

Keys Gate Charter School
(A Component Unit of the School
Board of Miami-Dade County, Florida)

Basic Financial Statements
For the Year Ended June 30, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Keys Gate Charter School
Homestead, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Keys Gate Charter School (the "School"), a Department of The Florida Charter Educational Foundation, Inc. and a component unit of the School Board of Miami-Dade County, Florida, as of and for the year ended June 30, 2015, 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, each major fund, and the aggregate remaining fund information of the School, as of June 30, 2015, and the respective changes in financial position, and budgetary comparison for the General Fund and Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements of the School are intended to present the financial position and change in financial position of only that portion of the governmental activities, each major fund and the aggregate remaining fund information of The Florida Charter Educational Foundation, Inc. that is attributable to the transactions of the School. They do not purport to, and do not, present fairly the financial position of The Florida Charter Educational Foundation, Inc. as of June 30, 2015 and the changes in its financial position or budgetary comparisons, where applicable, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 27, 2015, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.



KEEFE McCULLOUGH

Fort Lauderdale, Florida
August 27, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Keys Gate Charter School (the "School"), a Department of The Florida Charter Educational Foundation, Inc. and a component unit of the School Board of Miami-Dade County, Florida, we offer readers of the School's basic financial statements this narrative overview and analysis of the financial activities of the School for the years ended June 30, 2015 and 2014.

Management's discussion and analysis is included at the beginning of the School's basic financial statements to provide, in layman's terms, the past and current position of the School's financial condition. This summary should not be taken as a replacement for the audit, which consists of the basic financial statements.

Financial Highlights

Our government-wide financial statements provide these insights into the results of this year's operations.

- The changes in net position at the School resulted in net position of \$ 7,914,726 as of June 30, 2015 as compared to \$ 7,387,020, as of June 30, 2014.
- As of June 30, 2015, the School's governmental fund balance was \$ 7,390,900 as compared to \$ 6,995,810 as of June 30, 2014.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements are comprised of three components: 1) government-wide basic financial statements, 2) fund basic financial statements, and 3) notes to the basic financial statements.

Government-Wide Basic Financial Statements: The government-wide basic 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, liabilities, and deferred inflows/outflows of resources with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

The statement of activities presents information showing how the School's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected revenues and services rendered but unpaid).

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

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

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

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

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

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

The governmental fund financial statements can be found on pages 9 through 14 of this report.

Agency Fund: In addition, the School has one agency fund which is a student activity fund. This fund is formed for education and school purposes.

The basic agency fund financial statement can be found on page 15 of this report.

Notes to Basic Financial Statements: The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund basic financial statements. The notes to basic financial statements can be found on pages 16 through 24 of this report.

Government-Wide Financial Analysis

The School has been in operation for twelve years; therefore, comparative government-wide data is presented. The School's net position was \$ 7,914,726 at June 30, 2015. Of this amount, \$ 7,356,314 represented unrestricted net position and \$ 558,412 represented net investment in capital assets. The School's net position was \$ 7,387,020 at June 30, 2014. Of this amount, \$ 6,978,218 represented unrestricted net position and \$ 408,802 represented net investment in capital assets.

Our analysis in the table below focuses on the net position of the School's governmental activities:

Keys Gate Charter School Net Position		
	June 30, 2015	June 30, 2014
ASSETS:		
Current and other assets	\$ 8,095,667	\$ 7,814,056
Capital assets, net of depreciation	801,625	408,802
Total assets	8,897,292	8,222,858
LIABILITIES:		
Current liabilities	786,991	831,440
Noncurrent liabilities	195,575	4,398
Total liabilities	982,566	835,838
NET POSITION		
Net investment in capital assets	558,412	408,802
Unrestricted	7,356,314	6,978,218
Total net position	\$ 7,914,726	\$ 7,387,020

Governmental Activities: The results of this year's operations for the School as a whole are reported in the statement of activities on page 8. The table below provides a condensed presentation of the School's revenues and expenses for the years ended June 30, 2015 and 2014:

Keys Gate Charter School Change in Net Position		
	June 30, 2015	June 30, 2014
REVENUES:		
General revenues	\$ 15,193,374	\$ 14,129,449
Program revenues	1,967,382	1,892,423
Total revenues	17,160,756	16,021,872
FUNCTIONS/PROGRAM EXPENSES:		
Instruction	7,247,797	6,887,061
Instructional support services	5,752,591	5,781,687
Operation of non-instructional services	3,632,662	3,497,631
Total governmental activities	16,633,050	16,166,379
Change in net position	\$ 527,706	\$ (144,507)

Governmental Fund Expenditures: In the table below, we have presented the cost of the largest functions/programs as a percentage of total governmental expenditures:

Functions/Programs	2015		2014	
	Expenditures	Percent	Expenditures	Percent
Governmental expenditures:				
Instructional expenditures	\$ 7,019,050	41.1%	\$ 6,704,211	41.3%
Administrative services	675,382	4.0%	743,209	4.6%
Plant operations and maintenance	4,051,903	23.8%	4,020,129	24.7%
Fiscal services	2,678,372	15.7%	2,641,100	16.3%
All other functions/programs	2,634,009	15.4%	2,134,352	13.1%
Total governmental expenditures	\$ 17,058,716	100.0%	\$ 16,243,001	100.0%

Capital Assets and Debt Administration

Capital assets: At June 30, 2015, the School had capital assets of \$ 801,625, net of accumulated depreciation, invested in computers, furniture and equipment and leasehold improvements as compared to \$ 408,802 at June 30, 2014.

Debt: At June 30, 2015, the School had outstanding debt of \$ 243,213. Additional information on the School's debt can be found in Notes 8 and 9 on page 22.

General Fund Budgetary Highlights

Revenues were favorable to the budget for the year mainly due to unbudgeted interest income and school recognition bonus funding.

Expenditures were unfavorable to the budget in instruction due to higher than anticipated spending on teacher compensation. Expenditures were also unfavorable in central services because the School was not considered high performing for the 2014/2015 School year and paid an administrative fee to the District of 5% rather than 2%.

Economic Factors and Next Year's Budget

The State of Florida is projecting an increase in Florida Education Finance Program funding for the next fiscal year of approximately 3%. This increase will be offset by a reduction in Public Education Capital Outlay, a funding pool which includes all charter schools.

Expenditures are budgeted in proportion to enrollment as well as strategic objectives at the School. In addition, a 2% salary increase pool has been built into the budget for all eligible school staff.

Requests for Information

If you have any questions about this report or need additional information, please write Ms. Hillary Daigle, Controller; Charter Schools USA; 800 Corporate Drive, Suite 124; Fort Lauderdale, Florida 33334.

BASIC FINANCIAL STATEMENTS

Keys Gate Charter School
Statement of Net Position
June 30, 2015

	Governmental Activities
Current Assets:	
Cash and cash equivalents	\$ 4,133,937
Note receivable	3,000,000
Due from management company	56,597
Due from other governments	68,532
Due from related parties	766,002
Deposits	12,323
Prepaid expenditures and other assets	<u>58,276</u>
Total current assets	8,095,667
Noncurrent Assets:	
Capital assets (depreciable), net of accumulated depreciation	<u>801,625</u>
Total assets	<u>8,897,292</u>
Current Liabilities:	
Accounts payable	47,129
Salaries and wages payable	657,626
Due to Agency Fund	12
Compensated absences	25,939
Capital lease	<u>56,285</u>
Total current liabilities	<u>786,991</u>
Noncurrent Liabilities:	
Compensated absences	8,647
Capital lease	<u>186,928</u>
Total noncurrent liabilities	<u>195,575</u>
Total liabilities	<u>982,566</u>
Commitments (Notes 8 and 10)	-
Net Position:	
Net investment in capital assets	558,412
Unrestricted	<u>7,356,314</u>
Total net position	\$ <u><u>7,914,726</u></u>

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

Keys Gate Charter School
Statement of Activities
For the Year Ended June 30, 2015

		Program Revenues			Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net Revenue (Expense) and Change in Net position
	<u>Expenses</u>				
Functions/Programs:					
Instruction	\$ 7,247,797	\$ -	\$ 251,797	\$ -	\$ (6,996,000)
Pupil personnel services	354,286	-	-	-	(354,286)
Instructional media services	9,982	-	-	-	(9,982)
Instruction and curriculum development services	68,440	-	-	-	(68,440)
Instructional staff training services	7,760	-	-	-	(7,760)
Instruction related technology	153,991	-	-	-	(153,991)
School board	37,259	-	-	-	(37,259)
School administration	675,382	-	-	-	(675,382)
Fiscal services	2,678,372	-	-	-	(2,678,372)
Food services	699,251	104,474	626,165	-	31,388
Central services	16,309	-	-	-	(16,309)
Pupil transportation services	344,660	-	-	-	(344,660)
Operation of plant	3,794,595	-	-	799,726	(2,994,869)
Maintenance of plant	343,495	-	-	-	(343,495)
Community services	192,491	176,770	8,450	-	(7,271)
Interest on long-term debt	8,980	-	-	-	(8,980)
Total governmental activities	\$ <u>16,633,050</u>	\$ <u>281,244</u>	\$ <u>886,412</u>	\$ <u>799,726</u>	<u>(14,665,668)</u>
General revenues:					
Grants and entitlements					14,984,357
Investment earnings					93,370
Miscellaneous					<u>115,647</u>
Total general revenues					<u>15,193,374</u>
Change in net position					527,706
Net position, July 1, 2014					<u>7,387,020</u>
Net position, June 30, 2015					\$ <u><u>7,914,726</u></u>

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

Keys Gate Charter School
Balance Sheet - Governmental Funds
June 30, 2015

	General Fund	Special Revenue Fund	Capital Project Fund	Total
Assets:				
Cash and cash equivalents	\$ 4,133,937	\$ -	\$ -	\$ 4,133,937
Note receivable	3,000,000	-	-	3,000,000
Due from other governments	-	-	68,532	68,532
Due from management company	56,597	-	-	56,597
Due from other funds	68,532	-	-	68,532
Due from related parties	766,002	-	-	766,002
Deposits	12,323	-	-	12,323
Prepays and other assets	58,276	-	-	58,276
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	\$ <u>8,095,667</u>	\$ <u>-</u>	\$ <u>68,532</u>	\$ <u>8,164,199</u>
Liabilities:				
Accounts payable	\$ 47,129	\$ -	\$ -	\$ 47,129
Salaries and wages payable	657,626	-	-	657,626
Due to other funds	-	-	68,532	68,532
Due to Agency Fund	12	-	-	12
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>704,767</u>	<u>-</u>	<u>68,532</u>	<u>773,299</u>
Commitments (Notes 8 and 10)	-	-	-	-
Fund Balances:				
Nonspendable:				
Prepays and other assets	58,276	-	-	58,276
Deposits	12,323	-	-	12,323
Assigned for subsequent year's budget	533,771	-	-	533,771
Unassigned	6,786,530	-	-	6,786,530
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>7,390,900</u>	<u>-</u>	<u>-</u>	<u>7,390,900</u>
Total liabilities and fund balances	\$ <u>8,095,667</u>	\$ <u>-</u>	\$ <u>68,532</u>	\$ <u>8,164,199</u>

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

**Keys Gate Charter School
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Assets
June 30, 2015**

**Amounts Reported for Governmental Activities
in the Statement of Net Position are Different Because:**

Total fund balances of governmental funds
in the balance sheet, page 9 \$ 7,390,900

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

Governmental cost of capital assets	\$ 2,437,536	
Less accumulated depreciation	<u>(1,635,911)</u>	801,625

Certain liabilities are not due and payable in the
current period and, therefore, are not reported in
the funds.

Compensated absences	(34,586)
Capital lease payable	<u>(243,213)</u>

Net Position of Governmental Activities, Page 7	\$ <u><u>7,914,726</u></u>
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The accompanying notes to basic financial statements are an integral part of these statements.

Keys Gate Charter School
Statement of Revenues, Expenditures and
Change in Fund Balances - Governmental Funds
For the Year Ended June 30, 2015

	General Fund	Special Revenue Fund	Capital Project Fund	Total
Revenues:				
State sources	\$ 15,236,154	\$ 2,560	\$ 799,726	\$ 16,038,440
Federal through state	-	632,055	-	632,055
Local sources	313,491	-	-	313,491
Aftercare	176,770	-	-	176,770
Total revenues	<u>15,726,415</u>	<u>634,615</u>	<u>799,726</u>	<u>17,160,756</u>
Expenditures:				
Instruction	7,019,050	-	-	7,019,050
Pupil personnel services	354,286	-	-	354,286
Instructional media services	9,982	-	-	9,982
Instruction and curriculum development services	68,440	-	-	68,440
Instructional staff training services	7,760	-	-	7,760
Instruction related technology	153,991	-	-	153,991
School Board	37,259	-	-	37,259
School administration	675,382	-	-	675,382
Facilities acquisition and construction	707,757	-	-	707,757
Fiscal services	2,678,372	-	-	2,678,372
Food services	73,086	626,165	-	699,251
Central services	16,309	-	-	16,309
Pupil transportation services	344,660	-	-	344,660
Operation of plant	2,908,682	-	799,726	3,708,408
Maintenance of plant	343,495	-	-	343,495
Community services	167,047	8,450	-	175,497
Debt service:				
Principal	49,837	-	-	49,837
Interest	8,980	-	-	8,980
Total expenditures	<u>15,624,375</u>	<u>634,615</u>	<u>799,726</u>	<u>17,058,716</u>
Excess of revenues over expenditures	102,040	-	-	102,040
Other Financing Activities:				
Proceeds from capital lease	293,050	-	-	293,050
Net change in fund balances	<u>395,090</u>	<u>-</u>	<u>-</u>	<u>395,090</u>
Fund Balances, July 1, 2014	<u>6,995,810</u>	<u>-</u>	<u>-</u>	<u>6,995,810</u>
Fund Balances, June 30, 2015	<u>\$ 7,390,900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,390,900</u>

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

**Keys Gate Charter School
Reconciliation of Statement of Revenues,
Expenditures and Change in Fund Balances
of the Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015**

**Amounts Reported for Governmental Activities
in the Statement of Activities are Different Because**

Net change in fund balances - total governmental funds,
page 11. \$ 395,090

Governmental funds report capital outlays as
expenditures. However, in the statement of activities,
the cost of those assets are depreciated over their
estimated useful lives.

Expenditures for capital assets	\$	707,757	
Less current year provision for depreciation		<u>(314,934)</u>	392,823

Debt proceeds provide current financial resources to
governmental funds, but issuing debt increases
long-term liabilities in the statement of net position.

Proceeds from capital lease	(293,050)
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Certain items reported in the statement of activities do
not require the use of current financial resources, and
therefore, are not reported as expenditures in the
governmental funds.

Compensated absences	(16,994)
Repayment of capital lease	<u>49,837</u>

Change in Net Position of Governmental Activities, Page 8	\$ <u>527,706</u>
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The accompanying notes to basic financial statements are an integral part of these statements.

Keys Gate Charter School
Statement of Revenues and Expenditures
Budget and Actual - General Fund
For the Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
State sources	\$ 15,358,088	\$ 15,358,088	\$ 15,989,463	\$ 631,375
Local sources	60,246	60,246	313,491	253,245
Aftercare	<u>178,342</u>	<u>178,342</u>	<u>176,770</u>	<u>(1,572)</u>
Total revenues	<u>15,596,676</u>	<u>15,596,676</u>	<u>16,479,724</u>	<u>883,048</u>
Expenditures:				
Instruction	6,879,783	6,879,783	7,019,050	(139,267)
Pupil personnel services	362,773	362,773	354,286	8,487
Instructional media services	23,963	23,963	9,982	13,981
Instruction and curriculum development services	112,062	112,062	68,440	43,622
Instructional staff training services	18,540	18,540	7,760	10,780
Instruction related technology	197,956	197,956	153,991	43,965
School Board	21,000	21,000	37,259	(16,259)
School administration	753,612	753,612	675,382	78,230
Facilities acquisition and construction	437,126	437,126	707,757	(270,631)
Fiscal services	2,541,016	2,680,872	2,678,372	2,500
Food services	-	-	73,086	(73,086)
Central services	327,642	327,642	769,618	(441,976)
Pupil transportation services	396,900	396,900	344,660	52,240
Operation of plant	3,026,179	3,026,179	2,908,682	117,497
Maintenance of plant	285,030	285,030	343,495	(58,465)
Community services	116,248	116,248	167,047	(50,799)
Debt service:				
Principal	-	-	49,837	(49,837)
Interest	<u>-</u>	<u>-</u>	<u>8,980</u>	<u>(8,980)</u>
Total expenditures	<u>15,499,830</u>	<u>15,639,686</u>	<u>16,377,684</u>	<u>(737,998)</u>
Excess (deficiency) of revenues over expenditures	96,846	(43,010)	102,040	145,050
Other Financing Activities:				
Proceeds from capital lease	<u>-</u>	<u>-</u>	<u>293,050</u>	<u>293,050</u>
Net change in fund balance	\$ <u>96,846</u>	\$ <u>(43,010)</u>	\$ <u>395,090</u>	\$ <u>438,100</u>

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

Keys Gate Charter School
Statement of Revenues and Expenditures
Budget and Actual - Special Revenue Fund
For the Year Ended June 30, 2015

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Federal sources:			
National School Lunch Program	\$ 669,281	\$ 632,055	\$ (37,226)
State sources:			
National School Lunch Program	<u>-</u>	<u>2,560</u>	<u>2,560</u>
Total revenues	<u>669,281</u>	<u>634,615</u>	<u>(34,666)</u>
Expenditures:			
Food services	\$ 659,281	\$ 626,165	\$ 33,116
Community services	<u>10,000</u>	<u>8,450</u>	<u>1,550</u>
Total expenditures	<u>669,281</u>	<u>634,615</u>	<u>34,666</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Keys Gate Charter School
Statement of Assets and Liabilities - Agency Fund
June 30, 2015

	<u>Student Activity</u>
Assets:	
Cash	\$ 128,423
Due from General Fund	<u>12</u>
Total assets	\$ <u><u>128,435</u></u>
Liabilities:	
Due to students	\$ <u><u>128,435</u></u>

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

Note 1 - Organization and Operations

Keys Gate Charter School (the "School"), a Department of The Florida Charter Educational Foundation, Inc. and a component unit of the School Board of Miami-Dade County, Florida, was established in October 2000 as a public charter school for students from kindergarten to eighth grade in Miami-Dade County. The School is a Department of The Florida Charter Educational Foundation, Inc., a Florida nonprofit corporation. As of June 30, 2015, 2,253 students were enrolled in the School.

The basic financial statements of the School, a Department of The Florida Charter Educational Foundation, Inc. and component unit of the School Board of Miami-Dade County, Florida, present only the balances, activity and disclosures related to the School. They do not purport to, and do not, present the financial position of The Florida Charter Educational Foundation, Inc. as of June 30, 2015, and its changes in financial position or budgetary comparisons, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Note 2 - Summary of Significant Accounting Policies

Reporting entity: The School operates under a charter granted by the sponsoring School District, the Miami-Dade County Public School District. The current charter is effective until June 30, 2027. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter, in which case the District is required to notify the School in writing at least ninety days prior to the charter's expiration. During the term of the charter, the District may also terminate the charter if good cause is shown. Keys Gate Charter School is considered a component unit of the Miami-Dade County Public School District.

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

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

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

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

The government-wide statement of activities reports both the gross and net cost of each of the School's functions. The net costs, by function, are also supported by general revenues (unrestricted contributions, investment earnings, miscellaneous revenue, etc.). The statement of activities reduces gross expenses (including provision for depreciation) by related program revenues, operating and capital grants, and contributions. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the year ended June 30, 2015, the School had program revenues of \$ 1,967,382.

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

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

The School reports the following major governmental funds:

General Fund - This fund is used to account for all operating activities of the School except for those required to be accounted for in another fund.

Special Revenue Fund - This fund is used to account for federal grants and certain state grants that are legally restricted to expenditures for particular purposes.

Capital Project Fund - This fund is used to account for state capital outlay funding that is legally restricted to expenditures for particular purposes.

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

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

The governmental funds financial statements are presented on the modified accrual basis of accounting under which revenue is recognized in the accounting period in which it becomes susceptible to accrual (i.e., when it becomes both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within sixty days after year end or soon enough thereafter to be used to pay liabilities of the current period.

Cash and cash equivalents: The School considers all demand accounts and money market funds which are not subjected to withdrawal restrictions to be cash and cash equivalents.

The School maintains its cash accounts with a financial institution, which, at times, may exceed the federally insured limit. The School has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk.

Note 2 - Summary of Significant Accounting Policies (continued)

Prepaid items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

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

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

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

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

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

Furniture and equipment	5 years
Computer equipment	3 years
Leasehold improvements	3-10 years

Deferred outflows/inflows of resources: In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. For the year ended June 30, 2015, the School does not have any items that qualify for reporting in this category.

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

Note 2 - Summary of Significant Accounting Policies (continued)

Compensated absences: The School's policy permits employees to accumulate earned but unused paid time off, which is eligible for payment upon separation from service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. Payments for compensated absences are generally paid out of the General Fund.

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

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

Fund balance: The governmental fund financial statements present fund balances based on the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance classifications and also sets a hierarchy which details how the School may spend funds based on certain constraints. The following are the fund balance classifications used in the governmental fund financial statements:

- Nonspendable - this classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The School classifies inventories, prepaid items, long-term notes receivable and deposits as nonspendable since they are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted - this classification includes amounts that are restricted for specific purposes by external parties such as grantors and creditors or are imposed by law through constitutional provisions or enabling legislation.
- Committed - this classification includes amounts that can be used for specific purposes voted on through formal action of the Board of Directors (the highest level of decision making authority). The committed amount cannot be used for any other purpose unless the Board of Directors removes or changes the commitment through formal action.
- Assigned - this classification includes amounts that the Board of Directors intends to use for a specific purpose but they are neither restricted nor committed. The School classifies existing fund balance to be used in the subsequent year's budget for elimination of a deficit as assigned.
- Unassigned - this classification includes amounts that have not been restricted, committed or assigned for a specific purpose within the General Fund.

Note 2 - Summary of Significant Accounting Policies (continued)

The details of the fund balances are included in the Governmental Fund Balance Sheet on page 9.

When the School incurs expenditures for which restricted or unrestricted fund balance is available, the School would consider restricted funds to be spent first. When the School has expenditures for which committed, assigned or unassigned fund balance is available, the School would consider committed funds to be spent first, then assigned funds and lastly unassigned funds.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Budget: An operating budget is adopted and maintained by the governing board for the School pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in the preparation of the financial statements, except for the reporting of a 5% administration fee retained by the School Board.

A reconciliation of the General Fund presented on a budgetary basis to the amount presented in accordance with generally accepted accounting principles (GAAP) is as follows:

	<u>Revenues</u>	<u>Expenditures</u>
Budgetary basis, page 13	\$ 16,479,724	\$ 16,377,684
Less: 5% administration fee retained by the School Board included as revenue and expenditures on a budgetary basis	<u>(753,309)</u>	<u>(753,309)</u>
GAAP basis, page 11	<u>\$ 15,726,415</u>	<u>\$ 15,624,375</u>

Date of management review: Subsequent events were evaluated by management through August 27, 2015, which is the date the financial statements were available to be issued.

Note 3 - Deposits

At June 30, 2015, the carrying amount of the deposits and cash on hand totaled \$ 4,262,360 with a bank balance of \$ 4,315,026.

State statutes require, and it is the School's policy, that all deposits be made into, and be held by, financial institutions designated by the Treasurer of the State of Florida as qualified public depositories as defined by Chapter 280 of the Florida Statutes. This statute requires that every qualified public depository institution maintain eligible collateral to secure the public entity's funds. The minimum collateral to be pledged by an institution, the collateral eligible for pledge, and reporting requirements of the qualified public depository to the treasurer is defined by the statute. Collateral is pooled in a multiple qualified public depository institution pool with the ability to assess members of the pool should the need arise. The School's deposits are held in a qualified public depository. They are covered by the collateral pool as the School has identified itself as a public entity at June 30, 2015.

Note 4 - Due From Other Governments

Due from other governments at June 30, 2015 consists of an amount due from the Florida Department of Education for capital outlay funding for the month of June.

Note 5 - Due From Related Parties

Both the School and Keys Gate Charter High School ("KGCHS") are related as they both share common board members. These two schools share teachers, administrative staff, as well as expenses, which include rent and other operating expenses. At June 30, 2015, the basic financial statements include an amount due from KGCHS in the amount of \$ 16,002 for payroll expenses and other costs.

The School and Clay Charter Academy ("CCA") are related as they both also share common board membership. CCA has borrowed \$ 750,000 from the School to purchase equipment for its new facility. CCA is scheduled to repay the loan by December 31, 2015 at a 6.5% interest rate.

Note 6 - Note Receivable

The School entered into a promissory note with Renaissance Charter School, Inc. ("REN"), a Florida not-for-profit, created for the purpose of operating charter schools throughout the State of Florida. REN has borrowed \$ 3,000,000 from the School to purchase equipment for five of its new charter schools. The note matures on December 31, 2015 and carries interest at a rate of 6.5%.

Note 7 - Capital Assets

Capital asset balances and activity for the year ended June 30, 2015 are as follows:

	Balance at July 1, 2014	Additions	Deletions	Balance at June 30, 2015
Capital assets, depreciable:				
Furniture and equipment	\$ 386,119	\$ 54,985	\$ -	\$ 441,104
Computer equipment	867,199	263,667	-	1,130,866
Leasehold improvements	476,461	389,105	-	865,566
Total capital assets, depreciable	<u>1,729,779</u>	<u>707,757</u>	<u>-</u>	<u>2,437,536</u>
Accumulated depreciation:				
Furniture and equipment	294,863	44,630	-	339,493
Computer equipment	675,977	184,117	-	860,094
Leasehold improvements	350,137	86,187	-	436,324
Total accumulated depreciation	<u>1,320,977</u>	<u>314,934</u>	<u>-</u>	<u>1,635,911</u>
Net capital assets	<u>\$ 408,802</u>	<u>\$ 392,823</u>	<u>\$ -</u>	<u>\$ 801,625</u>

Note 7 - Capital Assets (continued)

Provision for depreciation was charged to governmental activities as follows:

Instruction	\$	228,747
Operation of plant		<u>86,187</u>
	\$	<u><u>314,934</u></u>

Note 8 - Capital Lease

The Florida Charter Educational Foundation, Inc. entered into a capital lease arrangement for the replacement of the HVAC system at Keys Gate Charter School. The lease requires monthly payments of \$ 5,347. Principal and interest payments are due through July 2019. As of June 30, 2015, the net book value of the HVAC system is approximately \$ 292,800. Amortization of the HVAC system is included with depreciation expenses.

Future minimum payments at June 30, 2015 are approximately as follows:

Year Ending June 30,	Principal	Interest	Total
2016	\$ 56,285	\$ 7,879	\$ 64,164
2017	58,357	5,807	64,164
2018	60,506	3,658	64,164
2019	62,734	1,430	64,164
2020	<u>5,331</u>	<u>16</u>	<u>5,347</u>
	\$ <u><u>243,213</u></u>	\$ <u><u>18,790</u></u>	\$ <u><u>262,003</u></u>

Note 9 - Long-Term Liabilities

Changes in the School's long-term liabilities for fiscal year ended June 30, 2015, are as follows:

	Balance July 1, 2014	Increases	Decreases	Balance June 30, 2015	Amount Due Within One Year
Capital lease obligations	\$ -	\$ 293,050	\$ 49,837	\$ 243,213	\$ 56,285
Compensated absences	<u>17,592</u>	<u>21,149</u>	<u>4,155</u>	<u>34,586</u>	<u>25,939</u>
	\$ <u><u>17,592</u></u>	\$ <u><u>314,199</u></u>	\$ <u><u>53,992</u></u>	\$ <u><u>277,799</u></u>	\$ <u><u>82,224</u></u>

Note 10 - Commitments

Management agreement: The School has a formal agreement with Charter Schools USA, Inc. ("CSUSA") to manage, staff, and operate the School. All staff of the School are employees of CSUSA. The agreement requires the School to pay an administrative fee to CSUSA of 15% of the School's revenues as defined in the agreement or the budgeted amount approved by the Board of Directors. The term of the agreement is consistent with the term of the charter and may be renewed to correspond to charter renewals.

Total management fees amounted to \$ 2,678,372 for the year ended June 30, 2015.

Lease agreement: The School leases its facility under an operating lease agreement. The lease expires in August 2033. The monthly rental amount is based on full enrollment at the School. If the School is not fully enrolled, the monthly rental amount is prorated. The School was fully enrolled for the year ended June 30, 2015 and for the year ended June 30, 2015 paid \$ 1,178,575, net of certain credits provided by the landlord. The monthly rent shall increase annually based upon the percentage change in the consumer price index.

The School also leases a facility under a use agreement with Renaissance Charter School, Inc. The agreement expires in September 2045 and payments under the agreement are determined according to the proportion of the facility used by the School. For the year ending June 30, 2015, the School used 100% of the facility and therefore paid 100% of the required total payment as outlined in the use agreement. In subsequent years, the payment will be determined based on usage for the following fiscal year.

Rent expense for the leases totaled \$ 2,360,079 for the year ended June 30, 2015.

Post-retirement benefits: The School does not provide post-retirement benefits to retired employees.

Note 11 - Employee Benefit Plan

During the year ended June 30, 2015, the School offered all of its full-time employees who had attained 21 years of age, a retirement plan under Internal Revenue Code Section 401(k). The employee is allowed to contribute up to a maximum of 20% of his/her annual gross compensation, subject to certain limitations. The School contributed a matching amount of \$ 15,548 for the year ended June 30, 2015.

Note 12 - Capital Appropriations Funding

The Florida Department of Education has approved a Charter School Capital Outlay (CSCO) award for the School. In each year that funds are appropriated by the state for charter school capital outlay purposes, those funds are allocated among eligible charter schools. The funds for the School's allocation are transferred to the School once a CSCO Plan has been provided to and approved by the sponsoring district. The School's CSCO Award totaled \$ 799,726 for the 2014/2015 school year, which has been recognized as revenue in the accompanying basic financial statements. If the CSCO funds are used to acquire tangible property assets, the School Board has a reversionary interest in those assets. In the event of nonrenewal, termination, or breach of the charter school agreement, ownership of the assets would automatically revert to the School Board. The School has elected to use these funds to pay its portion of the lease expense on the facility.

Note 13 - Risk Financing

The School is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets and natural disasters. The School has obtained property insurance from commercial companies. Claims have not exceeded this commercial coverage during the past three years.

As disclosed in Note 10, CSUSA employs all of the employees of the School. As a result, the School is not exposed to medical or workers' compensation claims for these individuals. In addition, CSUSA carries all required insurance including, but not limited to, general liability and errors and omissions insurance.

OTHER REPORTS OF INDEPENDENT AUDITORS

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

To the Board of Directors
Keys Gate Charter School
Homestead, 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, each major fund, and the aggregate remaining fund information of Keys Gate Charter School (the "School"), a Department of The Florida Charter Educational Foundation, Inc. and a component unit of the School Board of Miami-Dade County, Florida, as of and for the year ended June 30, 2015, 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 27, 2015.

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



KEEFE McCULLOUGH

Fort Lauderdale, Florida
August 27, 2015

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS

To the Board of Directors
Keys Gate Charter School
Homestead, Florida

Report on the Financial Statements

We have audited the basic financial statements of Keys Gate Charter School (the "School"), a component unit of the School Board of Miami-Dade County, Florida, as of and for the fiscal year ended June 30, 2015, and have issued our report thereon dated August 27, 2015.

Auditor's Responsibility

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

Other Report

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated August 27, 2015, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity. The official title of the entity is Keys Gate Charter School.

Financial Condition

Section 10.854(1)(e)2., Rules of the Auditor General, require 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.

CPA's + Trusted Advisors

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

Transparency

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

Other Matters

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

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

Purpose of this Letter

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



KEEFE MCCULLOUGH

Fort Lauderdale, Florida
August 27, 2015