

Oxford Academy of Miami Charter School
Corrective Action Plan
For the Year Ended June 30, 2012

Viability for Continuing Operation

As a result of the findings from the 2012 audit, Oxford Academy of Miami incurred unexpected negative unrestricted net asset balance of \$116,000. This unrestricted net asset balance was primarily due to a low FTE count during the 2011-2012 school year. This corrective action plan provides assurance that the school is capable of working, functioning and continuing to develop adequately and that it has more than a reasonable chance of succeeding and being financially sustainable. This plan provides for the elimination of Oxford Academy of Miami's 6/30/12 unrestricted net asset balance of \$116,000 by the end of the fiscal year 2013.

Audit findings Specifics and Explanations

Our audit report for the year ended June 30, 2011 reported that: Our audit revealed that the school had a deficit of \$116,000 for which sufficient funds were not available to cover the deficit. The fiscal year 2013 budget, which has been approved by the board, projects the elimination of this deficit by the end of the fiscal year 2013.

Financial Status at Initiation of the Corrective Action Plan

The school continues to meet all required obligations in a timely manner including payroll. As noted, the approved budget provides for the elimination of the deficit by the end of the fiscal year 2013. In fact, the plan provides for a positive unrestricted net asset balance at the end of the fiscal year 2013. Please see the detailed budget attached.

Time Frame for Correction

As noted above, the board approved budget calls for the correction to be accomplished within the one year corrective action plan.

Projected Weighted FTE for Current Year and Next Year

Projected Weighted FTE for year ending June 30, 2013- 247

Projected Weighted FTE for year ending June 30, 2014- 265

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Projected Expenditures for Current Year and Next Year

Projected Expenditures for year ending June 30, 2013- 1,471,153

Projected Expenditures for year ending June 30, 2014- 1,515,894

Dollar Amounts Identified Cost reductions

The approved new budget for 2012-2013 reflects an a consistent level of expenses with 2011-2012. We do not anticipate cost reductions, however, with the increase in FTE count, we do anticipate a significant increase in gross revenues.

Internal Measures to Monitor Plan

Our Board of Directors shall be responsible for monitoring the financial recovery plan in order to assure compliance. Budget to actual reports will be prepared by our contracted CPA and provided to the Board of Directors on a monthly basis in a format sufficient to enable them to monitor our progress toward achieving the plan objectives in the agreed upon time frame.

Summary Narrative of Plan

The objective is to recover from a unrestricted net asset deficit of \$116,000 during the 2012-2013 school year. The school will have a positive unrestricted net asset balance for the fiscal year ending 2013. Administrative, secretarial, staff and faculty salary allocation will remain the same reflecting no increases. Further the continuation of the NSLP will allow greater flexibility in the generation of the revenue structure. As the EESAC committee is apprised of the financial status as well as the PTSP, the PTSO has decided that any further fundraising will return to the budget as capital donations.

Reports to Governing Board and Sponsor

With the assistance of our contracted CPA, the monthly budget to actual reports required by the District will be submitted in a timely manner. In addition, monthly budget to actual reports will be provided to the Board of Directors to enable them to monitor our progress toward achieving the plan objectives in the agreed upon time frame.

Oxford Academy of Miami, Inc.
Budget by Function
All Funds
For the fiscal year ending June 30, 2013

	Original Budget 2012-2013	
Revenues:		
Dade County School District	1,444,950	1
Capital Outlay	123,500	2
A+ Recognition	-	
Parent Committee/BOD Fund Raiser	17,500	
Contracted Food Revenue	10,000	
Sublease Rental Revenue	-	
Education Jobs Fund	-	
Other Revenue (Donations)	11,000	
Total Revenues	1,606,950	

Expenditures:

Classroom Teachers	638,569	3
Social Security	48,851	
Group Insurance	46,027	
Workers Compensation	9,660	
Unemployment Compensation	3,234	
Technology Support and Services	2,210	
Copy and Printing	6,076	
Instruction Materials	3,217	
Textbooks	6,672	
Furniture and Fixtures	2,120	
Total Instruction	766,636	
Legal & Audit Fees	8,000	
Travel/Conferences/Workshops	500	
Dues and Fees	764	
District Admin Fees	72,248	
Bank Charges	100	
Total Board	81,612	
Adminstrator (Principal)	100,000	
Adminsitrative Assistant	37,500	
Social Security	10,519	
Workers Compensation	1,232	
Unemployment Compensation	550	
Insurance - General Liability and E&O	25,000	
Postage	350	
Office Expense	800	
Advertising	1,200	
Total School Administration	177,151	

Expenditures (cont'd):

Contractor Controller Service	14,400
Payroll Service	28,080
Total Fiscal Services	42,480

Oxford Academy of Miami, Inc.
Budget by Function
All Funds
For the fiscal year ending June 30, 2013

	Original Budget 2012-2013	
Custodian	28,500	
Social Security	2,180	
Workers Compensation	355	
Unemployment Compensation	890	
Communications	3,100	
Water, Sewer, Garbage Collection	2,500	
Electricity	13,200	
Custodial Supplies	2,000	
Repairs and Maintenance	1,500	
Total Operation of Plant	54,225	
Facility Lease	337,050	
Contracted Food Service	-	
Exceptional Contracted Service (ESE)	12,000	
Total Expenditures	1,471,153	
Net Income	135,797	4
FTE	247	

1 Assumes that the 2012-2013 budgeted FTE count consists of 247 students. As of today (10/24/12), the actual FTE count is 247.

2 The School has conservatively assumed an Capital Outlay FTE count of 247 students multiplied by \$500 which equals \$123,500.

3 Assumes the hiring of one teacher, at an annual salary of \$34,000, due to the addition of a new grade level (8th grade) which inturn will increase the FTE count.

4 Please note that the School has secured a 'non-interest' bearing line of credit, in the amount of \$100,000, from a private investor.