

ASPIRA SOUTH YOUTH LEADERSHIP CHARTER SCHOOL
A Program of ASPIRA OF FLORIDA, INC.
(a nonprofit organization)

SPECIAL PURPOSE FINANCIAL STATEMENTS

FISCAL YEARS ENDED JUNE 30, 2014 AND 2013

ASPIRA SOUTH YOUTH LEADERSHIP CHARTER SCHOOL
A Program of ASPIRA OF FLORIDA, INC.
(a nonprofit organization)

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Officers of
ASPIRA of Florida, Inc.
Miami, Florida

Report on the Financial Statements

We have audited the accompanying special purpose financial statements of ASPIRA South Youth Leadership Charter School (the "School"), a program of ASPIRA of Florida, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities and changes in net assets, and cash flows for the fiscal years then ended, and the related notes to the financial statements.

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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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.

To the Board of Directors and Officers of
ASPIRA of Florida, Inc.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the School as of June 30, 2014 and 2013, and the changes in its net assets and cash flows for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As explained in Note I to the special purpose financial statements, the special purpose financial statements being presented are only for the School referred to above, which is a program of ASPIRA of Florida, Inc. The special purpose financial statements do not include the statement of financial position, activities and cash flows of ASPIRA of Florida, Inc. (a nonprofit organization). Accordingly, the accompanying special purpose financial statements are not intended to present the financial position of ASPIRA of Florida, Inc. as of June 30, 2014 and 2013 or its results of operations and cash flows for the fiscal years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2014 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 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.

Alberni Caballero & Fierman, LLP

Alberni Caballero & Fierman, LLP
Coral Gables, Florida
August 29, 2014

ASPIRA SOUTH YOUTH LEADERSHIP CHARTER SCHOOL

A Program of ASPIRA of FLORIDA, INC.

(a nonprofit organization)

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>		
Current assets:		
Due from the Miami-Dade County School Board		
-State of Florida Capital Outlay Distribution	\$ 12,624	\$ 9,025
Local-FTE receivable	5,500	1,127
Due from ASPIRA of Florida, Inc.	<u>590,480</u>	<u>635,259</u>
Total current assets	<u>608,604</u>	<u>645,411</u>
Capital Assets, Net	<u>160,336</u>	<u>192,544</u>
Total assets	<u>768,940</u>	<u>837,955</u>
<u>LIABILITIES</u>		
Long-term liabilities:		
Compensated absences	<u>34,053</u>	<u>11,303</u>
Total long-term liabilities	<u>34,053</u>	<u>11,303</u>
<u>NET ASSETS</u>		
Net Assets:		
Unrestricted	<u>734,887</u>	<u>826,652</u>
Total net assets	<u>734,887</u>	<u>826,652</u>
Total liabilities and net assets	<u>\$ 768,940</u>	<u>\$ 837,955</u>

See Notes to Special Purpose Financial Statements.

ASPIRA SOUTH YOUTH LEADERSHIP CHARTER SCHOOL
A Program of ASPIRA OF FLORIDA, INC.
(A nonprofit organization)
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FISCAL YEARS ENDED JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>Changes in Unrestricted Net Assets</u>		
Support and revenue		
Local-FTE	\$ 1,822,021	\$ 1,803,720
Federal and local grants	351,249	361,353
Capital outlay distribution	147,054	120,445
Other	10,296	10,000
Total revenues	<u>2,330,620</u>	<u>2,295,518</u>
Expenses:		
Instruction (Teachers)	983,525	838,672
Pupil personnel services	297,665	104,152
Instructional media service	40,895	26,397
Instructional and curriculum development services	1,850	-
Instructional staff training services	2,310	9,579
General administration	70,383	185,218
School administration	62,687	182,743
Fiscal services	8,833	6,656
Student transportation services	201,075	223,545
Operation of Plant	264,000	273,921
Maintenance of the plant	200,106	211,929
Food services	173,470	158,341
Central services	63,361	-
Depreciation	52,225	45,240
Total expenses	<u>2,422,385</u>	<u>2,266,393</u>
Increase (decrease) in net assets	<u>(91,765)</u>	<u>29,125</u>
Net assets, beginning	<u>826,652</u>	<u>797,527</u>
Net assets, ending	<u>\$ 734,887</u>	<u>\$ 826,652</u>

See Notes to Special Purpose Financial Statements.

ASPIRA SOUTH YOUTH LEADERSHIP CHARTER SCHOOL
A Program of ASPIRA OF FLORIDA, INC.
(A nonprofit organization)
STATEMENTS OF CASH FLOWS
FISCAL YEARS ENDED JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ (91,765)	\$ 29,125
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities		
Depreciation	52,225	45,240
(Increase) decrease in:		
Due from School Board of Miami-Dade County		
-State of Florida Capital Outlay Distribution	(3,599)	(9,025)
-Education Jobs Fund	(4,373)	(1,127)
Increase (decrease) in:		
Due to/from ASPIRA of Florida, Inc., net	44,779	(28,814)
Compensated absences	<u>22,750</u>	<u>(504)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>20,017</u>	<u>34,895</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Capital Assets	<u>(20,017)</u>	<u>(34,895)</u>
NET CASH (USED IN) INVESTING ACTIVITIES	<u>(20,017)</u>	<u>(34,895)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	-
BEGINNING CASH AND CASH EQUIVALENTS	-	-
ENDING CASH AND CASH EQUIVALENTS	<u>\$ -</u>	<u>\$ -</u>

See Notes to Special Purpose Financial Statements.

ASPIRA SOUTH YOUTH LEADERSHIP CHARTER SCHOOL
A Program of ASPIRA OF FLORIDA, INC.
(a nonprofit organization)
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2014 and 2013

I. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

ASPIRA of Florida, Inc. (the "Organization") was incorporated on March 2, 1981 in the State of Florida, and is a non-profit organization operating in Miami-Dade, Broward and Palm Beach counties.

The overall purpose of the Organization is to foster the social advancement of the minority community by empowering its youth in the pursuit of educational excellence through leadership development programs that emphasize commitment to the community. ASPIRA's programs are grouped into two major categories: a) Youth Leadership Development/Outreach (YLD) and b) Youth Leadership Charter Schools.

On February 9, 2000, the Miami-Dade County School Board approved the application submitted by the Board of Directors of ASPIRA of Florida, Inc. for the creation of the ASPIRA South Youth Leadership Charter School (the "School"). The School is accounted for as program of the Organization. The governing body of the School is the Organization's Board of Directors.

The School operates under a charter of the sponsoring school district, the Miami-Dade County School Board (the "School Board"). The School's charter was approved by the Board of Directors on May 18, 2000 and is effective until June 30, 2015. The charter may be renewed for up to an additional five (5) years by mutual written agreement between the School and the School Board. At the end of the term of the charter, the School Board may choose not to renew the charter under grounds specified in the charter in which case the School Board is required to notify the School in writing at least 90 days prior to the charter's termination. Pursuant to Section 228.056(11)(e) of the Florida Statutes, the charter school contract provides that in the event the School is dissolved or terminated, any unencumbered funds and all School property purchased with public funds automatically revert to the School Board. During the term of the charter, the School Board may also terminate the charter if good cause is shown.

Enrollment and Grade Configuration

<u>Schools Name and Addresses</u>	<u>Location No.</u>	<u>Grades</u>	<u>Enrollment</u>	<u>School Principal</u>
ASPIRA South Youth Leadership Charter School 13330 SW 288 Street, Leisure City, FL 33033	6060	6 th , 7 th , and 8 th	319	Garrick Keidan

Governance Structure

The Board of Directors of ASPIRA of Florida, Inc. governs the School through the School's Advisory Council (governing board). The Board of Directors of ASPIRA of Florida, Inc. consists of the following members:

Edward Hernandez, Esq.	Chairperson
Luis Gonzalez Estevez	Vice-Chair Fund Raising
Marisol Gomez-Decena, Esq.	Secretary
Hernando J. Novoa	Treasurer
Rafael Lopez	Board member
Dr. Maria M. Vallejo	Board member
Remi DeLleguas	Board member
George M. Cabrera	President and CEO (Non-voting member)

School Advisory Council (SAC)

The SAC is composed of the Board Chair and one other Board member, the President and CEO, Director of Operations and COO, the School Principal (a non-voting member), and a parent representative.

Chairperson	Edward Hernandez, Esq.
Board member	Dr. Maria Vallejo
Parent representative	Josephine Parker
Parent representative	Robert Parker
President and CEO	George Cabrera (*)
Vice President/COO	Aymet Chaples (*)
Principal	Garrick Keidan (*)

(*) Non Voting Member

Financial Statement Presentation

For financial reporting purposes, ASPIRA South Youth Leadership Charter School is a program of ASPIRA of Florida, Inc. and is included in the Organization's annual financial statements.

The special purpose financial statements present the financial position, activities and cash flows of ASPIRA South Youth Leadership Charter School only and do not include the assets, liabilities, net assets and statements of activities and cash flows of ASPIRA of Florida, Inc. (a nonprofit organization). Accordingly, the accompanying special purpose financial statements are not intended to present the financial position of ASPIRA of Florida, Inc. as of June 30, 2014 and 2013 or its results of operations and cash flows for the fiscal years then ended in conformity with accounting principles generally accepted in the United States of America.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the School that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. There were no promises to give as of June 30, 2014 or 2013.

The School uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

Restricted and Unrestricted Revenue

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose of the restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Funds provided by the School Board through the State's Charter School Capital Outlay Funding pursuant to Section 228.0561 of the Florida Statutes are recorded as temporarily restricted support until the Organization submits a Capital Outlay Plan to the School Board and the School Board accepts the Capital Outlay Plan and releases the funds.

Funds received from the Miami-Dade County Public School Board (the "School Board") and the State of Florida for the operations of the School are recorded as exchange transactions.

Cash and Cash Equivalents

For purposes of the statement of cash flows, short-term marketable investments purchased with an original maturity date of three months or less are considered to be cash equivalents.

Capital Assets

Capital assets consist of buildings improvements, leasehold improvements, furniture and equipment, and textbooks, are recorded at cost and depreciated using the straight-line method over a three to ten year estimated useful lives or in the case of leasehold improvements over the life of the lease. Contributed property and equipment is recorded at fair value at the date of donation. The School capitalizes assets with cost greater than \$500 and a useful life greater than one year.

Repairs and maintenance are expensed as incurred. Improvements which increase the life of the assets are capitalized. The carrying amount of assets sold are retired and the related accumulated depreciation is eliminated in the year of disposal and the resulting gain or loss is credited or charged to operations.

Due To/From ASPIRA of Florida, Inc.

The School is accounted for as a program of ASPIRA of Florida, Inc. under a pooled cash system. All cash is received/paid by the Organization and Due To/From accounts are debited or credited for amounts owed to or due from the School. Interest earned on funds held by the Organization on behalf of the School is allocated back to the School based on the balances of the Due To/From at year end.

Compensated Absences

Non-instructional employees of the School earn a vested right to accumulate unused vacation and sick time up to a maximum of 240 hours for vacation and 160 hours for sick time based on their years of service. Upon separation from employment, only unused vacation time is paid to the employee. Accordingly, the School has made an accrual for vacation time compensation that employees have earned but not taken.

Revenue Sources

Student funding is provided by the State of Florida through the School Board of Miami-Dade County, Florida. Such funding is recorded as Full-Time Equivalent (FTE) nonspecific revenue. In accordance with the Charter Agreements, the School Board retains two percent as an administrative fee. This funding is received on a pro rata basis over the twelve month period and is adjusted for changes in full-time equivalent student population. After review and verification of FTE reports and supporting documentation, the Florida Department of Education may adjust subsequent fiscal period allocations of FTE funding for prior year's errors by its review as well as to prevent the statewide allocation from exceeding the amount authorized by the State Legislature. Normally, such adjustments are reported in the year the adjustments are made.

Income Taxes

The Organization, and therefore the School, is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as a public supported organization. It is subject to tax on income from any unrelated business income. There was no unrelated business income for the years ended June 30, 2014 or 2013.

The Organization adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Organization has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Organization believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse affect on the Organization's financial condition, results of operations or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at June 30, 2014 and 2013.

Income Taxes (Continued)

The Organization is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations for years prior to 2011.

The Organization's policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively.

Use of Estimates

The preparation of financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States of America. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenses during the period reported. These estimates include assessing the collectability of receivables and the useful lives and impairment of tangible assets. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the financial statement in the period they are determined to be necessary. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

II. TEMPORARILY RESTRICTED NET ASSETS

Capital Outlay Funds

During 2014 and 2013, the School Board received an additional \$156,079 and \$111,420, respectively, of Section 228.0561, F.S., Charter Schools Capital Outlay Funding from the State on behalf of the School. The funds have been deposited with the School Board and will be distributed once the School incurs expenses in accordance with approved Capital Outlay Plans by the School Board and follow other guidelines developed by the Florida Department of Education. As of June 30, 2014 and 2013, the School has recorded a receivable from the School Board of \$12,624 and \$9,025, respectively. In 2014 and 2013, The School released \$147,054 and \$120,445, respectively, from restrictions by incurring expenses in accordance with approved Capital Outlay Plans.

III. CAPITAL ASSETS

Capital assets consist of the following:

	June 30,	
	<u>2014</u>	<u>2013</u>
Buildings and building improvements	\$ 93,618	\$ 93,618
Leasehold improvements	17,565	17,565
Furniture and equipment	291,334	291,333
Textbooks	<u>111,553</u>	<u>91,537</u>
	514,070	494,053
Less: Accumulated depreciation	<u>(353,734)</u>	<u>(301,509)</u>
	<u>\$ 160,336</u>	<u>\$ 192,544</u>

Depreciation expense for the fiscal years ended June 30, 2014 and 2013 was \$52,225 and \$45,240, respectively.

IV. 403 (b) THRIFT RETIREMENT PLAN

Effective July 1, 1997, the Organization established a 403 (b) Thrift Retirement Plan (the "Plan") created in accordance with Internal Revenue Service Code Section 403(b) for all full-time employees of the Organization. Employees of the School are eligible to participate in the Plan. There is no minimum age or service requirements to contribute to the Plan and employees may contribute up to the maximum percentage allowable not to exceed annual limits established in the Internal Revenue Code. Employer contributions equal 100% of the first 2% of the participants' gross salary. To be eligible for employer contributions, the participant must be at least 21 years of age and have provided one year of service. Employer contributions are 100% vested upon the participant's 65th birthday, or if earlier, upon completion of a three year vesting period. As of June 30, 2014 and 2013, there were 16 and 17, employees from the School participating in the Plan. For the fiscal year ended June 30, 2014 and 2013, the School contributed approximately \$8,400 and \$8,500 to the Plan, respectively.

The Plan is held in a trust for the exclusive benefit of the participants and their beneficiaries, consequently, the School has no fiduciary responsibility therefore the net assets of the Plan are not included in the School's special purpose financial statements.

V. RELATED PARTY TRANSACTIONS

School Facilities Lease

In January 2010, the School entered into a long-term operating lease for its facilities, with ASPIRA of Florida, Inc. The lease called for monthly rental payments of \$22,000 per month starting on January 1, 2010 through June 30, 2018.

Rent expense paid to ASPIRA of Florida, Inc. under this lease totaled approximately \$264,000 for 2014 and 2013 and is included under "Operation of Plant" in the statement of activities.

The minimum future rentals to be paid by the School are as follows:

<u>June 30,</u>	
2015	\$ 264,000
2016	264,000
2017	264,000
2018	264,000
	<u>\$1,320,000</u>

VI. COMMITMENTS AND CONTINGENCIES

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the School. The amount, if any, of expenses which may be disallowed by the grantor cannot be determined at this time although the School expects such amounts, if any, to be immaterial.

VII. RISK MANAGEMENT

Insurance for general liability and property coverage are being provided through purchased commercial insurance with minimum deductibles for each line of coverage.

VIII. MANAGEMENT FEE

Pursuant to the Charter School contract with the School Board, the School Board is paid a management fee of 2% of the qualifying revenues of the School. For the fiscal years ended June 30, 2014 and 2013, management fees paid to the School Board amounted to \$29,828 and \$28,608; respectively.

IX. SUBSEQUENT EVENTS

Management evaluated subsequent events from July 1, 2014 through August 29, 2014 the date that the financial statements were available to be published. No events were identified during this review of subsequent events that required adjustment to or disclosure within these financial statements.

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

To the Board of Directors and Officers of
ASPIRA of Florida, Inc.
Miami, FL

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the ASPIRA South Youth Leadership Charter School (the "School"), a program of ASPIRA of Florida, Inc. (a nonprofit organization) as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School's special purpose financial statements, and have issued our report thereon dated August 29, 2014.

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 opinion 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 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 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 weakness 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 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*.

To the Board of Directors and Officers of
ASPIRA of Florida, Inc.

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.

Alberni Caballero & Fierman, LLP

Alberni Caballero & Fierman, LLP
Coral Gables, Florida
August 29, 2014

**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.850 RULES
OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Directors and Officers of
ASPIRA of Florida, Inc.
Miami, FL

Report on the Financial Statements

We have audited the special purpose financial statements of the South Youth Leadership Charter School (the "School"), a program of ASPIRA of Florida, Inc., as of and for the fiscal year ended June 30, 2014, and have issued our report thereon dated August 29, 2014.

Auditors' 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 Florida Auditor General.

Other Reporting Required by *Government Auditing Standards*

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Governmental Auditing Standards*. Disclosures in that reports, which is dated August 29, 2014, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Financial Condition

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require that we apply appropriate procedures to determine 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.

Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, require that we apply 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 apply appropriate procedures to determine whether the School maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

To the Board of Directors and Officers of
ASPIRA of Florida, Inc.

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.

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 ASPIRA South Youth Leadership Charter School, a program of ASPIRA of Florida, Inc.

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, management of ASPIRA of Florida, Inc., and the School Board of Miami-Dade County and is not intended to be and should not be used by anyone other than those specified parties.

Alberni Caballero & Fierman, LLP

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Coral Gables, Florida
August 29, 2014