

**MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY**  
**(A COMPONENT UNIT OF THE PUBLIC SCHOOL**  
**BOARD OF MIAMI-DADE COUNTY, FLORIDA)**

**BASIC FINANCIAL STATEMENTS**  
**AND ADDITIONAL INFORMATION**

June 30, 2012

MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY  
BASIC FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION  
June 30, 2012

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**BASIC  
FINANCIAL STATEMENTS**



## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Mavericks High of North Miami Dade County  
Miami, Florida

We have audited the accompanying basic financial statements of the governmental activities and each major fund of Mavericks High of North Miami Dade County (the "School"), a division of New Alternative Education High School of Miami-Dade County, Inc. and a component unit of the Public School Board of Miami-Dade County, Florida, as of and for the year ended June 30, 2012, which collectively comprise the School's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the School's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note 1, the financial statements of the school intended to present the financial position and changes in the financial position of only that portion of the governmental activities, and each major fund and aggregate remaining fund information of the School that is attributable to the transactions of Mavericks High of North Miami Dade County. They do not purport to, and do not, present fairly the financial position of New Alternative High School of Miami-Dade County, Inc. as of June 30, 2012, and its changes in financial position for the year ended June 30, 2012, 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 and each major fund of the School as of June 30, 2012, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 4, 2012 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 should be considered in assessing the results of our audit.

Mavericks High of North Miami Dade County

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 6 and pages 19 through 20 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Keefe, McCullough & Co., LLP*

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida  
September 4, 2012

**MANAGEMENT'S DISCUSSION  
AND ANALYSIS**

**MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

Our discussion and analysis of Mavericks High of North Miami Dade County (the "School") financial performance provides an overview of the School's financial activities for the year ended June 30, 2012. Please read it in conjunction with the School's financial statements, which immediately follow this discussion.

**FINANCIAL HIGHLIGHTS**

The following are the highlights of financial activity for the year ended June 30, 2012:

- The School's total assets exceeded its liabilities at June 30, 2012 by \$ 108,671 (net assets).
- The School's total revenues were \$ 2,924,394, \$ 2,686,273 from FTE revenues, \$ 237,913 operating and capital grants and contributions, and \$ 208 miscellaneous revenues. The School's expenses for the year were \$ 2,675,449. Net assets for the year increased by \$ 248,945.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**Government-wide financial statements:**

The government-wide financial statements, which consist of the following two 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 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 financial statements can be found on pages 7 and 8 of this report.

**Fund financial statements:**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School only has one category of funds - governmental funds.

**MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental 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 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 financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide 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 (deficit) provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The School maintains several individual governmental funds. The General Fund, Special Revenue Fund and Capital Projects Fund are considered to be the School's major funds.

A budgetary comparison statement has been provided for the General Fund and Special Revenue Fund to demonstrate compliance with the budget.

The governmental fund financial statements can be found on pages 9 through 12 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 the basic financial statements can be found on pages 13 through 18 of this report.

**Other information:**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the School's General Fund adopted budget to actual results. Required supplemental information can be found on page 19 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net assets may serve over time as a useful indicator of financial position. The following table reflects the condensed government-wide statements of net assets as of June 30, 2012:

| Mavericks High of North Miami Dade County<br>Statements of Net Assets |    |         |            |
|-----------------------------------------------------------------------|----|---------|------------|
|                                                                       |    | 2012    | 2011       |
| CURRENT ASSETS                                                        | \$ | 64,032  | \$ 149,315 |
| NONCURRENT ASSETS                                                     |    | 285,807 | 173,626    |
| Total assets                                                          |    | 349,839 | 322,941    |
| LIABILITIES                                                           |    | 241,168 | 463,215    |



**MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

**Mavericks High of North Miami Dade County  
Statements of Net Assets  
(continued)**

|                                   | <u>2012</u>              | <u>2011</u>                |
|-----------------------------------|--------------------------|----------------------------|
| <b>NET ASSETS:</b>                |                          |                            |
| Invested in capital assets        | 227,474                  | 173,626                    |
| Unrestricted (deficit)            | <u>(118,803)</u>         | <u>(313,900)</u>           |
| <b>Total net assets (deficit)</b> | <b>\$ <u>108,671</u></b> | <b>\$ <u>(140,274)</u></b> |

A portion of the School's net assets reflect its investment in capital assets, less any related outstanding debt used to acquire those assets. The School uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the School's investment in its capital assets is reported net of related debt (if any), it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Resources that are subject to external restrictions on how they may be used are classified as restricted assets. As of June 30, 2012, the School had no restricted assets.

The change in net asset balance was \$ 158,945, as summarized in the following table:

**Mavericks High of North Miami Dade County  
Statements of Changes in Net Assets**

|                                            | <u>2012</u>              | <u>2011</u>              |
|--------------------------------------------|--------------------------|--------------------------|
| <b>REVENUES:</b>                           |                          |                          |
| General revenues                           | \$ 2,686,481             | \$ 2,526,805             |
| Program revenues                           | <u>237,913</u>           | <u>100,352</u>           |
| <b>Total revenues</b>                      | <b><u>2,924,394</u></b>  | <b><u>2,627,157</u></b>  |
| <b>FUNCTIONS/PROGRAM<br/>EXPENSES:</b>     |                          |                          |
| Instruction                                | 774,282                  | 958,132                  |
| Instructional support services             | 1,518,112                | 1,360,366                |
| Operation of non-instructional<br>services | <u>383,055</u>           | <u>121,935</u>           |
| <b>Total governmental activities</b>       | <b><u>2,675,449</u></b>  | <b><u>2,440,433</u></b>  |
| <b>Change in net assets</b>                | <b>\$ <u>248,945</u></b> | <b>\$ <u>186,724</u></b> |

**FINANCIAL ANALYSIS OF THE SCHOOL'S FUND**

As noted earlier, the School uses fund accounting to maintain control over resources that have been segregated for specific activities or objectives. The focus of the School's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School's financing requirements. In particular, unreserved fund balance, if any, may serve as a useful measure of the School's net resources available for spending at the end of the fiscal year.

**MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2012**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

There were no budget amendments to the June 30, 2012 budget and revenues and expenditures were both under adopted budget for the year.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

*Capital assets*

The School's investment in capital assets at June 30, 2012 was \$ 227,474 net of accumulated depreciation compared to \$ 173,626 at June 30, 2011. This investment in capital assets is composed of leasehold improvements, furniture and equipment and computer equipment. A more detailed analysis is provided in Note 4 to the financial statements.

*Long-term debt*

At June 30, 2012, the School had outstanding debt of \$ 82,293 compared to \$ 400,000 at June 30, 2011. Additional information of the School's debt can be found in Note 6 to the financial statements.

**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 in the year 2012/2013 include:

- Results of continued increased student enrollment are expected to increase revenue to the program and will offset to a degree reduced funding per student due to State budget cuts.
- An adjustment of students' matrix levels performed by MDCPS will continue to reflect additional funding in the School's FEFP distribution.
- Continue maximizing our quality of services while we reduced our variable costs per student.
- Introduced new operational procedures that will enable the School's Administrators to improve on efficiency of both operations, and student performance.
- Mavericks agreement to monitor and reduce management fees to help support the School's operations.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of Mavericks High of North Miami Dade County's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Mavericks in Education Florida, LLC; 301 Southern Boulevard; West Palm Beach, FL 33405.

**MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY**  
**STATEMENT OF NET ASSETS**  
June 30, 2012

**A S S E T S**

**CURRENT ASSETS:**

|                                    |    |               |
|------------------------------------|----|---------------|
| Cash                               | \$ | 7             |
| Due from other government agencies |    | <u>64,025</u> |
| Total current assets               |    | <u>64,032</u> |

**NONCURRENT ASSETS:**

|                                                 |    |                       |
|-------------------------------------------------|----|-----------------------|
| Capital assets, net of accumulated depreciation |    | 227,474               |
| Deposits                                        |    | <u>58,333</u>         |
| Total noncurrent assets                         |    | <u>285,807</u>        |
| Total assets                                    | \$ | <u><u>349,839</u></u> |

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES:**

|                           |    |               |
|---------------------------|----|---------------|
| Accounts payable          | \$ | 78,518        |
| Accrued liabilities       |    | 53,985        |
| Accrued interest          |    | 9,725         |
| Unearned revenue          |    | <u>16,647</u> |
| Total current liabilities |    | 158,875       |

**NONCURRENT LIABILITIES:**

|                                          |  |                |
|------------------------------------------|--|----------------|
| Note payable - due in more than one year |  | <u>82,293</u>  |
| Total liabilities                        |  | <u>241,168</u> |

**CONTINGENCIES AND COMMITMENTS (Note 5)**

-

**NET ASSETS:**

|                            |    |                       |
|----------------------------|----|-----------------------|
| Invested in capital assets |    | 227,474               |
| Unrestricted (deficit)     |    | <u>(118,803)</u>      |
| Total net assets           | \$ | <u><u>108,671</u></u> |

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

**MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended June 30, 2012

|                                          | Program Revenues           |                                          |                                        | Governmental<br>Activities                                             |                    |
|------------------------------------------|----------------------------|------------------------------------------|----------------------------------------|------------------------------------------------------------------------|--------------------|
| Expenses                                 | Charges<br>for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | Net Revenues<br>(Expenses) and<br>Change in<br>Net Assets<br>(Deficit) |                    |
| <b>FUNCTIONS/PROGRAMS:</b>               |                            |                                          |                                        |                                                                        |                    |
| Governmental activities:                 |                            |                                          |                                        |                                                                        |                    |
| Instruction                              |                            |                                          |                                        |                                                                        |                    |
| Regular instruction                      | \$ 774,282                 | \$ -                                     | \$ 73,180                              | \$ -                                                                   | \$ (701,102)       |
| Instructional support services           |                            |                                          |                                        |                                                                        |                    |
| Administrative services                  | 338,145                    | -                                        | -                                      | -                                                                      | (338,145)          |
| Instructional services                   | 234,619                    | -                                        | -                                      | -                                                                      | (234,619)          |
| Plant operations and maintenance         |                            |                                          |                                        |                                                                        |                    |
| and maintenance                          | 784,798                    | -                                        | -                                      | 72,108                                                                 | (712,690)          |
| Student transportation                   | 160,550                    | -                                        | 92,625                                 | -                                                                      | (67,925)           |
| Operation of non-instructional services: |                            |                                          |                                        |                                                                        |                    |
| Fiscal services                          | 360,090                    | -                                        | -                                      | -                                                                      | (360,090)          |
| Interest expense                         | 22,965                     | -                                        | -                                      | -                                                                      | (22,965)           |
|                                          | <u>\$ 2,675,449</u>        | <u>\$ -</u>                              | <u>\$ 165,805</u>                      | <u>\$ 72,108</u>                                                       | <u>(2,437,536)</u> |
| Total governmental activities            |                            |                                          |                                        |                                                                        |                    |
|                                          | <u>\$ 2,675,449</u>        | <u>\$ -</u>                              | <u>\$ 165,805</u>                      | <u>\$ 72,108</u>                                                       | <u>(2,437,536)</u> |
| General revenues:                        |                            |                                          |                                        |                                                                        |                    |
|                                          |                            |                                          |                                        |                                                                        | 2,686,273          |
|                                          |                            |                                          |                                        |                                                                        | 208                |
|                                          |                            |                                          |                                        |                                                                        | <u>2,686,481</u>   |
|                                          |                            |                                          |                                        |                                                                        | 248,945            |
|                                          |                            |                                          |                                        |                                                                        | <u>(140,274)</u>   |
|                                          |                            |                                          |                                        |                                                                        | <u>\$ 108,671</u>  |

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

**MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
 June 30, 2012

**A S S E T S**

|                               | General<br>Fund | Special<br>Revenue<br>Fund | Capital<br>Projects<br>Fund | Total      |
|-------------------------------|-----------------|----------------------------|-----------------------------|------------|
| <b>ASSETS:</b>                |                 |                            |                             |            |
| Cash                          | \$ 7            | \$ -                       | \$ -                        | \$ 7       |
| Due from government agencies  | -               | 64,025                     | -                           | 64,025     |
| Due from special revenue fund | 47,378          | -                          | -                           | 47,378     |
| Deposits                      | 58,333          | -                          | -                           | 58,333     |
| Total assets                  | \$ 105,718      | \$ 64,025                  | \$ -                        | \$ 169,743 |

**LIABILITIES AND FUND BALANCE (DEFICIT)**

|                                                   |            |           |      |            |
|---------------------------------------------------|------------|-----------|------|------------|
| <b>LIABILITIES:</b>                               |            |           |      |            |
| Accounts payable                                  | \$ 78,518  | \$ -      | \$ - | \$ 78,518  |
| Accrued liabilities                               | 53,985     | -         | -    | 53,985     |
| Due to general fund                               | -          | 47,378    | -    | 47,378     |
| Deferred revenue                                  | -          | 16,647    | -    | 16,647     |
| Total liabilities                                 | 132,503    | 64,025    | -    | 196,528    |
| <b>CONTINGENCIES AND<br/>COMMITMENTS (Note 5)</b> |            |           |      |            |
|                                                   | -          | -         | -    | -          |
| <b>FUND BALANCE (DEFICIT):</b>                    |            |           |      |            |
| Nonspendable for deposits                         | 58,333     | -         | -    | 58,333     |
| Unassigned (deficit)                              | (85,118)   | -         | -    | (85,118)   |
| Total fund balance<br>(deficit)                   | (26,785)   | -         | -    | (26,785)   |
| Total liabilities and<br>fund balance (deficit)   | \$ 105,718 | \$ 64,025 | \$ - | \$ 169,743 |

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

**MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET ASSETS**  
June 30, 2012

**RECONCILIATION OF THE GOVERNMENTAL FUND  
BALANCE SHEET TO THE STATEMENT OF NET  
ASSETS:**

|                                              |    |          |
|----------------------------------------------|----|----------|
| Governmental fund balance (deficit), page 9: | \$ | (26,785) |
|----------------------------------------------|----|----------|

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets and debt issues used in governmental activities are non financial resources and therefore are not reported in the governmental fund.

|                          |                  |  |         |
|--------------------------|------------------|--|---------|
| Cost of capital assets   | \$ 395,268       |  |         |
| Accumulated depreciation | <u>(167,794)</u> |  | 227,474 |

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental fund

|                          |                |  |                 |
|--------------------------|----------------|--|-----------------|
| Note payable             | (82,293)       |  |                 |
| Accrued interest payable | <u>(9,725)</u> |  | <u>(92,018)</u> |

|                                                  |    |                |
|--------------------------------------------------|----|----------------|
| NET ASSETS OF GOVERNMENTAL<br>ACTIVITIES, page 7 | \$ | <u>108,671</u> |
|--------------------------------------------------|----|----------------|

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

**MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2012

|                                                            | General<br>Fund    | Special<br>Revenue<br>Fund | Capital<br>Projects<br>Fund | Total              |
|------------------------------------------------------------|--------------------|----------------------------|-----------------------------|--------------------|
| <b>REVENUES:</b>                                           |                    |                            |                             |                    |
| Federal sources                                            | \$ -               | \$ 73,180                  | \$ -                        | \$ 73,180          |
| State sources                                              | 2,778,898          | -                          | 72,108                      | 2,851,006          |
| Local sources                                              | 208                | -                          | -                           | 208                |
|                                                            | <b>2,779,106</b>   | <b>73,180</b>              | <b>72,108</b>               | <b>2,924,394</b>   |
| <b>EXPENDITURES:</b>                                       |                    |                            |                             |                    |
| Current:                                                   |                    |                            |                             |                    |
| Instruction                                                | 708,687            | 73,180                     | -                           | 781,867            |
| Instructional services                                     | 234,619            | -                          | -                           | 234,619            |
| Pupil transportation services                              | 160,550            | -                          | -                           | 160,550            |
| Fiscal services                                            | 360,090            | -                          | -                           | 360,090            |
| Plant operations<br>and maintenance                        | 708,138            | -                          | -                           | 708,138            |
| Administrative services                                    | 330,561            | -                          | -                           | 330,561            |
| Capital outlay:                                            |                    |                            |                             |                    |
| Equipment and improvements                                 | 58,399             | -                          | 72,108                      | 130,507            |
| Debt service:                                              |                    |                            |                             |                    |
| Principal                                                  | 393,874            | -                          | -                           | 393,874            |
| Interest                                                   | 13,240             | -                          | -                           | 13,240             |
|                                                            | <b>2,968,158</b>   | <b>73,180</b>              | <b>72,108</b>               | <b>3,113,446</b>   |
| Net change in<br>balance before other<br>financing sources | <b>(189,052)</b>   | <b>-</b>                   | <b>-</b>                    | <b>(189,052)</b>   |
| <b>OTHER FINANCING<br/>SOURCES:</b>                        |                    |                            |                             |                    |
| Proceeds from note payable                                 | 76,167             | -                          | -                           | 76,167             |
|                                                            | <b>76,167</b>      | <b>-</b>                   | <b>-</b>                    | <b>76,167</b>      |
| Net change in<br>fund balance                              | <b>(112,885)</b>   | <b>-</b>                   | <b>-</b>                    | <b>(112,885)</b>   |
| <b>FUND BALANCE,<br/>July 1, 2011</b>                      | <b>86,100</b>      | <b>-</b>                   | <b>-</b>                    | <b>86,100</b>      |
| <b>FUND BALANCE (DEFICIT),<br/>June 30, 2012</b>           | <b>\$ (26,785)</b> | <b>\$ -</b>                | <b>\$ -</b>                 | <b>\$ (26,785)</b> |

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

MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY  
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, 2012

NET CHANGE IN FUND BALANCE -  
GOVERNMENTAL FUND, PAGE 11 \$ (112,885)

Amounts reported for governmental activities in the  
statement of activities are different because:

Governmental funds report capital outlays as  
expenditures; in the statement of activities these costs  
are allocated over their estimated useful lives as a  
provision for depreciation.

|                                 |                 |        |
|---------------------------------|-----------------|--------|
| Expenditures for capital assets | \$ 130,507      |        |
| Provision for depreciation      | <u>(76,659)</u> | 53,848 |

Issuance of debt is reported as revenue in the  
governmental funds, but the issuance is reported as a  
long-term liability in the statement of net assets.

|                                         |                |                |
|-----------------------------------------|----------------|----------------|
| Proceeds from note payable              | (76,167)       |                |
| Retirements of note payable obligations | 393,874        |                |
| Change in accrued interest payable      | <u>(9,725)</u> | <u>307,982</u> |

CHANGE IN NET ASSETS ON THE  
STATEMENT OF ACTIVITIES, PAGE 8 \$ 248,945

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



**MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
June 30, 2012

**NOTE 1 - ORGANIZATION AND OPERATIONS**

Mavericks High of North Miami Dade County (the "School") is a division of New Alternative Education High School of Miami-Dade County, Inc. (the "Entity") and a component unit of the Public School Board of Miami-Dade County, Florida. The School commenced operations in July 2009 and offers classes for High School students in the City of North Miami Beach, Florida. Approximately five hundred and eighteen students were enrolled in classes when the school year ended in June 2012.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Reporting entity:

The School operates under a charter granted by the sponsoring school district, the Public School Board of Miami-Dade County, Florida (the "District"). The current charter is effective until June 30, 2014. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter in which case the District is required to notify the School in writing at least ninety days prior to the charter's expiration. During the term of the charter, the District may also terminate the charter if good cause is shown. The School is considered a component unit of the Miami-Dade County Public School District.

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

Basis of presentation:

Based on the contractual provisions within the School's contract with the Miami-Dade County Public School District and the provisions of the Florida Statutes, the School is presented as a governmental organization for financial reporting purposes.

Government-wide statements:

The School's financial statements include both government-wide (reporting the School as a whole) and fund financial statements (reporting the School's major funds). Both the government-wide and fund 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, if any.

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

MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Fund financial statements:

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

The School reports the following major governmental funds:

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

**Special Revenue Fund** – This fund is used to account for federal grants that are legally restricted to expenditures for particular purposes.

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

Net assets:

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

- Invested in capital assets, net of 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 (if any).
- Restricted net assets - consists of net assets with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - indicates that portion of net assets (deficit) that will need to be funded by future operations.

Fund balance:

The school has implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance classifications to report on the nature and extent to which the school is bound to have constraints on the specific purposes for which amounts in those funds can be spent.

The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance – consists of amounts that are not in spendable form and of net assets that are legally or contractually required to be maintained intact.
- Restricted fund balance – consists of amounts with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.

**MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
June 30, 2012

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

- Committed fund balance – consist of net assets that can be used for specific purposes pursuant to constraints imposed by the government itself, using its highest level of decision making authority.
- Assigned fund balance – consists of amounts that are constrained by the government's intended use of resources but are neither restricted or committed.
- Unassigned – consists of net resources in excess of what can be properly classified in one of the above categories.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the School considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the School considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the School's governing body or its delegated official or body has provided otherwise in its commitment or assignment actions. The details of the fund balances are included in the Governmental Fund Balance Sheet on page 9.

Measurement focus and basis of accounting:

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

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

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

Capital assets:

Capital assets 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 \$ 1,000 and a useful life of over one year. Donated capital assets are valued at their estimated fair market value as of the date received. Additions, improvements, and other expenditures that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related capital assets. Other costs for repairs and maintenance are expensed as incurred.

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

|                         |         |
|-------------------------|---------|
| Leasehold improvements  | 5 years |
| Furniture and equipment | 5 years |

Grant and contract revenue:

Grant and contract revenue is recognized when the allowable costs, as defined by the individual grant or contract, are incurred.

**MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
 June 30, 2012

Unearned/deferred revenue:

Governmental funds report deferred revenue in conjunction with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. Unearned revenues at the government-wide level arise only when the School receives resources before it has a legal claim to them.

Compensated absences:

The School's policy allows certain employees to carry over vacation time during the year. Unused sick leave benefits are not paid upon separation from service. No liability for compensated absences was recorded for the year ending June 30, 2012.

Date of management review:

Subsequent events were evaluated through September 4, 2012, which is the date the financial statements were available for issuance.

**NOTE 3 - BUDGET**

The School formally adopted a budget for the General Fund by function for the year ended June 30, 2012. The budget has been prepared in accordance with accounting principles generally accepted in the United States of America. A comparison of actual results of operations to the budgeted amounts for the General Fund and Special Revenue Fund are presented as required supplemental information.

**NOTE 4 - CAPITAL ASSETS**

A summary of changes in governmental capital assets is as follows:

|                                      | Balance at<br>July 1,<br>2011 | Additions        | Retirements | Balance at<br>June 30,<br>2012 |
|--------------------------------------|-------------------------------|------------------|-------------|--------------------------------|
| Capital assets, depreciable:         |                               |                  |             |                                |
| Leasehold improvements               | \$ 31,008                     | \$ 32,411        | \$ -        | \$ 63,419                      |
| Furniture and equipment              | <u>233,753</u>                | <u>98,096</u>    | <u>-</u>    | <u>331,849</u>                 |
| Total capital assets,<br>depreciable | <u>264,761</u>                | <u>130,507</u>   | <u>-</u>    | <u>395,268</u>                 |
| Accumulated depreciation:            |                               |                  |             |                                |
| Leasehold improvements               | 9,012                         | 12,144           | -           | 21,156                         |
| Furniture and equipment              | <u>82,123</u>                 | <u>64,515</u>    | <u>-</u>    | <u>146,638</u>                 |
| Total accumulated<br>depreciation    | <u>91,135</u>                 | <u>76,659</u>    | <u>-</u>    | <u>167,794</u>                 |
| Net capital assets                   | <u>\$ 173,626</u>             | <u>\$ 53,848</u> | <u>\$ -</u> | <u>\$ 227,474</u>              |

The provision for depreciation for the year ended June 30, 2012 amounted to \$ 76,659. The School allocated 100% of the depreciation to the operation of the facility.

As part of the School's charter contract, all capital assets purchased with public funds will automatically revert to the District School Board upon the non-renewal or termination of this contract.

**MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
 June 30, 2012

**NOTE 5 - CONTINGENCIES AND COMMITMENTS**

Grant agreements:

The School received financial assistance from Federal and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and may be subject to audit by the grantor agencies. In accordance with OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the Florida Single Audit Act, the School is not required to conduct "single audits" since the required threshold for Federal awards and state financial assistance is currently \$ 500,000 and the School did not exceed such threshold.

Lease commitment:

The School entered into an operating lease with Mavericks in Education Florida, LLC, ("Mavericks"), for the rental of its facility with monthly payments of approximately \$ 29,200 through June 30, 2014. The lease contains no renewal options. Total expense in connection with the facility lease amounted to \$ 350,000 for the year ended June 30, 2012.

Future lease payments are approximately as follows:

| <u>Year Ending</u><br><u>June 30,</u> |    |         |
|---------------------------------------|----|---------|
| 2013                                  | \$ | 350,000 |
| 2014                                  | \$ | 350,000 |
| Thereafter                            | \$ | NONE    |

Management Agreement:

The School operates under a management agreement with Mavericks, which is a third party education service provider. The contract provides for assisting the School in the performance of most administrative, operating, financial duties and operating equipment. The management agreement's term is for five academic school years beginning with the 2009/2010 year or concurrent with the Charter of the Authorizer. The agreement provides for an additional five year term or such periods that are consistent with the Charter contract term. In exchange for the aforementioned services, the School's Board agrees on a fee annually contained in their budget. The total amount incurred during the year ended June 30, 2012 relating to this contract was \$ 293,000.

Post-retirement benefits:

The School offers no post-retirement benefits to its employees.

**NOTE 6 - NOTE PAYABLE**

The School has a note payable to Mavericks. This note does not require monthly principal payments until the maturity date. The note bears interest of 7%, and requires interest to be paid monthly beginning July 2011 through July 2013 at which time all interest and principal is due.

MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 June 30, 2012

NOTE 6 - NOTE PAYABLE (continued)

The following is a summary of changes in the School's debt for the year ended June 30, 2012:

|              | <u>Balance at<br/>July 1,<br/>2011</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balance at<br/>June 30,<br/>2012</u> |
|--------------|----------------------------------------|------------------|--------------------|-----------------------------------------|
| Note payable | \$ 400,000                             | \$ 76,167        | \$ (393,874)       | \$ 82,293                               |

NOTE 7 - INCOME TAXES

The School qualifies as a tax-exempt organization under Internal Revenue Code Section 501(c) (3), and is, therefore, exempt from income tax. Accordingly, no tax provision has been made in the accompanying financial statements.

NOTE 8 - RISK FINANCING

The School is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets and natural disasters. The School has obtained property insurance from commercial companies including, but not limited to, general liability and errors and omissions insurance. There have been no claims in excess of insurance coverage limits during the current year.

**REQUIRED SUPPLEMENTAL  
INFORMATION**

**MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**  
For the Year Ended June 30, 2012

|                                                              | <u>Original<br/>And Final<br/>Budget</u> | <u>Actual</u>       | <u>Variance</u>     |
|--------------------------------------------------------------|------------------------------------------|---------------------|---------------------|
| <b>REVENUES:</b>                                             |                                          |                     |                     |
| Operating revenues                                           | \$ 3,019,428                             | \$ 2,778,898        | \$ (240,530)        |
| Grants and contributions                                     | -                                        | 72,108              | 72,108              |
| Miscellaneous income                                         | 6,600                                    | 208                 | (6,392)             |
|                                                              | <u>3,026,028</u>                         | <u>2,851,214</u>    | <u>(174,814)</u>    |
| <b>EXPENDITURES:</b>                                         |                                          |                     |                     |
| Current:                                                     |                                          |                     |                     |
| Salaries                                                     | 1,156,271                                | 1,189,431           | (33,160)            |
| Administrative services                                      | 649,402                                  | 293,000             | 356,402             |
| District and board services                                  | 67,896                                   | 67,090              | 806                 |
| Employee benefits                                            | 45,610                                   | 30,545              | 15,065              |
| Contracted bus transportation                                | 100,000                                  | 160,550             | (60,550)            |
| Instructional support                                        | 238,200                                  | 43,115              | 195,085             |
| Professional services                                        | 89,280                                   | 23,859              | 65,421              |
| Utilities                                                    | 30,000                                   | 27,781              | 2,219               |
| Technical support                                            | 58,000                                   | 32,865              | 25,135              |
| Repairs and maintenance                                      | 60,000                                   | 48,244              | 11,756              |
| Uniforms                                                     | 12,000                                   | 2,464               | 9,536               |
| Insurance                                                    | 18,000                                   | 31,791              | (13,791)            |
| Rentals                                                      | 350,000                                  | 364,958             | (14,958)            |
| Office expenses                                              | 99,000                                   | 169,787             | (70,787)            |
| Travel                                                       | 4,000                                    | 10,076              | (6,076)             |
| Miscellaneous                                                | 2,050                                    | 429                 | 1,621               |
| Advertising                                                  | 1,200                                    | 6,660               | (5,460)             |
| Capital outlay                                               | -                                        | 130,507             | (130,507)           |
| Principal and interest                                       | 45,500                                   | 407,114             | (361,614)           |
|                                                              | <u>3,026,409</u>                         | <u>3,040,266</u>    | <u>(13,857)</u>     |
| Net change in fund balance before<br>other financing sources | <u>(381)</u>                             | <u>(189,052)</u>    | <u>(188,671)</u>    |
| <b>OTHER FINANCING SOURCES:</b>                              |                                          |                     |                     |
| Proceeds from note payable                                   | <u>-</u>                                 | <u>76,167</u>       | <u>76,167</u>       |
| Total other financing sources                                | <u>-</u>                                 | <u>76,167</u>       | <u>76,167</u>       |
| Change in fund balance                                       | <u>\$ (381)</u>                          | <u>\$ (112,885)</u> | <u>\$ (112,504)</u> |



**MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND**  
For the Year Ended June 30, 2012

|                                | <u>Original<br/>and Final<br/>Budget</u> | <u>Actual</u>     | <u>Variance</u>     |
|--------------------------------|------------------------------------------|-------------------|---------------------|
| <b>REVENUES:</b>               |                                          |                   |                     |
| Federal sources:               |                                          |                   |                     |
| Start up grant                 | \$ -                                     | \$ 61,898         | \$ 61,898           |
| E - Rate reimbursement         | -                                        | 11,282            | 11,282              |
| Title I funds                  | <u>25,000</u>                            | <u>-</u>          | <u>(25,000)</u>     |
| <br>Total revenues             | <br><u>25,000</u>                        | <br><u>73,180</u> | <br><u>48,180</u>   |
| <br><b>EXPENDITURES:</b>       |                                          |                   |                     |
| Regular instruction            | <u>25,000</u>                            | <u>73,180</u>     | <u>(48,180)</u>     |
| <br>Total expenditures         | <br><u>25,000</u>                        | <br><u>73,180</u> | <br><u>(48,180)</u> |
| <br>Net change in fund balance | <br><u>\$ -</u>                          | <br><u>\$ -</u>   | <br><u>\$ -</u>     |

## **OTHER AUDITORS' REPORTS**



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

To the Board of Directors  
Mavericks High of North Miami Dade County  
Miami, Florida

We have audited the financial statements of governmental activities and each major fund of Mavericks High of North Miami Dade County (the "School"), (a component unit of the Public School Board of Miami-Dade County, Florida) as of and for the year ended June 30, 2012, which collectively comprise the School's basic financial statements and have issued our report thereon dated September 4, 2012. 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 *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the School's financial statements will not be prevented, or detected and corrected on a timely basis.

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 the internal control that might be deficiencies, 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

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*.

Mavericks High of North Miami Dade County

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 Public School Board of Miami-Dade County, Florida, 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, 2012



## INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS

To the Board of Directors  
Mavericks High of North Miami Dade County  
Miami, Florida

We have audited the basic financial statements of governmental activities and each major fund of Mavericks High of North Miami Dade County (the "School"), a component unit of the School Board of Miami-Dade County, Florida, as of and for the year ended June 30, 2012, which collectively comprise the School's basic financial statements and have issued our report thereon dated September 4, 2012.

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. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters. Disclosures in this report, which is dated September 4, 2012, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.850, Rules of the Auditor General, which governs the conduct of charter school audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditors' reports or schedule.

1. 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. The status of prior year findings and recommendations appear in the Schedule of Findings and Recommendations on page 25.
2. 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. We did not note any such matters for the current year.
3. Section 10.854(1)(e)4., Rules of the Auditor General, requires that we address violations of 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 more than inconsequential. In connection with our audit, we did not have any such findings.
4. Section 10.854(1)(e)5., Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that are inconsequential to the determination of financial statement amounts, considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and (2) deficiencies in internal control that are not significant deficiencies. In connection with our audit, we did not have any such findings.
5. Section 10.854(1)(e)6., Rules of the Auditor General, requires the name or official title of the school. The official title of the School is Mavericks High of North Miami Dade County.

Mavericks High of North Miami Dade County

6. Section 10.854(1)(e)2., Rules of the Auditor General, requires a statement be included as to whether or not the school has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the Mavericks High of North Miami Dade County does not meet the conditions described in Section 218.503(1), Florida Statutes.
7. Pursuant to Sections 10.854(1)(e)7.a. and 10.855(11), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the Mavericks High of North Miami Dade County'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.

Pursuant to Chapter 119, Florida Statutes, this management letter is a matter of public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter 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 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, 2012

MAVERICKS HIGH OF NORTH MIAMI DADE COUNTY  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
For the Year Ended June 30, 2012

**STATUS OF PRIOR YEAR COMMENTS AND FINDINGS**

|                                                        | <u>STILL<br/>APPLICABLE</u> | <u>IMPLEMENTED<br/>OR NO<br/>LONGER<br/>RELEVANT</u> |
|--------------------------------------------------------|-----------------------------|------------------------------------------------------|
| <u>2011-01 Fixed Asset Reconciliation of Inventory</u> |                             | X                                                    |

**CURRENT YEAR COMMENTS AND RECOMMENDATIONS**

NONE