

**FLORIDA SCHOOL FOR INTEGRATED
ACADEMICS AND TECHNOLOGIES
MIAMI-DADE, INC.**

FINANCIAL STATEMENTS

JUNE 30, 2011

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
JUNE 30, 2011**

GOVERNING BOARD

MEMBER	OFFICE
Dr. Linda Dawson	President
Marilyn Smith	Vice President
Myra Camino	Secretary
Steven Cosme	Director
Alicia Vega	Director
Cynthia Brown	Director
Travis Williams	Director
Vacant	Director
Vacant	Director

ADMINISTRATION

Catherine Bonnewell	Principal
Andrea Loring	Principal

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
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JUNE 30, 2011**

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JAMES MOORE & CO., P.L.
CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Governing Board,
Florida School for Integrated Academics and
Technologies Miami-Dade, Inc.:

We have audited the accompanying financial statements of the governmental activities and each major fund of the Florida School for Integrated Academics and Technologies Miami-Dade, Inc. (a component unit of the School Board of Miami-Dade County, Florida) (the "School"), as of and for the year ended June 30, 2011, 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 opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 the 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 opinion.

In our opinion, the 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 Florida School for Integrated Academics and Technologies Miami-Dade, Inc., as of June 30, 2011, and the respective changes in financial position thereof 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 August 30, 2011, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

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 8 and page 25, respectively 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.

James Moore + Co., P.L.

Gainesville, Florida
August 30, 2011

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011**

This section of Florida School for Integrated Academics and Technologies Miami-Dade, Inc.'s annual financial report presents our discussion and analysis of the School's financial performance during the fiscal year that ended on June 30, 2011. Please read it in conjunction with the School's financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Financial Statements

The financial statements presented herein include all of the activities of the Florida School for Integrated Academics and Technologies Miami-Dade, Inc. (the "School") using the integrated approach as prescribed by GASB Statement Number 34.

The Government-Wide Financial Statements present the financial picture of the School from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities. These statements include all assets of the School as well as all liabilities. Additionally, certain eliminations have occurred as prescribed by the statement in regards to interfund activity, payables and receivables. Governmental Activities are prepared using the economic resources measurement focus and the accrual basis of accounting.

The Fund Financial Statements include statements for the governmental activities. The Governmental Funds are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

Reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences created by the integrated approach.

The Primary unit of the government is the School Board of Miami-Dade County, Florida.

FINANCIAL HIGHLIGHTS OF THE PAST YEAR

An overview of significant financial information from the current year includes:

- The School's total net assets increased by \$183 thousand.
- Total governmental fund revenues exceeded expenditures by \$228 thousand.
- Capital Assets, net of depreciation, decreased by \$45 thousand.
- The School's governmental funds reported combined ending fund balances of \$730 thousand.
- The School was in solid financial health at fiscal year-end with an ending general fund balance of 7.4% as a percentage of current year expenditures.

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011
(Continued)**

REPORTING THE SCHOOL AS A WHOLE

The Statement of Net Assets and the Statement of Activities

The *Statement of Net Assets* and the *Statement of Activities* report information about the School as a whole and about its activities. These statements include *all* assets and liabilities of the School using the accrual basis accounting, which is similar to the accounting used by most private-sector companies. All of the current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School's *net assets* and changes in them. Net assets is the difference between assets and liabilities, one way to measure the School's financial health, or *financial position*. Over time, *increases or decreases* in the School's net assets are one indicator of whether its financial health is improving or deteriorating. Other factors to consider are changes in the School's revenue base and the condition of the School's capital assets.

The relationship between revenues and expenses is the School's operating results. Since the Board's responsibility is to provide services to our students and not to generate profit as commercial entities do, one must consider other factors when evaluating the overall health of the School. The quality of the education and the safety of our schools will likely be an important component in this evaluation.

In the *Statement of Net Assets* and the *Statement of Activities*, we designate the School activities as follows:

Governmental activities—All of the School's services are reported in this category. This includes the education of high school students, and the on-going effort to improve and maintain capital assets. Revenues received from the Florida Education Finance Program through the Miami-Dade Public School system, Federal grants and miscellaneous local revenues finance these activities.

REPORTING THE SCHOOL'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the School as a whole. Some funds are required to be established by State law. However, management may establish various funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other monies that it receives.

Governmental funds—The School's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the School's programs. The differences between the governmental fund financial statements and the government-wide financial statements are explained in reconciliations following each governmental fund financial statement.

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011
(Continued)**

THE SCHOOL AS A WHOLE

Net Assets

The School's net assets were \$1.51 million for the fiscal year ended June 30, 2011. Of this amount, \$200 thousand was unrestricted. Restricted net assets are reported separately to show legal constraints from debt covenants grantors, constitutional provisions and enabling legislation that limit the School's ability to use those net assets for day-to-day operations. Our analysis below, in summary form, focuses on the net assets (Table 1) and change in net assets (Table 2) of the School's governmental activities.

Table 1

	Net Assets June 30, 2010	Net Assets June 30, 2011
Current and other assets	\$ 834,965	\$ 905,945
Capital assets	825,931	781,288
Total Assets	1,660,896	1,687,233
Current liabilities	332,803	175,659
Total Liabilities	332,803	175,659
Net assets		
Invested in capital assets, net of related debt	825,931	781,288
Restricted for capital outlay	323,272	529,930
Unrestricted	178,890	200,356
Total Net Assets	\$ 1,328,093	\$ 1,511,574

The \$200 thousand in unrestricted net assets of governmental activities represents the accumulated results of all past years' operations.

Changes in Net Assets

The results of this year's operations for the School as a whole are reported in the Statement of Activities on page 10. Table 2 takes the information from the Statement and rearranges it slightly to more readily identify the total revenues for the year.

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011
(Continued)**

Table 2

	Governmental Activities June 30, 2010	Governmental Activities June 30, 2011
Revenues		
General Revenues:		
State of Florida Education Finance Program	\$ 2,447,716	\$ 2,757,844
Public Education Capital Outlay	293,352	269,529
Other general revenues	1,597	1,778
Total Revenues	2,742,665	3,029,151
Expenses		
Instruction-related Services	1,664,607	1,774,825
Support Services	711,675	812,826
Maintenance, Facilities and Operation of Plant	82,043	136,476
Depreciation	116,729	121,543
Total Expenses	2,575,054	2,845,670
Change in Net Assets	\$ 167,611	\$ 183,481

Governmental Activities

In Table 3, we have presented the cost of the School's three largest operating functions - basic instruction, school administration and general administration, as well as each program's net cost (total cost less revenues generated by the activities) at June 30, 2011. As shown, these three functions generate no revenues, indicating that total cost and net costs are the same. Net cost shows the financial burden that was placed on the general public by each of these functions. Providing this information allows citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3

	Total Cost of Services	Net Cost of Services
Basic Instruction	\$ 1,713,322	\$ 1,713,322
School Administration	623,749	623,749
Operation of Plant	84,896	84,896
Total	\$ 2,421,967	\$ 2,421,967

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011
(Continued)**

THE SCHOOL'S FUNDS

As the School completed this year, the governmental funds reported a combined fund balance of \$730 thousand (Table 4).

Table 4

	Fund Balance June 30, 2010	Fund Balance June 30, 2011
General Fund	\$ 178,889	\$ 200,356
Capital Projects Fund	323,273	529,930
Totals	\$ 502,162	\$ 730,286

General Fund Budgetary Highlights

During the course of the fiscal year, the School revised its General Fund Budget in order to deal with unexpected changes in revenue and expenditures. The Governing Board adopts its initial budget based on projected enrollment and the corresponding projected revenues. Amendments are primarily required to reflect changes in revenue estimates from the State of Florida Education Finance Program (FEFP) as actual enrollments are determined. A schedule showing the School's original and final budget amounts compared with actual amounts paid and received is provided in our annual report on page 25.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2011, the School had \$781,288 in a broad range of capital assets (net of depreciation), including buildings and improvements, and furniture & equipment (Table 5).

Table 5

	Governmental Activities June 30, 2010	Governmental Activities June 30, 2011
Furniture and Equipment	\$ 266,600	\$ 208,176
Library Book Stock	3,911	2,891
Improvements	555,420	570,221
Totals	\$ 825,931	\$ 781,288

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011
(Continued)**

SIGNIFICANT ACCOMPLISHMENTS OF FISCAL YEAR 2010-2011 ARE NOTED BELOW:

- The School's enrollment was 450 students.
- The School has a graduating class of 168 students for the 2010-2011 fiscal year.

ECONOMIC FACTORS

The economic position of the school for general operating is closely tied to that of the State. The formula for determining funding for education is set by Statute. State funds to charter schools are provided primarily by legislative appropriations from the State's general revenue funds under the Florida Education Finance Program (FEFP), and the State funding for operations is primarily from sales, gasoline, and corporate income taxes. Additionally, the level of tourism in the State heavily influences the amount of taxes collected. Significant changes in State revenue collections could directly impact future School revenue allocations.

CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and creditors with a general overview of the School's finances and to show the School's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact Richard L. Trainor, CPA, Chief Financial Officer, Florida School for Integrated Academics and Technologies Miami-Dade, Inc. at 770-831-7046.

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
STATEMENT OF NET ASSETS
JUNE 30, 2011**

Assets	
Current Assets	
Cash	\$ 56,429.63
Due from Other Agencies	835,171.74
Prepaid Expenses	14,343.73
Total Current Assets	<u>905,945.10</u>
Capital Assets	
Less: Accumulated Depreciation	1,369,285.96
Total Capital Assets	<u>(587,997.98)</u> <u>781,287.98</u>
Total Assets	<u><u>\$ 1,687,233.08</u></u>
Liabilities	
Current Liabilities	
Payroll Deductions and Withholdings	\$ 26,108.52
Accounts Payable	101,253.22
Deferred Revenue	48,297.00
Total Current Liabilities	<u>175,658.74</u>
Net Assets	
Invested in Capital Assets	781,287.98
Restricted for Capital Projects	529,930.35
Unrestricted	200,356.01
Total Net Assets	<u>1,511,574.34</u>
Total Liabilities and Net Assets	<u><u>\$ 1,687,233.08</u></u>

The accompanying notes are an integral
part of this financial statement.

FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
Instruction	\$ 1,713,322.31	\$ -	\$ -	\$ -	\$ (1,713,322.31)
Instruction and Curriculum Development Services	61,502.40	-	-	-	(61,502.40)
Board	23,311.08	-	-	-	(23,311.08)
General Administration	76,488.00	-	-	-	(76,488.00)
School Administration	623,749.20	-	-	-	(623,749.20)
Facilities Acquisition and Construction	51,580.34	-	-	269,529.00	217,948.66
Fiscal Services	39,746.99	-	-	-	(39,746.99)
Central Services	49,531.08	-	-	-	(49,531.08)
Operation of Plant	84,895.71	-	-	-	(84,895.71)
Depreciation (unallocated)	121,542.88	-	-	-	(121,542.88)
Total Governmental Activities	\$ 2,845,669.99	\$ -	\$ -	\$ 269,529.00	(2,576,140.99)

General revenues:

State aid not restricted
to specific purposes
Miscellaneous

2,757,844.18
1,778.11

Total General Revenues

Change in Net Assets

Net Assets - Beginning
Net Assets - Ending

2,759,622.29
183,481.30
1,328,093.04
\$ 1,511,574.34

The accompanying notes are an integral
part of this financial statement.

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2011**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
Assets				
Current Assets				
Cash	\$ 8,132.63	\$ 48,297.00	\$ -	\$ 56,429.63
Due from Other Agencies	-	-	835,171.74	835,171.74
Due from Other Funds	302,856.39	-	-	302,856.39
Prepaid Expenditures	14,343.73	-	-	14,343.73
Total Assets	<u>\$ 325,332.75</u>	<u>\$ 48,297.00</u>	<u>\$ 835,171.74</u>	<u>\$ 1,208,801.49</u>
Liabilities and Fund Balances				
Current Liabilities				
Payroll Deductions and Withholdings	\$ 26,108.52	\$ -	\$ -	\$ 26,108.52
Accounts Payable	98,868.22	-	2,385.00	101,253.22
Due to Other Funds	-	-	302,856.39	302,856.39
Deferred Revenue	-	48,297.00	-	48,297.00
Total Liabilities	<u>124,976.74</u>	<u>48,297.00</u>	<u>305,241.39</u>	<u>478,515.13</u>
Fund Balances				
Nonspendable	14,343.73	-	-	14,343.73
Restricted	-	-	529,930.35	529,930.35
Unassigned	186,012.28	-	-	186,012.28
Total Fund Balances	<u>200,356.01</u>	<u>-</u>	<u>529,930.35</u>	<u>730,286.36</u>
Total Liabilities and Fund Balances	<u>\$ 325,332.75</u>	<u>\$ 48,297.00</u>	<u>\$ 835,171.74</u>	<u>\$ 1,208,801.49</u>

The accompanying notes are an integral
part of this financial statement.

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
GOVERNMENTAL FUNDS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
JUNE 30, 2011**

Total Fund Balance - Governmental Funds \$ 730,286.36

Amounts reported for Governmental Activities in the
Statement of Net Assets are Different Because:

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

Cost of capital assets	1,369,285.96	
Accumulated depreciation	(587,997.98)	781,287.98

Total Net Assets - Governmental Activities \$ 1,511,574.34

The accompanying notes are an integral
part of this financial statement.

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2011**

	General Fund	Capital Projects Fund	Total Governmental Funds
Revenues			
State	\$ 2,757,844.18	\$ 269,529.00	\$ 3,027,373.18
Local	1,683.01	95.10	1,778.11
Total Revenues	<u>2,759,527.19</u>	<u>269,624.10</u>	<u>3,029,151.29</u>
Expenditures			
Instruction	1,713,322.31	-	1,713,322.31
Instruction and Curriculum			
Development Services	61,502.40	-	61,502.40
Board	23,311.08	-	23,311.08
General Administration	76,488.00	-	76,488.00
School Administration	623,749.20	-	623,749.20
Facilities Acquisition and Construction	4,322.91	124,157.39	128,480.30
Fiscal Services	39,746.99	-	39,746.99
Central Services	49,531.08	-	49,531.08
Operation of Plant	84,895.71	-	84,895.71
Total Expenditures	<u>2,676,869.68</u>	<u>124,157.39</u>	<u>2,801,027.07</u>
Excess of Revenues Over Expenditures	<u>82,657.51</u>	<u>145,466.71</u>	<u>228,124.22</u>
Other Financing Sources (Uses)			
Transfers In	-	61,191.00	61,191.00
Transfers Out	(61,191.00)	-	(61,191.00)
Total Other Financing Sources (Uses)	<u>(61,191.00)</u>	<u>61,191.00</u>	<u>-</u>
Net Change in Fund Balances	<u>21,466.51</u>	<u>206,657.71</u>	<u>228,124.22</u>
Fund Balance, Beginning	178,889.50	323,272.64	502,162.14
Fund Balance, Ending	<u>\$ 200,356.01</u>	<u>\$ 529,930.35</u>	<u>\$ 730,286.36</u>

The accompanying notes are an integral
part of this financial statement.

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011**

Total Net Change in Fund Balances - Governmental Funds \$ 228,124.22

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures, however, for governmental activities, those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statements of activities.

This is the amount by which depreciation of capital assets exceeds capital outlays in the period.

Capital outlays	\$ 76,899.96	
Depreciation expense	<u>(121,542.88)</u>	<u>(44,642.92)</u>

Change in Net Assets of Governmental Activities \$ 183,481.30

The accompanying notes are an integral
part of this financial statement.

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

(1) **Summary of Significant Accounting Policies:**

(a) **Financial reporting entity**—The Florida School for Integrated Academics and Technologies Miami-Dade, Inc. (the “School”) was organized in 2004 under the laws of the State of Florida. The School operates under a nine-member Board form of government and provides educational services to students in grades nine through twelve. The School operated three program sites. The Opa Locka site, located at 3050 NW 183rd Street, Opa Locka Florida, 33056, the Homestead site, located at 12350 SW 285th Street, Homestead, Florida, 33033 and the GMSC site, located at 810 N.W. 28th Street, Miami, Fl 33127 Total enrollment for the School was 450 students.

The School is a non-profit public benefit corporation that was incorporated February 9, 2004. On March 13, 2003, the School Board of Miami-Dade County, Florida granted to the School a charter to operate. The purpose of the School is to provide educational services as a partner with the Florida Job Corps center.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the School consists of all funds, departments, boards, and agencies that are not legally separate from the School. For Florida School for Integrated Academics and Technologies Miami-Dade, Inc., this includes general operations and student related activities of the School.

(b) **Component units**—Component units are legally separate organizations for which the School is financially accountable. Component units may include organizations that are fiscally dependent on the School in that the School approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the School is not financially accountable but the nature and significance of the organization’s relationship with the School is such that exclusion would cause the School’s financial statements to be misleading or incomplete. The School has no component units. However, the School is considered a component unit of the Miami-Dade Public School system.

(c) **Basis of presentation – fund accounting**—The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The School has three governmental funds.

Governmental funds—Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School’s major governmental funds:

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS AND
TECHNOLOGIES MIAMI-DADE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

(1) **Summary of Significant Accounting Policies:** (Continued)

(1) **General Fund**—The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the School for any purpose provided it is expended or transferred according to the general laws of Florida.

(2) **Special Revenue Fund**—The Special Revenue Fund accounts for the Educational Jobs Funding received from the Federal government that are legally restricted for the payment of school-based personnel salary and benefits.

(3) **Capital Projects Fund (Public Education Capital Outlay (PECO) fund)**—The PECO fund accounts for the revenue sources that are legally restricted to capital asset expenditures in accordance with the State's rules and regulations.

Basis of accounting – measurement focus—*Government-wide financial statements*—The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting.

The government-wide financial statement of activities presents a comparison between direct expenses and program revenues for each governmental program. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. The School does not allocate indirect expenses to functions in the Statement of Activities. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the School.

Net assets should be reported as restricted when constraints placed on net asset use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Fund financial statements—Fund financial statements report detailed information about the School. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

Governmental funds—All governmental funds are accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental financial statements therefore include reconciliations with brief explanations to better identify the relationship between the

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS AND
TECHNOLOGIES MIAMI-DADE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

(1) **Summary of Significant Accounting Policies:** (Continued)

government-wide financial statements and the statements for the governmental funds prepared on a modified accrual basis of accounting. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

Revenues—exchange and non-exchange transactions—Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities within ninety days of fiscal year-end.

Non-exchange transactions, in which the School receives value without directly giving equal value in return, include Florida Education Finance Program funds (FEFP), certain grants, entitlements, and donations. Revenue from the FEFP is recognized in the fiscal year in which the revenues are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose requirements. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: State FEFP distributions, interest, certain grants, and other local sources.

Expenses/expenditure—On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

(d) **Cash and cash equivalents**—The School's cash and cash equivalents are considered to be cash on hand and demand deposits.

(e) **Restricted assets**—Restricted assets arise when restrictions on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation.

(f) **Capital assets and depreciation**—The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the School as a whole. The School maintains a capitalization threshold of \$1,000. The School does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized, but are expensed as incurred.

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS AND
TECHNOLOGIES MIAMI-DADE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

(1) **Summary of Significant Accounting Policies:** (Continued)

When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of Furniture and Equipment and certain Improvements are five years. Buildings and remaining improvements have estimated lives of twenty years.

(g) **Accrued liabilities**—All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

(h) **Net assets**—Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The School applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

(i) **Estimates**—The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

(j) **Budgetary data**—The budgetary process is prescribed by provisions of the laws of Florida and requires the governing board to adopt an operating budget each year. The School governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major function at year end.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for.

(k) **Property tax**—Property taxes attach as an enforceable lien on property on January 1. Taxes are collected beginning November 1 through March 31 and become delinquent after March 31. The County of Miami-Dade bills and collects taxes on behalf of the Miami-Dade School District who passes through to the School its proportionate share of tax revenue. Local property tax revenues are recorded when received.

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS AND
TECHNOLOGIES MIAMI-DADE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

(1) **Summary of Significant Accounting Policies:** (Continued)

(i) **Fund balances**—The School has implemented GASB 54 for the year ending June 30, 2011.

In accordance with GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the School classifies governmental funds balances as follows:

Non-spendable—amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted—amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation.

Committed—amounts that are constrained for specific purposes, are internally imposed by the School's governing Board, and do not lapse at year-end. The School had no committed funds at June 30, 2011.

Assigned—amounts that are intended to be used for specific purposes that are neither considered restricted nor committed. Fund balance minimums may be assigned by management. The School had no assigned funds at June 30, 2011.

Unassigned—all other spendable amounts.

As of June 30, 2011, fund balances are comprised of the following:

	General Fund	Capital Projects Fund	Total Governmental Funds
Nonspendable:			
Prepaid items	\$ 14,343.73	\$ -	\$ 14,343.73
Restricted:			
Public Education Capital Outlay (PECO)	-	529,930.35	529,930.35
Unassigned	186,012.28	-	186,012.28
	\$ 200,356.01	\$ 529,930.35	\$ 730,286.36

The School spends *restricted* amounts first when both restricted and unrestricted fund balances are available, unless there are legal documents or contracts that prohibit this action, such as a grant agreement. The School spends *committed* amounts next, then *assigned*, and lastly *unassigned* amounts of unrestricted funds balances when expenditures are made.

(m) **Subsequent events**—Subsequent events have been evaluated through August 30, 2011, which is the date the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

(n) **Income taxes**—The School is exempt from the payment of income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the accompanying financial statements.

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

(1) **Summary of Significant Accounting Policies:** (Continued)

The School files income tax returns in the U.S. Federal jurisdiction. The School's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

The School has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the School.

(2) **Cash and Cash Equivalents:**

(a) **Policies and practices**—The School maintains demand deposits with qualified depository financial institutions.

(b) **Deposits** - At year-end, the carrying amounts of the School's demand deposits were \$56,430 for governmental activities. The bank balances totaled \$105,633 and was covered by Federal deposit insurance.

(3) **Receivables:**

Due from Other agencies in the PECO fund is comprised of capital outlay funds held by Miami-Dade Public Schools on the School's behalf. These receivables are for long term capital projects and may not be entirely collected within one year.

(4) **Capital Assets:**

All capital asset additions were acquired with public funds. Capital asset activity for the fiscal year ended June 30, 2011, was as follows:

	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2011</u>
Governmental Activities				
Capital assets being depreciated				
Buildings and improvements	\$ 640,092.87	\$ 47,720.15	\$ -	\$ 687,813.02
Library Books	5,102.04	-	-	5,102.04
Furniture and equipment	647,191.09	29,179.81	-	676,370.90
Total capital assets being depreciated	<u>1,292,386.00</u>	<u>76,899.96</u>	<u>-</u>	<u>1,369,285.96</u>
Less: Accumulated depreciation				
Buildings and improvements	84,673.10	32,918.86	-	117,591.96
Library Books	1,190.48	1,020.41	-	2,210.89
Furniture and equipment	380,591.52	87,603.61	-	468,195.13
Total accumulated depreciation	<u>466,455.10</u>	<u>121,542.88</u>	<u>-</u>	<u>587,997.98</u>
Governmental activities				
Capital assets, net	<u>\$ 825,930.90</u>	<u>\$ (44,642.92)</u>	<u>\$ -</u>	<u>\$ 781,287.98</u>

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

(4) **Capital Assets:** (Continued)

During the year ended June 30, 2011, \$121,542.88 was charged to depreciation expense.

Governmental Activities	
Unallocated	<u>\$ 121,542.88</u>

(5) **Interfund Receivables, Payables and Transfers:**

The following is a summary of interfund receivables and payables reported in the fund financial statements:

Funds	<u>Interfund</u>	
	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 302,856.39	\$ -
PECO Fund	-	302,856.39
	<u>\$ 302,856.39</u>	<u>\$ 302,856.39</u>

The principal purpose of the interfund receivables and payables is to provide for the recording of expenditures originally paid out of the General fund that will subsequently be reimbursed with Capital Projects Funds moneys.

The following is a summary of interfund transfers reported in the fund financial statements:

Funds	<u>Interfund</u>	
	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 61,191.00
PECO Fund	61,191.00	-
	<u>\$ 61,191.00</u>	<u>\$ 61,191.00</u>

The purpose of the interfund transfers was to provide for the transfer of funds from the General fund to the PECO fund for the portion of the district's 5% administration fee in FTE in excess of 250 as required by statute.

(6) **Employee Retirement Systems:**

(a) **Social security**—As established by Federal law, all public sector employees who are not members of their employer's existing retirement system must be covered by Social Security or an alternative plan. The School has elected to use Social Security as its alternative plan.

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

(6) **Employee Retirement Systems:** (Continued)

(b) **State retirement plan**—All regular employees of the School are covered by the Florida Retirement System (FRS). The FRS is primarily a State-administered, cost-sharing, multiple-employer, defined benefit retirement plan (Plan). Plan provisions are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code, wherein eligibility, contributions, and benefits are defined and described in detail. Essentially all regular employees of participating employers are eligible and must enroll as members of the FRS. Benefits in the defined benefit plan vest at six years of service. The defined benefit plan also includes an early retirement provision, but imposes a penalty for each year a member retires before the specified retirement age.

The defined benefit plan provides retirement, disability, and death benefits and annual cost-of-living adjustments, as well as supplements for certain employees to cover social security benefits lost by virtue of retirement system membership.

The School is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the FRS. The contribution rates for members are established, and may be amended, by the State of Florida. During the 2010-2011 fiscal year, the required contribution rates ranged from 10.77 percent to 14.57 percent of annual payroll. The State statute establishes the contribution requirements of the plan members. The School's contributions for the fiscal year ending June 30, 2011, was \$142,384 and equaled 100 percent of the required contribution.

Post-Employment Benefits

Pursuant to Section 112.363, Florida Statutes, the Florida Legislature established the Retiree Health Insurance Subsidy (HIS) to assist retirees of all State-administered retirement systems in paying health insurance costs. During the 2010-2011 fiscal year, the HIS program was funded by required contributions consisting of 1.11% assessed against the payroll for all active employees covered in State-administered retirement systems. This assessment is included in the Florida Retirement System contribution rates presented above. Eligible retirees, spouses, or financial dependents under any State administered retirement system must provide proof of health insurance coverage, which can include Medicare. During the 2010-2011 fiscal year, participants received an extra \$5 per month for each year of creditable service completed at the time of retirement; however, no eligible retiree or beneficiary may receive a subsidy payment of more than \$150 or less than \$30. If contributions fail to provide full subsidy benefits to all participants, the subsidy payments may be reduced or canceled.

The financial statements and other supplemental information of the FRS are included in the comprehensive annual financial report of the State of Florida, which may be obtained by contacting the Department of Financial Services in Tallahassee, Florida. Also, an annual report on the FRS, which includes its financial statements, required supplemental information, actuarial report, and other relevant information, may be obtained from the State of Florida, Division of Retirement in Tallahassee, Florida.

(7) **Commitments and Contingencies:**

Litigation—The School is not currently a party to any legal proceedings.

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

(8) Related Party Transactions:

The School has a vendor relationship with the New Education for the Workplace, Inc., 2611 Temple Heights Drive, Oceanside, CA 92056. New Education for the Workplace, Inc. is an organization formed for charitable purposes, including advancing the vocational and technical education and training of young men and women, and managing, operating, guiding, directing, and promoting charter schools. The School entered into an agreement with New Education for the Workplace, Inc. effective July 1, 2010 and can be automatically renewed every five years. Under the agreement, New Education for the Workplace, Inc. will provide the following services: human resources administration, curriculum licensing, technology services, and general administrative support. For the year ended June 30, 2011, the School paid New Education for the Workplace, Inc. \$491,972 for services provided under the terms of the agreement. Included in accounts payable at June 30, 2011 is \$37,844 payable to New Education for the Workplace, Inc. under the terms of the agreement.

(9) Donated Use of Facilities:

The Job Corp Center provides space for the School to operate its educational programs on their property under a written agreement. The School does not pay rent under this agreement. The estimated value of rent and other services is \$97,500 and is not recognized in the accompanying financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

**FLORIDA SCHOOL FOR INTEGRATED ACADEMICS
AND TECHNOLOGIES MIAMI-DADE, INC.
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Budget</u>		<u>Actual (GAAP Basis)</u>	<u>Variances - Positive (Negative) Final to Actual</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
State	\$ 2,678,766.00	\$ 2,757,844.00	\$ 2,757,844.18	\$ 0.18
Local	2,000.00	2,000.00	1,683.01	(316.99)
Total Revenues	<u>2,680,766.00</u>	<u>2,759,844.00</u>	<u>2,759,527.19</u>	<u>(316.81)</u>
Expenditures				
Instruction	1,771,232.00	1,771,232.00	1,713,322.31	57,909.69
Instruction and Curriculum Development Services	67,023.00	67,023.00	61,502.40	5,520.60
Board	33,250.00	25,250.00	23,311.08	1,938.92
General Administration	133,938.00	78,938.00	76,488.00	2,450.00
School Administration	529,239.00	629,239.00	623,749.20	5,489.80
Facilities Acquisition and Construction	-	5,000.00	4,322.91	677.09
Fiscal Services	40,709.00	40,709.00	39,746.99	962.01
Central Services	47,235.00	51,235.00	49,531.08	1,703.92
Operation of Plant	51,800.00	91,800.00	84,895.71	6,904.29
Total Expenditures	<u>2,674,426.00</u>	<u>2,760,426.00</u>	<u>2,676,869.68</u>	<u>83,556.32</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,340.00</u>	<u>(582.00)</u>	<u>82,657.51</u>	<u>83,239.51</u>
Other Financing Sources (Uses)				
Transfers Out	-	(62,000.00)	(61,191.00)	809.00
Total Other Financing Sources (Uses)	<u>-</u>	<u>(62,000.00)</u>	<u>(61,191.00)</u>	<u>809.00</u>
Net Change in Fund Balances	<u>6,340.00</u>	<u>(62,582.00)</u>	<u>21,466.51</u>	<u>84,048.51</u>
Fund balance, Beginning	175,000.00	178,889.50	178,889.50	-
Fund balance, Ending	<u>\$ 181,340.00</u>	<u>\$ 116,307.50</u>	<u>\$ 200,356.01</u>	<u>\$ 84,048.51</u>

The accompanying notes are an integral
part of this schedule.

JAMES MOORE & CO., P.L.
CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

**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 Governing Board,
Florida School for Integrated Academics
and Technologies Miami-Dade, Inc.:

We have audited the financial statements of the governmental activities and each major fund of the Florida School for Integrated Academics and Technologies Miami-Dade, Inc. (the "School"), a component unit of School Board of Miami-Dade County, Florida as of and for the year ended June 30, 2011, which collectively comprise the School's basic financial statements and have issued our report thereon dated August 30, 2011. 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 opinion 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 misstatement 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material. 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*.

We noted certain matters that we have reported to management of the School in a separate letter dated August 30, 2011.

This report is intended solely for the information and use of management, the Governing Board, the Florida Department of Education, the Miami Dade County Public School Board, Federal awarding agencies, others within the School and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

James Murre + Co., P.L.

Gainesville, Florida
August 30, 2011

JAMES MOORE & CO., P.L.
CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

**MANAGEMENT LETTER OF INDEPENDENT AUDITORS
REQUIRED BY CHAPTER 10.850, RULES OF THE AUDITOR GENERAL**

To the Governing Board,
Florida School for Integrated Academics
and Technologies Miami-Dade, Inc.:

We have audited the financial statements of the Florida School for Integrated Academics and Technologies Miami-Dade, Inc. (the School), a component unit of School Board of Miami-Dade County, Florida, as of and for the year ended June 30, 2011, and have issued our report thereon dated August 30, 2011.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; 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 that report, which is dated August 30, 2011, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.850, Rules of the Auditor General, which governs the conduct of charter school and similar entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditor's reports:

Section 10.854 (1) (e) 1., Rules of the Auditor General, requires that we determine, whether or not corrective actions have been take to address significant findings and recommendations made in the preceding annual financial audit report. We noted no findings or recommendations for the fiscal year ended June 30, 2010.

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 violations of provisions of contracts or grant agreements, or abuse 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.

Sections 10.854 (1) (e) 5., Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on the financial statements 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.

Section 10.854 (1) (e) 6., Rules of the Auditor General, requires the name or official title for the School. The official title of the School is Florida School for Integrated Academics and Technologies Miami-Dade, Inc., which is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Act, and Section 1002.33, Florida Statutes.

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 conditions 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.

Section 10.854 (1) (e) 7a. and 10.855 (10), Rules of the Auditor General, we applied financial condition assessment procedures. 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.

Pursuant to Chapter 119, Florida Statutes, this management letter is a 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 information and use of management, the Florida Auditor General, and the Miami-Dade County Public School Board and is not intended to be, and should not be used by anyone other than these specified parties.

James Moore + Co., P.L.

Gainesville, Florida
August 30, 2011