



Miami-Dade County Public Schools

giving our students the world

Superintendent of Schools
Alberto M. Carvalho

Miami-Dade County School Board
Dr. Solomon C. Stinson, Chair
Dr. Marta Pérez, Vice Chair
Agustin J. Barrera
Renier Diaz de la Portilla
Dr. Lawrence S. Feldman
Perla Tabares Hantman
Dr. Wilbert "Tee" Holloway
Dr. Martin Karp
Ana Rivas Logan

December 19, 2008

The Honorable Chair and Members of
Archimedean Academy, Inc.
12425 SW 72nd Street
Miami, Florida 33183

VIA FACSIMILE & U.S. MAIL
305-675-8448

RE: AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2008 FOR THE TWO ARCHIMEDEAN ACADEMY CHARTER SCHOOLS

We are in receipt of the audited financial statements for the two Archimedean Academy charter schools that were in existence during FY 2007-08. We plan to present your schools' audited financial statements to the School Board Audit Committee at its regularly scheduled meeting: Tuesday, January 27, 2009, in room 916 of the School Board Administration Building, 1450 N.E. 2nd Avenue at 12:30 p.m. Please plan on attending or sending a representative from your school to respond to questions that the Audit Committee may have.

Should you have any questions, please call Mr. Jon Goodman at 305-995-1323. Thank you in advance for your cooperation.

Sincerely,

Trevor L. Williams, CPA, Assistant Chief Auditor
Office of Management and Compliance Audits

TLW:la
L005

cc: Mr. Alberto M. Carvalho
Mr. Freddie Woodson
Dr. Richard H. Hinds
Mr. Allen M. Vann
Ms. Judith Marte
Mr. Michael Bell
Ms. Melinda McNichols
Ms. Connie Pou
Ms. Tiffanie Pauline
Ms. Margarita Betancourt

Office of Management & Compliance Audits

• School Board Administration Building • 1450 N.E. 2nd Ave. • Suite 415 • Miami, FL 33132
305-995-1318 • 305-995-1331 (FAX) • omca.dadeschools.net

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
(A COMPONENT UNIT OF THE SCHOOL
BOARD OF MIAMI-DADE COUNTY, FLORIDA)

**BASIC FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION**

June 30, 2008

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
BASIC FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION
June 30, 2008

TABLE OF CONTENTS

	<u>PAGES</u>
Independent Auditors' Report	1-2
Management's Discussion and Analysis (Not Covered by Independent Auditors' Report)	3-6

BASIC FINANCIAL STATEMENTS

Government-wide Basic Financial Statements:

Statement of Net Assets	7
Statement of Activities	8

Fund Basic Financial Statements:

Balance Sheet - Governmental Funds	9
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	10
Statement of Revenues, Expenditures, and Change in Fund Balances - Governmental Funds	11
Reconciliation of the Statement of Revenues, Expenditures, and Change in Fund Balances of Governmental Funds to the Statement of Activities	12
Statement of Revenues and Expenditures - Budget and Actual - General Fund	13

Notes to Basic Financial Statements	14-21
-------------------------------------	-------

OTHER INDEPENDENT AUDITORS' REPORTS

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	22-23
Independent Auditors' Report to the Board of Directors	24-25
Schedule of Findings and Responses	26-27



KEEFE, McCULLOUGH & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS

JOHN R. KEEFE, C.P.A.
STEVEN H. WOODS, C.P.A.
DAVID T. WILLIAMS, C.P.A.
JOSEPH D. LEO, C.P.A.
WILLIAM G. BENSON, C.P.A.
KENNETH G. SMITH, C.P.A.

LOUIS R. PROIETTO, C.P.A.
CYNTHIA L. CALVERT, C.P.A.
JOHN E. McCULLOUGH, C.P.A. (RETIRED)
THOMAS T. CARPENTER, C.P.A. (RETIRED)
PAUL B. SNEIDER, C.P.A. (RETIRED)
BRIAN D. PINNELL, C.P.A. (RETIRED)

ISRAEL J. GOMEZ, C.P.A.
CHARLES K. RUMPF, C.P.A.
JAMES R. LARAWAY, C.P.A.

ROSS S. GOTTHOFFER, C.P.A.
HILLARY B. DAIGLE, C.P.A.

6550 NORTH FEDERAL HIGHWAY
SUITE 410
FORT LAUDERDALE, FLORIDA 33308
(954) 771-0896
FAX: (954) 938-9353
E-MAIL: kmc@kmc CPA.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Archimedean Academy
A Department of Archimedean Academy, Inc.
Miami, Florida

We have audited the accompanying basic financial statements of the governmental activities, the General Fund and the aggregate remaining fund information of Archimedean Academy (the "School") a department of Archimedean Academy, Inc. and a component unit of the School Board of Miami-Dade County, Florida, as of and for the year ended June 30, 2008, which collectively comprise the School's basic financial statements, as listed in the table of contents. These basic financial statements are the responsibility of the School's management. Our responsibility is to express an opinion on these basic 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.


As discussed in Note 1, the financial statements of the School are intended to present the financial position and changes in financial position of only that portion of the governmental activities, and General Fund and aggregate remaining fund information of the School that is attributable to the transactions of Archimedean Academy. They do not purport to, and do not, present fairly the financial position of Archimedean Academy, Inc. as of June 30, 2008, and its changes in financial position or budgetary comparison, where applicable, for the year ended June 30, 2008, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the General Fund, and the aggregate remaining fund information of the School as of June 30, 2008, and the respective changes in financial position and budgetary comparison for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Archimedean Academy

In accordance with Government Auditing Standards, we have also issued our report dated September 4, 2008, on our consideration of the School's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and important for assessing the results of our audit.

The Management's Discussion and Analysis on pages 3 through 6, is not a required part of the basic financial statements, but is supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.


KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
September 4, 2008

MANAGEMENT'S DISCUSSION
AND ANALYSIS

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008

As management of Archimedean Academy (the "School"), we offer readers of the School's basic financial statements this narrative overview and analysis of the financial activities of the School for the year ended June 30, 2008.

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 and other supplementary information.

FINANCIAL HIGHLIGHTS

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

- The School's total assets exceeded its liabilities at of June 30, 2008 by \$ 310,951 (net assets).
- The School's net assets decreased by \$ 14,171 during the current fiscal year as a result of this year's operations.

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. This report also contains other supplementary information in addition to the basic financial statements themselves.

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 assets presents information on all of the School's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the year. All changes in net assets 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.

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 basic financial statements can be found on pages 7 and 8 of this report.

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008

Fund basic 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

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 basic financial statements. However, unlike the government-wide basic financial statements, governmental basic fund 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 Board adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided to demonstrate compliance with the budget.

The governmental fund financial statements can be found on pages 9 and 11 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 financial statements. The notes to basic financial statements can be found on pages 14 through 21 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The School has been in operation for five years; therefore, comparative government-wide data is presented. The School's net assets were \$ 310,951 at June 30, 2008. Of this amount, \$ (160,411) represented unrestricted net assets and \$ 471,362 represented amounts invested in capital assets, net of related debt. See "Financial Highlights" on page 3 of this report for an explanation of the reason for the change in net assets.

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

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

		Archimedean Academy Net Assets	
		<u>2008</u>	<u>2007</u>
ASSETS:			
Current assets	\$	510,668	\$ 503,612
Capital assets, net of depreciation		<u>471,362</u>	<u>487,821</u>
Total assets		<u>982,030</u>	<u>991,433</u>
LIABILITIES:			
Liabilities, excluding long-term liabilities		299,934	305,670
Long-term liabilities		<u>371,145</u>	<u>360,641</u>
Total liabilities		<u>671,079</u>	<u>666,311</u>
NET ASSETS:			
Invested in capital assets, net of related debt		471,362	487,821
Unrestricted		<u>(160,411)</u>	<u>(162,699)</u>
Total net assets	\$	<u>310,951</u>	\$ <u>325,122</u>

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, 2008 and 2007:

		Archimedean Academy Changes in Net Assets	
		<u>2008</u>	<u>2007</u>
REVENUES:			
General revenues	\$	2,952,234	\$ 2,880,730
Program revenues		903,814	1,017,782
Other revenues		<u>379,197</u>	<u>483,905</u>
Total revenues		<u>4,235,245</u>	<u>4,382,417</u>
FUNCTIONS/PROGRAM EXPENSES:			
Instruction		1,890,440	2,156,402
Instructional support services		1,209,376	1,274,037
Operation of noninstructional services		717,867	385,442
Community services		419,022	355,523
Interest		<u>12,711</u>	<u>10,504</u>
Total functions/program expenses		<u>4,249,416</u>	<u>4,181,908</u>
Increase (decrease) in net assets	\$	<u>(14,171)</u>	\$ <u>200,509</u>

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2008

GOVERNMENTAL FUNDS EXPENDITURES

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

<u>Functions/Programs</u>	<u>2008 Expenditures</u>	<u>2007 Expenditures</u>
Governmental expenditures:		
Instructional expenditures	\$ 1,882,113	\$ 2,242,661
Administrative services	325,856	333,897
Plant operations and maintenance	781,981	758,349
All other functions/programs	<u>1,232,503</u>	<u>783,116</u>
 Total governmental expenditures	 \$ <u>4,222,453</u>	 \$ <u>4,118,023</u>

GOVERNMENTAL FUNDS BUDGETARY HIGHLIGHTS

Actual revenues were approximately 16% higher than budgeted amounts in all areas as a result of unbudgeted in-kind revenues from professional teaching supplied by the Greek Government. Actual expenses were also approximately 12.9% greater than budgeted amounts principally due to the same reason.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

At June 30, 2008, the School had capital assets of \$ 471,362, net of accumulated depreciation, invested in computer equipment, furniture, equipment and textbooks, improvements, and audio visual materials, as compared to \$ 487,821 at June 30, 2007.

Debt

At June 30, 2008 and 2007, the School had outstanding debt of \$ 350,137. There was no change in this amount during the year.

ECONOMIC FACTORS

Facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations of the School for fiscal year 2008-2009 include:

- Increases in education funding of approximately 7%
- Student enrollment consistent with fiscal year 2007-2008

REQUESTS FOR INFORMATION

If you have any questions about this report or need additional information, please write to Mr. Dimitrios Bardoutsos at Archimedean Academy; 12425 SW 72nd Street (Sunset Drive); Miami, Florida 33183.

**BASIC
FINANCIAL STATEMENTS**

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
STATEMENT OF NET ASSETS
June 30, 2008

A S S E T S

	<u>Governmental Activities</u>
CURRENT ASSETS:	
Cash and cash equivalents	\$ 77,433
Due from other governments	85,997
Due from other schools	96,295
Accounts receivable, net	199,906
Prepaid expenses	46,822
Deposits	<u>4,215</u>
Total current assets	510,668
 NONCURRENT ASSETS:	
Capital assets, net of accumulated depreciation	<u>471,362</u>
Total assets	<u>982,030</u>
LIABILITIES AND NET ASSETS	
 CURRENT LIABILITIES:	
Accounts payable	115,965
Accrued expenses	154,969
Due to other school	<u>29,000</u>
Total current liabilities	<u>299,934</u>
 NONCURRENT LIABILITIES:	
Accrued interest payable	21,008
Note payable to management company (Note 9)	<u>350,137</u>
Total noncurrent liabilities	<u>371,145</u>
Total liabilities	<u>671,079</u>
 CONTINGENCIES (NOTE 6)	
	--
 NET ASSETS:	
Invested in capital assets, net of related debt	471,362
Unrestricted	<u>(160,411)</u>
Total net assets	\$ <u><u>310,951</u></u>

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

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2008

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Governmental</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Activities Net Revenue (Expense) and Change in Net Assets</u>
FUNCTIONS/PROGRAMS:					
Instruction:					
Regular instruction	\$ 1,890,440	\$ --	\$ --	\$ --	\$ (1,890,440)
Instructional support services:					
Pupil personnel services	17,800	--	--	--	(17,800)
Instructional and curriculum services	40,267	--	--	--	(40,267)
Instructional staff training services	8,817	--	--	--	(8,817)
Administrative services	334,471	--	--	--	(334,471)
Operation of plant	683,974	--	--	295,432	(388,542)
Maintenance of plant	124,047	--	--	--	(124,047)
Operation of noninstructional services:					
General administration	194,724	--	--	--	(194,724)
Board services	32,476	--	--	--	(32,476)
Fiscal services	165,415	--	--	--	(165,415)
Central services	41,616	--	--	--	(41,616)
Community services	419,022	408,520	--	--	(10,502)
Food services	283,636	199,862	--	--	(83,774)
Interest expense	<u>12,711</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(12,711)</u>
 Total governmental activities	 \$ <u>4,249,416</u>	 \$ <u>608,382</u>	 \$ <u>--</u>	 \$ <u>295,432</u>	 (3,345,602)
General revenues:					
Grants and entitlements					2,952,234
Contributions and other					<u>379,197</u>
Total general revenues					<u>3,331,431</u>
Change in net assets					(14,171)
Net assets, July 1, 2007					<u>325,122</u>
Net assets, June 30, 2008					\$ <u>310,951</u>

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

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2008

A S S E T S

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS:				
Cash and cash equivalents	\$ 39,210	\$ 1,672	\$ 36,551	\$ 77,433
Due from other governments	51,959	--	34,038	85,997
Due from other schools	96,295	--	--	96,295
Internal balances	60,253	10,336	(70,589)	--
Accounts receivable, net	45,000	154,906	--	199,906
Prepaid expenditures	46,822	--	--	46,822
Deposits	<u>4,215</u>	<u>--</u>	<u>--</u>	<u>4,215</u>
Total assets	\$ <u>343,754</u>	\$ <u>166,914</u>	\$ <u>--</u>	\$ <u>510,668</u>

L I A B I L I T I E S A N D F U N D B A L A N C E

LIABILITIES:				
Accounts payable	\$ 115,965	\$ --	\$ --	\$ 115,965
Accrued expenses	154,969	--	--	154,969
Due to other schools	<u>--</u>	<u>29,000</u>	<u>--</u>	<u>29,000</u>
Total liabilities	<u>270,934</u>	<u>29,000</u>	<u>--</u>	<u>299,934</u>
FUND BALANCE:				
Reserved for:				
Prepaid expenditures	46,822	--	--	46,822
Unreserved	<u>25,998</u>	<u>137,914</u>	<u>--</u>	<u>163,912</u>
Total fund balance	<u>72,820</u>	<u>137,914</u>	<u>--</u>	<u>210,734</u>
Total liabilities and fund balance	\$ <u>343,754</u>	\$ <u>166,914</u>	\$ <u>--</u>	\$ <u>510,668</u>

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

ARCHIMEDEAN ACADEMY
 A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
 June 30, 2008

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET ASSETS ARE DIFFERENT BECAUSE:

Total fund balance - governmental fund, page 9	\$	210,734
<p>The cost of capital assets acquired is reported as an expenditure in the governmental funds. The statement of net assets includes those capital assets, net of accumulated depreciation, among the assets of the School as a whole.</p>		
Cost of capital assets	\$	803,323
Accumulated depreciation		<u>(331,961)</u>
		471,362
<p>Liabilities not payable with current available resources are not reported as fund liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide statements.</p>		
Note payable		(350,137)
Accrued interest payable		<u>(21,008)</u>
		<u>(371,145)</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES, PAGE 7	\$	<u><u>310,951</u></u>

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

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended June 30, 2008

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
REVENUES:				
State sources	\$ 2,952,234	\$ --	\$ --	\$ 2,952,234
Charges for services	--	608,382	--	608,382
Other revenues	379,197	--	--	379,197
Capital outlay funding	<u>--</u>	<u>--</u>	<u>295,432</u>	<u>295,432</u>
Total revenues	<u>3,331,431</u>	<u>608,382</u>	<u>295,432</u>	<u>4,235,245</u>
 EXPENDITURES:				
Current:				
Regular instruction	1,815,229	--	--	1,815,229
Instructional services:				
Pupil personnel services	17,800	--	--	17,800
Instruction and curriculum services	40,267	--	--	40,267
Instructional staff training services	8,817	--	--	8,817
Administrative services	325,856	--	--	325,856
Operation of plant	387,841	--	295,432	683,273
Maintenance of plant	98,708	--	--	98,708
Operation of noninstructional services:				
General administration	185,932	--	--	185,932
Board services	32,476	--	--	32,476
Fiscal services	165,415	--	--	165,415
Central services	41,616	--	--	41,616
Community services	--	419,022	--	419,022
Food services	--	283,636	--	283,636
Interest expense	2,207	--	--	2,207
Capital outlay	<u>102,199</u>	<u>--</u>	<u>--</u>	<u>102,199</u>
Total expenditures	<u>3,224,363</u>	<u>702,658</u>	<u>295,432</u>	<u>4,222,453</u>
Net change in fund balance	107,068	(94,276)	--	12,792
 FUND BALANCE,				
July 1, 2007	<u>(34,248)</u>	<u>232,190</u>	<u>--</u>	<u>197,942</u>
 FUND BALANCE,				
June 30, 2008	\$ <u><u>72,820</u></u>	\$ <u><u>137,914</u></u>	\$ <u><u>--</u></u>	\$ <u><u>210,734</u></u>

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

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGE IN FUND BALANCE
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2008

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES
IN THE STATEMENT OF ACTIVITIES ARE DIFFERENT BECAUSE:

Net change in fund balance, total governmental fund, page 11		\$ 12,792
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.</p>		
The cost of property and equipment purchased	\$ 102,199	
Less current year depreciation expense	<u>(117,957)</u>	(15,758)
<p>In the statement of activities, only the gain on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus the change in net assets differs from the change in fund balance by the net book value of the assets sold.</p>		
		(701)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are reported as expenditures in governmental funds:</p>		
Increase in accrued interest		<u>(10,504)</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES, PAGE 8		\$ <u>(14,171)</u>

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

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2008

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:			
State sources	\$ 2,867,433	\$ 2,952,234	\$ 84,801
Other revenues	<u>5,000</u>	<u>379,197</u>	<u>374,197</u>
Total revenues	<u>2,872,433</u>	<u>3,331,431</u>	<u>458,998</u>
EXPENDITURES:			
Current:			
Regular instruction	1,544,489	1,815,229	(270,740)
Instructional services:			
Pupil personnel services	19,220	17,800	1,420
Instruction and curriculum services	21,623	40,267	(18,644)
Instructional staff training services	3,046	8,817	(5,771)
Administrative services	340,068	325,856	14,212
Operation of plant	504,198	387,841	116,357
Maintenance of plant	114,752	98,708	16,044
Operation of noninstructional services:			
General administration	219,160	185,932	33,228
Board services	24,524	32,476	(7,952)
Fiscal services	13,539	165,415	(151,876)
Central services	51,540	41,616	9,924
Interest expense	--	2,207	(2,207)
Capital outlay	<u>--</u>	<u>102,199</u>	<u>(102,199)</u>
Total expenditures	<u>2,856,159</u>	<u>3,224,363</u>	<u>(368,204)</u>
Net change in fund balance	\$ <u>16,274</u>	\$ <u>107,068</u>	\$ <u>90,794</u>

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

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2008

NOTE 1 - ORGANIZATION AND OPERATIONS

Archimedean Academy (the "School") a department of Archimedean Academy, Inc. and a component unit of the School Board of Miami-Dade County, Florida, is established as a charter school for children from kindergarten through fifth grade. As of June 30, 2008, approximately 463 students were enrolled in the School. The School is funded primarily through the School Board of Miami-Dade County, Florida.

In April 2005, the Archimedean Academy, Inc. was granted an additional charter from the School Board of Miami-Dade County, Florida to operate a public middle school within the school district. This school, Archimedean Middle Conservatory (the "Conservatory"), has separate financial statements and is not part of the School's basic financial statements.

The financial statements of the School present only the balances, activity, and disclosures related to the School. They do not purport to, and do not, present fairly the financial position of Archimedean Academy as of June 30, 2008 and its change in financial position or budgetary comparisons, 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 Board, the School Board of Miami-Dade County, Florida. The current charter is effective until June 30, 2012, and may be renewed for an additional fifteen years by mutual written agreement between the School and the Sponsor. At the end of the term of the charter, the Board may choose not to renew the charter under grounds specified in the charter, in which case the Board 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 Board may also terminate the charter if good cause is shown. Archimedean Academy is considered a component unit of the School Board of Miami-Dade County, Florida.

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 Florida Statutes the School is presented as a governmental organization for financial statement reporting purposes.

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government-wide basic financial statements:

The School's basic financial statements include both government-wide (reporting the School as a whole) and fund basic financial statements (reporting the School's individual 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 assets, 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.

Fund basic 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. Major individual governmental funds; namely, the general, special revenue funds, and capital projects are reported as separate columns in the fund financial statements. The School reports the following fund types:

General Fund - is the School's primary operating fund. It accounts for all financial resources of the school, except those required to be accounted for in another fund.

Special Revenue Fund - accounts for specific revenue, such as lunches, after school care and pre-K, and is not legally restricted to expenditures for particular purposes.

Capital Projects Fund - accounts for funds received from the Public Education Outlay program, which are used for the rent of facilities and other allowable capital expenditures.

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 basic 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 fund basic financial statements are presented 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 60 days of the end of the fiscal year. 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.

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgetary basis accounting:

An operating budget is adopted for the General Fund 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.

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the overall expenditures level. The School exceeded their overall budget by \$ 368,204 which was offset by additional revenues generated during the year.

Cash and cash equivalents:

Cash and cash equivalents are defined as demand deposits, money market accounts, and short-term investments with original maturities of three months or less from the date of acquisition.

The School currently maintains its cash accounts with two financial institutions. The School's accounts at these institutions, at times, may exceed the federally insured limit.

Due from other governments:

Amounts due to the School by other governments or agencies are for grants or programs under which the services have been provided by the School.

Allowance for doubtful accounts:

Management of the School reviews and provides an allowance for doubtful accounts equal to the estimated uncollectible amounts. At June 30, 2008, management's estimate is based on historical collection experience and a review of the current status of accounts receivable. Accounts receivable are presented net of an allowance for doubtful account of \$ 25,546 at June 30, 2008.

Promises to give:

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The School had unconditional promises to give of \$ 45,000 and no conditional promises to give as of June 30, 2008.

Prepaid expenses/expenditures:

Certain payments to vendors reflect costs applicable to a future accounting period and are recorded as prepaid items in both government-wide and fund financial statements.

Donated goods and services:

The School receives donated teaching services from the Greek government, as well as donated goods, which are Greek textbooks. These donated services are recorded as contributions and a corresponding expense account at their estimated fair value, while the donated goods are recorded as contributions and their estimated fair value is capitalized. For the year ended June 30, 2008, the School has received approximately \$ 179,000 in donated teachers' salaries, \$ 24,500 in donated instructional and curriculum services and \$ 48,000 in donated textbooks.

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net assets:

Net assets are classified in two categories. The general meaning of each is as follows:

Invested in capital assets, net related debt - 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.

Unrestricted - indicates that portion of net assets that can be used for future operations.

Fund balance:

Fund balance is classified in two categories. The general meaning of each is as follows:

Reserved - indicates the portion of fund balance not available for appropriation in subsequent periods or is legally segregated for a specific future use. These amounts do not represent available spendable resources.

Unreserved - indicates the portion of fund balance that can be used for future operations.

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 \$ 500 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 a straight-line basis over the estimated useful lives as follows:

Furniture, equipment, and textbooks	5 years
Improvements	10 years
Computer equipment	5 years
Audiovisual materials	5 years

Revenue sources:

Revenues for operations are received primarily from the Miami-Dade County District School Board pursuant to the funding provisions included in the School's charter. Funding for the School's student population is adjusted during the year to reflect the revised calculations by the Florida Department of Education 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.

Income taxes:

The School is a department of a nonprofit corporation whose revenue 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.

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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/expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications:

Certain accounts in the June 30, 2007 financial statements have been reclassified to conform to the June 30, 2008 presentation.

NOTE 3 - DEPOSITS

At June 30, 2008, the carrying amount of the School's deposits totaled \$ 77,433 with a bank balance of \$ 96,416.

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 depositor 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, 2008.

NOTE 4 - DUE FROM OTHER GOVERNMENTS

Due from other governments is comprised of amounts due from the Miami-Dade School Board and other as follows:

School recognition award	\$	44,700	
Capital outlay		34,038	
Other		<u>7,259</u>	
	\$	<u>85,997</u>	

NOTE 5 - CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2008 are as follows:

	Balance at July 1, 2007	Additions	Retirements	Balance at June 30, 2008
Capital assets:				
Furniture, equipment and textbooks	\$ 350,429	\$ 89,689	\$ --	\$ 440,118
Improvements	255,334	800	1,000	255,134
Computer equipment	52,316	11,710	--	64,026
Audiovisual materials	<u>44,045</u>	<u>--</u>	<u>--</u>	<u>44,045</u>
Total capital assets	<u>702,124</u>	<u>102,199</u>	<u>1,000</u>	<u>803,323</u>

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2008

NOTE 5 - CAPITAL ASSETS (continued)

	Balance at July 1, 2007	Additions	Retirements	Balance at June 30, 2007
Accumulated depreciation:				
Furniture, equipment and textbooks	(133,865)	(73,047)	--	(206,912)
Improvements	(37,595)	(25,339)	(299)	(62,635)
Computer equipment	(25,129)	(10,762)	--	(35,891)
Audiovisual materials	(17,714)	(8,809)	--	(26,523)
Total accumulated depreciation	<u>(214,303)</u>	<u>(117,957)</u>	<u>(299)</u>	<u>(331,961)</u>
Net capital assets	\$ <u>487,821</u>	\$ <u>(15,758)</u>	\$ <u>701</u>	\$ <u>471,362</u>

Provision for depreciation was charged to governmental activities as follows:

Instruction - regular	\$ 75,211
Instructional support services - plant operations and maintenance	25,339
Operation of noninstructional services	8,792
Instructional support services - school administration	<u>8,615</u>
	\$ <u>117,957</u>

NOTE 6 - CONTINGENCIES

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 7 - RELATED PARTY TRANSACTIONS

As mentioned in Note 1 to the financial statements, the School is a department of Archimedean Academy, Inc. (the "Corporation") and is affiliated with the Conservatory, another department of the Corporation. The two schools share various costs inherent with operating out of the same facility. In addition, the schools may also advance monies on an interim basis to one another. As a result of these transactions, there remains a net receivable from the Conservatory of \$ 67,295 as of June 30, 2008.

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2008

NOTE 8 - INTERFUND TRANSACTIONS

Individual interfund receivable and payable balances at June 30, 2008 are as follows:

	<u>Due from Other funds</u>		<u>Due to Other funds</u>
General fund	\$ 60,253	\$	--
Special revenue fund	10,336		--
Capital projects fund	<u> --</u>		<u>70,589</u>
Totals	\$ <u>70,589</u>	\$	<u>70,589</u>

These balances results from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting systems and (3) payments between funds are actually made.

NOTE 9 - LONG-TERM DEBT

The School has a note payable to the management company of \$ 350,137 at June 30, 2008. The note is unsecured and matures on December 1, 2009, at which time the entire principal balance and any unpaid accrued interest is due. Interest on the note accrues at 3.00% annually. There was no activity on the principal balance of this note for the year ended June 30, 2008.

NOTE 10 - LEASES

The School leases its campus from Archimedean Properties, LLC pursuant to a lease term from July 2005 through June 2012. The School shares its facilities with the Academy and lease payments are allocated 55% to the School and 45% to the Conservatory (Notes 1 and 7). Monthly lease payments are approximately \$ 32,100. The School is also responsible to pay the owners' taxes and insurance costs.

In addition, the School leases office equipment payable at approximately \$ 1,640 per month through August 2012.

Total rent expense for the year ended June 30, 2008 was approximately \$ 423,700.

Future minimum payments required under the operating leases are approximately as follows:

<u>Year Ending June 30,</u>		<u>Operating Leases</u>		<u>School Premises Leases</u>
2009	\$	19,700	\$	385,200
2010	\$	19,700	\$	385,200
2011	\$	19,700	\$	385,200
2012	\$	19,700	\$	385,200
2013	\$	3,300	\$	--
Thereafter	\$	NONE	\$	NONE

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2008

NOTE 11 - RISK FINANCING

The School is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School places all insurance risk, less nominal deductibles, in the hands of commercial carriers. At the present time, management believes that any claims the School may have are insured and that any expense associated with them will not materially affect the financial position of the School.

**OTHER INDEPENDENT
AUDITORS' REPORTS**



KEEFE, McCULLOUGH & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS

JOHN R. KEEFE, C.P.A.
STEVEN H. WOODS, C.P.A.
DAVID T. WILLIAMS, C.P.A.
JOSEPH D. LEO, C.P.A.
WILLIAM G. BENSON, C.P.A.
KENNETH G. SMITH, C.P.A.

LOUIS R. PROIETTO, C.P.A.
CYNTHIA L. CALVERT, C.P.A.
JOHN E. McCULLOUGH, C.P.A. (RETIRED)
THOMAS T. CARPENTER, C.P.A. (RETIRED)
PAUL B. SNEIDER, C.P.A. (RETIRED)
BRIAN D. PINNELL, C.P.A. (RETIRED)

ISRAEL J. GOMEZ, C.P.A.
CHARLES K. RUMPF, C.P.A.
JAMES R. LARAWAY, C.P.A.

ROSS S. GOTTHOFFER, C.P.A.
HILLARY B. DAIGLE, C.P.A.

6550 NORTH FEDERAL HIGHWAY
SUITE 410
FORT LAUDERDALE, FLORIDA 33308
(954) 771-0896
FAX: (954) 938-9353
E-MAIL: kmc@kmc CPA.com

**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
Archimedean Academy
A Department of Archimedean Academy, Inc.
Miami, Florida

We have audited the basic financial statements of governmental activities, the General Fund, and the aggregate remaining fund information of Archimedean Academy (the "School"), a department of Archimedean Academy, Inc. and a component unit of the School Board of Miami-Dade County, Florida, as of June 30, 2008, which collectively comprises the School's basic financial statements and have issued our report thereon dated September 4, 2008. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the School's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the School's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the School's financial statements that is more than inconsequential will not be prevented or detected by the School's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the School's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

6550 NORTH FEDERAL HIGHWAY
SUITE 410

As part of obtaining reasonable assurance about whether the School's financial statements are free of 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.

We noted certain matters which we reported to School management in the Schedule of Findings on page 26.

This report is intended solely for the information and use of the School's management, members of the Board of Directors, the Auditor General of the State of Florida and the School Board of Miami-Dade County, and is not intended to be and should not be used by anyone other than these specified parties.

Keefe, McCullough & Co., LLP
KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
September 4, 2008



KEEFE, MCCULLOUGH & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS

JOHN R. KEEFE, C.P.A.
STEVEN H. WOODS, C.P.A.
DAVID T. WILLIAMS, C.P.A.
JOSEPH D. LEO, C.P.A.
WILLIAM G. BENSON, C.P.A.
KENNETH G. SMITH, C.P.A.

LOUIS R. PROIETTO, C.P.A.
CYNTHIA L. CALVERT, C.P.A.
JOHN E. MCCULLOUGH, C.P.A. (RETIRED)
THOMAS T. CARPENTER, C.P.A. (RETIRED)
PAUL B. SNEIDER, C.P.A. (RETIRED)
BRIAN D. PINNELL, C.P.A. (RETIRED)

ISRAEL J. GOMEZ, C.P.A.
CHARLES K. RUMPF, C.P.A.
JAMES R. LARAWAY, C.P.A.

ROSS S. GOTTHOFFER, C.P.A.
HILLARY B. DAIGLE, C.P.A.

6550 NORTH FEDERAL HIGHWAY
SUITE 410
FORT LAUDERDALE, FLORIDA 33308
(954) 771-0896
FAX: (954) 938-9353
E-MAIL: kmc@kmccpa.com

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS

To the Board of Directors
Archimedean Academy
A Department of Archimedean Academy, Inc.
Miami, Florida

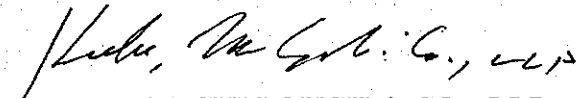
This letter is written in connection with our audit of the basic financial statements of Archimedean Academy (the "School"), a department of Archimedean Academy, Inc. and a component unit of the School Board of Miami-Dade County, as of and for the year ended June 30, 2008. The purpose of this letter is to communicate to you any comments and recommendations, and to comply with the requirements of Chapter 10.850 Rules of the Auditor General, Rule 10.854(1)(d).

The following statements relate to requirements of the Auditor General:

1. There were no inaccuracies, irregularities, shortages, defalcations, fraud and/or violations of laws, rules, regulations, or contractual provisions reported for the preceding audit.
2. There were recommendations made relating to the preceding audit, and their status is listed on page 26.
3. There were recommendations to improve the School's financial management, accounting procedures, and internal controls, and they are listed on the Schedule of Findings and Responses on page 26.
4. There were no violations of laws, rules, regulations, and contractual provisions discovered during our audit.
5. There were no illegal or improper expenditures discovered within the scope of the financial audit which may or may not materially affect the basic financial statements.
6. There were no other matters requiring correction which may or may not materially affect the basic financial statements reported on, including, but not limited to: improper or inadequate accounting procedures, failures to properly record financial transactions, or other inaccuracies, shortages, defalcations, and instances of fraud or other reportable conditions.
7. As required by the Rules of the Auditor General (Section 10.854(1)(d)2), a statement must be included as to whether or not the local government entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes. 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.

Archimedean Academy

This report is intended solely for the use and information of the School's management, the Board of Directors, the Auditor General of the State of Florida and other governmental agencies, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.


KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
September 4, 2008

ARCHIMEDEAN ACADEMY
 A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
 SCHEDULE OF FINDINGS AND RESPONSES
 June 30, 2008

PRIOR YEAR FINDINGS AND RECOMMENDATIONS

	<u>STILL APPLICABLE</u>	<u>IMPLEMENTED OR NO LONGER RELEVANT</u>
Reconcile accounts to supporting documents and subsidiary ledgers.		X
Contractual violations in connection with financial reporting with School Board.		X
Proper recording of charge cards or stores' credit for purchases.		X
Adopt a records storage and retrieval system.		X

CURRENT YEAR FINDINGS AND RESPONSES

2008-1 Monitor Accounts Receivable and Review the Collection Policy

In the past year, the amount of the accounts receivable in the 90 day and over category has increased. Management should continue to monitor the accounts receivable on a timely basis. In addition, we recommend that the School review its credit and collection policy to determine whether additional steps could be made to aid in collection of accounts. We believe that once a receivable is over 90 days old, it becomes increasingly difficult to collect. Uncollected accounts result in a direct decrease in the School's financial position.

Management's response:

The balance of the accounts receivable is related to the Lunch and After Care Services provided to the students of our schools.

Our policy is that the amounts related to these services should be prepaid by our students. However, being aware of the recent general socioeconomic conditions in South Florida and knowing that our students are permanent customers of our Lunch and After Care Programs, we have decided to facilitate the payments for those who are in a temporary difficult financial position.

In addition, every year there is a balance transferred to the next year. Our last month statements are sent to the families at the end of the school year, and there is not enough time to collect because our students return to the school in August of the next fiscal year. At this time, we usually collect most of the due balances.

We have realized that the amount of the accounts receivable has increased over the past year and we have already taken specific measures in order to improve our collection procedures and monitor the accounts receivable on a timely basis.

ARCHIMEDEAN ACADEMY
A DEPARTMENT OF ARCHIMEDEAN ACADEMY, INC.
SCHEDULE OF FINDINGS AND RESPONSES
June 30, 2008

CURRENT YEAR FINDINGS AND RESPONSES (continued)

2008-1 Monitor Accounts Receivable and Review the Collection Policy (continued)

Some of the steps we have taken are as follows:

1. We now receive payments by credit card (Master Card and Visa).
2. We have contacted parents who have a large balance and cannot pay their dues in full and asked for signed contractual agreements in order for them to pay installment in an agreed-upon time frame.
3. We have drafted a lunch and breakfast agreement contract where parents have to sign in their children to our lunch and breakfast programs assuming responsibility for payments.
4. We have set alerts into our lunch program electronic data base system and send emails to the parents that have not signed a "lunch and breakfast agreement" for, informing them that their child has been provided with a meal and they will be charged for this service.
5. We now send out statements on a monthly basis as opposed to three statements a year that we used in the past.
6. We have assigned specific employees to call parents that they have unpaid balances before 90-day period of time.
7. We have assigned our bookkeeper to regularly review the individual balances owed for the lunch program services and the after school director for after school care services on a regular basis and monitor the procedures of collection.

We are sure that these measures will improve our collection procedures and will reduce the amounts of accounts receivable in a timely manner.