2016, there is no committed fund balance.
- Assigned – fund balance classification are intended to be used by the School’s management for specific purposes but do not meet the criteria to be classified as restricted or committed. At June 30, 2016, 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, 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, 2016, 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 Miami-Dade County (the “School Board”) pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School will report the number of full-time equivalent (FTE) students and related data to the School Board. Under the provisions of Section 1011.62, Florida Statutes, the School Board reports the number of the full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the Florida Education Finance Program and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods. 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.

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 August 31, 2016, 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, 2016:

	Balance 7/1/2015	Additions	Deletions	Balance 6/30/2016
Capital Assets				
Improvements other than buildings	\$ 25,540	\$ -	\$ -	\$ 25,540
Building and fixtures	29,557	-	-	29,557
Furniture and equipment	170,673	58,372	-	229,045
Audio visual materials & computer software	54,005	7,839	-	61,844
Total Capital Assets	<u>\$ 279,775</u>	<u>\$ 66,211</u>	<u>\$ -</u>	<u>\$ 345,986</u>
Less Accumulated Depreciation				
Improvements other than buildings	\$ (15,994)	\$ (5,122)	\$ -	\$ (21,116)
Building and fixtures	(22,323)	(5,510)	-	(27,833)
Furniture and equipment	(83,334)	(41,208)	-	(124,542)
Audio visual materials & computer software	(25,029)	(11,831)	-	(36,860)
Total Accumulated Depreciation	<u>\$ (146,680)</u>	<u>\$ (63,671)</u>	<u>\$ -</u>	<u>\$ (210,351)</u>
Capital Assets, net	<u>\$ 133,095</u>	<u>\$ 2,540</u>	<u>\$ -</u>	<u>\$ 135,635</u>

Depreciation expense for the year ended June 30, 2016 was \$63,671.

NOTE 4 – TRANSACTIONS WITH MANAGEMENT COMPANY

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 management company, 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 policies and contracts.

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

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**NOTE 4 – TRANSACTIONS WITH MANAGEMENT COMPANY (Continued)**

In providing management services to the School, officers of the management company may not serve as members of the Board of Directors of the School. The agreement began on July 1, 2010, and is effective through June 30, 2020. The contract calls for a management fee equal to 10% of full time equivalent (FTE) revenues based on the total number of full time equivalents (FTE). In addition, the School pays \$1,000 a month for the management of the After Care program. During the year-ended June 30, 2016, the School incurred management fees of \$339,107. At June 30, 2016, the School had no amounts owed to the management company.

**NOTE 5 – COMMITMENTS AND CONTINGENCIES**

The School entered into a lease agreement in January 2011 to lease facilities. The first payment commenced on September 1, 2011, and requires monthly lease payments of \$23,201 for the fiscal year ended June 30, 2016, and with annual base rent increases of the greater of 5% or CPI for the year. The term of this agreement ends August 31, 2026.

In June 2014, the School entered into an agreement to lease additional facilities. The lease commences August 1, 2014 through July 31, 2026, and requires monthly minimum lease payments of \$11,603.

For the year ended June 30, 2016, the amount paid by the School for the use of these facilities and services was \$476,319. Future minimum payments are as follows:

<u>Year Ended June 30</u>	
2017	443,750
2018	458,976
2019	474,962
2020	491,749
2021	509,374
2022-2026	<u>2,894,974</u>
Total	<u>\$ 5,273,785</u>

**NOTE 6 – LOAN PAYABLE**

The School, as described in Note 1, is sponsored by its charter-holder, Bridgeprep Academy, Inc., a not-for-profit corporation. In March 2012, the School obtained an unsecured line of credit loan from a financial institution via Bridgeprep Academy, Inc. in the amount of \$100,000. In April 2015, all amounts outstanding on the line of credit were converted to an installment loan payable, maturing April 2017. The loan payable bears interest at a fixed rate of 6.0%. The loan payable requires a monthly principal and interest payment of \$2,257.

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

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**NOTE 6 – LOAN PAYABLE (Continued)**

For the year ended June 30, 2016, the School had no borrowings, and made repayments totaling \$24,812. The balance at June 30, 2016, was \$22,080.

	Balance 7/1/14	Borrowings	Repayments	Balance at 6/30/15
Loan payable	\$ 46,892	-	24,812	\$ 22,080

Maturities at June 30, 2016 are as follows:

<u>Year Ended June 30</u>	
2017	\$ 22,080
Total	<u>\$ 22,080</u>

**NOTE 7 – RELATED PARTIES**

The School is sponsored by its charter-holder Bridgeprep Academy, Inc. which also sponsors three other charter schools: Bridgeprep Interamerican Academy, Bridgeprep Academy Charter School, and Bridgeprep Academy of Village Green. At times during the year these schools may pay certain expenses for the other school and be reimbursed on a later date. There were no balances due from or to these related parties as of June 30, 2016.

**NOTE 8 – DEPOSITS POLICY AND CREDIT RISK**

It is the School’s policy to maintain its cash and cash equivalents in major banks and in high grade investments.

As of June 30, 2016, the carrying amount of the School’s operating cash deposit accounts was \$470,130 and the bank balance totaled \$470,619. As of June 30, 2016, balances held in financial institutions did not exceed the Federal Depository Insurance Corporation (FDIC) limit.

**NOTE 9 – 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 10 – 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.

**NOTE 11 – DEFINED CONTRIBUTION RETIREMENT PLAN**

The School’s personnel, which are leased through ADP TotalSource Group, Inc., are eligible to participate in a defined contribution 401(k) plan sponsored by their payroll company, ADP TotalSource Group, Inc., covering employees who meet certain age and tenure requirements. Beginning in the 2015-2016 school year, under the ADP TotalSource Retirement Savings Plan (the “Plan”), the School provides a match of 25% of the employee’s contribution up to 4% of the employee’s compensation. The School made \$276 in contributions to the Plan for the year ended June 30, 2016.



REQUIRED SUPPLEMENTAL INFORMATION

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL -**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	General Fund		
	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
State passed through local	\$ 3,346,092	\$ 3,346,092	\$ 3,362,771
Charges for services	266,500	266,500	159,033
Other income	-	-	30,191
<b>TOTAL REVENUES</b>	<b>\$ 3,612,592</b>	<b>\$ 3,612,592</b>	<b>\$ 3,551,995</b>
<b>EXPENDITURES</b>			
Instruction	\$ 1,459,000	\$ 1,459,000	\$ 1,513,071
Instructional support services	7,000	7,000	6,971
Instructional staff training services	8,000	-	15,854
General administrative	628,992	628,992	664,036
School administration	278,000	278,000	323,700
Facilities acquisition & construction	-	-	71,411
Fiscal services	10,000	10,000	9,321
Food services	35,000	35,000	9,139
Operation of plant	429,750	429,750	444,482
Maintenance of plant	40,000	40,000	49,205
Community services	110,000	110,000	65,431
Debt service	30,000	30,000	27,087
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,035,742</b>	<b>\$ 3,027,742</b>	<b>\$ 3,199,708</b>
Change in fund balance before other financing sources	576,850	584,850	352,287
Other financing sources	-	-	-
<b>Net change in fund balance</b>	<b>\$ 576,850</b>	<b>\$ 584,850</b>	<b>\$ 352,287</b>

See accompanying note to the required supplemental information.

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL -**  
**SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Special Revenue Fund</u>		
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES			
Federal lunch program	\$ 120,000	\$ 120,000	\$ 152,062
TOTAL REVENUES	<u>\$ 120,000</u>	<u>120,000</u>	<u>\$ 152,062</u>
EXPENDITURES			
Food services	120,000	120,000	\$ 152,062
TOTAL EXPENDITURES	<u>\$ 120,000</u>	<u>120,000</u>	<u>\$ 152,062</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying note to the required supplemental information.

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL -**  
**CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Capital Projects Funds</u>		
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
State capital outlay funding	\$ 129,250	\$ 129,250	\$ 65,965
<b>TOTAL REVENUES</b>	<u>\$ 129,250</u>	<u>129,250</u>	<u>\$ 65,965</u>
<b>EXPENDITURES</b>			
Facilities and acquisition and other capital outlay	\$ 129,250	\$ 129,250	65,965
<b>TOTAL EXPENDITURES</b>	<u>\$ 129,250</u>	<u>129,250</u>	<u>\$ 65,965</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying note to the required supplemental information.

**BRIDGEPREP ACADEMY OF GREATER MIAMI CHARTER SCHOOL  
NOTE TO REQUIRED SUPPLEMENTAL INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016**

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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, 2016, 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, special revenue, and capital project 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 AUDITORS' 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*

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Board of Directors of  
Bridgeprep Academy of Greater Miami Charter School  
Miami, 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 Greater Miami Charter School (the "School"), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated August 31, 2016.

### **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*.

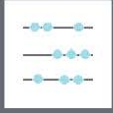
## **Purpose of this Report**

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  
August 31, 2016



## MANAGEMENT LETTER

Board of Directors of  
Bridgeprep Academy of Greater Miami Charter School  
Miami, Florida

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

We have audited the financial statements of Bridgeprep Academy of Greater Miami Charter School (the "School"), a non-major component unit of the District School Board of Miami-Dade County, Florida, as of and for the fiscal year ended June 30, 2016, and have issued our report thereon dated August 31, 2016.

### **Auditor's Responsibility**

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

### **Other Reports and Schedules**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in that report, which is dated August 31, 2016, 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 audit report.

### **Official Title**

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

### **Financial Condition**

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

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. It is management's responsibility to



monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. The financial condition assessment procedures applied in connection with our audit, has lead us to believe that the School's overall financial condition as of June 30, 2016 is not deteriorating.

**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.

**Other Matters**

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

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

**Purpose of this Letter**

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

  
CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
August 31, 2016