

EARLY BEGINNINGS ACADEMY  
(A Charter School)

SPECIAL PURPOSE FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

EARLY BEGINNINGS ACADEMY

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
United Cerebral Palsy of South Florida Charter Schools, Inc.  
d/b/a United Community Options of South Florida Charter Schools  
Miami, Florida

### **Report on the Financial Statements**

We have audited the accompanying special purpose financial statements of Early Beginnings Academy (the "School"), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these special purpose financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these special purpose 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 special purpose financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the special purpose financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the special purpose financial statements.

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

To the Board of Directors of  
United Cerebral Palsy of South Florida Charter Schools, Inc.  
d/b/a United Community Options of South Florida Charter Schools  
Miami, Florida

As explained in Note 1 to the special purpose financial statements, the financial statements being presented is only for the School referred to above, which is a program of United Cerebral Palsy of South Florida Charter Schools, Inc. d/b/a United Community Options of South Florida Charter Schools. The special purpose financial statements do not include the statements of financial position, activities and changes in net assets and cash flows of United Cerebral Palsy of South Florida Charter Schools, Inc. (a not-for-profit organization). Accordingly, the accompanying special purpose financial statements are not intended to present the financial position of United Cerebral Palsy of South Florida Charter Schools, Inc. as of June 30, 2018 and 2017 or its results of operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

***Opinion***

In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of Early Beginnings Academy as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 24, 2018, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

***Menendez & Company***

Pembroke Pines, FL  
August 24, 2018

**EARLY BEGINNINGS ACADEMY  
SPECIAL PURPOSE FINANCIAL STATEMENTS  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2018 AND 2017**

	<b>2018</b>	<b>2017</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 423,840	\$ 358,127
Accounts receivable, net	108,630	129,576
Unemployment reserve	3,759	3,553
Prepaid expenses	116	850
	<b>536,345</b>	492,106
<b>TOTAL CURRENT ASSETS</b>		
PROPERTY AND EQUIPMENT, net	<b>27,382</b>	15,260
	<b>\$ 563,727</b>	<b>\$ 507,366</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 8,764	\$ 10,848
Payroll related liabilities	11,833	17,751
Due to United Cerebral Palsy Association of Miami, Inc.	51,675	16,548
	<b>72,272</b>	45,147
<b>TOTAL CURRENT LIABILITIES</b>		
<b>NET ASSETS</b>		
Unrestricted net assets	<b>491,455</b>	462,219
	<b>491,455</b>	462,219
<b>TOTAL NET ASSETS</b>		
<b>TOTAL LIABILITIES AND NET ASSETS</b>		
	<b>\$ 563,727</b>	<b>\$ 507,366</b>

The accompanying notes are an integral part of the special purpose financial statements.

**EARLY BEGINNINGS ACADEMY  
SPECIAL PURPOSE FINANCIAL STATEMENTS  
STATEMENTS OF ACTIVITIES  
YEARS ENDED JUNE 30, 2018 AND 2017**

	<b>2018</b>	<b>2017</b>
<b>CHANGES IN UNRESTRICTED NET ASSETS</b>		
<b>SUPPORT AND REVENUE</b>		
School Board of Miami-Dade County		
FEFP Funding	<b>\$ 1,902,054</b>	\$ 2,076,364
IDEA Funding	<b>104,521</b>	126,290
Capital Outlay Funding	<b>28,833</b>	44,172
LCIR Funding	<b>31,197</b>	-
Other	<b>10,400</b>	-
Contributions	<b>25,123</b>	14
Other	<b>28,080</b>	36,184
	<b>2,130,208</b>	2,283,024
<b>TOTAL REVENUES</b>		
<b>EXPENSES</b>		
Exceptional student instruction	<b>881,826</b>	867,683
Pupil personnel services	<b>325,905</b>	310,671
Instructional and curriculum development services	<b>1,288</b>	7,224
Instructional staff training services	<b>5,491</b>	6,093
Board	<b>21,500</b>	21,500
School administration	<b>255,096</b>	276,363
Fiscal services	<b>264,331</b>	262,953
Central services	<b>9,764</b>	10,033
Pupil transportation services	<b>185,304</b>	226,754
Operation of plant	<b>144,467</b>	151,567
Depreciation	<b>6,000</b>	4,406
	<b>2,100,972</b>	2,145,247
<b>TOTAL EXPENSES</b>		
<b>INCREASE IN UNRESTRICTED NET ASSETS</b>	<b>29,236</b>	137,777
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b>462,219</b>	324,442
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 491,455</b>	\$ 462,219

The accompanying notes are an integral part of the special purpose financial statements.

**EARLY BEGINNINGS ACADEMY  
SPECIAL PURPOSE FINANCIAL STATEMENTS  
STATEMENTS OF CASH FLOWS  
YEARS ENDED JUNE 30, 2018 AND 2017**

	<b>2018</b>	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in net assets	<b>\$ 29,236</b>	\$ 137,777
Adjustment to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	<b>6,000</b>	4,406
Decrease (increase) in:		
Accounts receivable	<b>20,946</b>	2,696
Unemployment reserve	<b>(206)</b>	864
Prepaid expenses	<b>734</b>	5,575
(Decrease) increase in:		
Accounts payable and accrued expenses	<b>(2,084)</b>	(2,350)
Payroll related liabilities	<b>(5,918)</b>	1,754
<b>TOTAL ADJUSTMENTS</b>	<b>19,472</b>	12,945
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>48,708</b>	150,722
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to furniture and equipment	<b>(18,122)</b>	(14,498)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(18,122)</b>	(14,498)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Change in balance due to/from United Cerebral Palsy Association of Miami, Inc.	<b>35,127</b>	(259,973)
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>	<b>35,127</b>	(259,973)
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>65,713</b>	(123,749)
<b>CASH AT BEGINNING OF YEAR</b>	<b>358,127</b>	481,876
<b>CASH AT END OF YEAR</b>	<b>\$ 423,840</b>	\$ 358,127

The accompanying notes are an integral part of the special purpose financial statements.

**EARLY BEGINNINGS ACADEMY  
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2018 AND 2017**

**Note 1 NATURE OF ACTIVITIES**

**Nature of Activities**

United Cerebral Palsy of South Florida Charter Schools, Inc. d/b/a United Community Options of South Florida Charter Schools (the Organization) is a non-profit organization incorporated under the laws of the State of Florida to provide educational and support services to developmentally disabled children and adolescents ages birth through 22 years; be a community resource for children and adolescents with developmental disabilities; and provide daycare, after school and other related services to children and adolescents of the community, including operating charter schools organized pursuant to Section 228.056 of the Florida Statutes (2001).

On November 17, 2004, the School Board of Miami-Dade County, Florida (the School Board) approved the applications submitted by the Board of Directors of United Cerebral Palsy of South Florida Charter Schools, Inc. for the creation of the Early Beginnings Academy (the School) and the Early Beginnings Academy North Shore Charter School (EBA North Shore). The charter school contract for the School was amended on May 16, 2007 consolidating the operation of the School and EBA North Shore effective for the school year 2007-2008 and providing for operation of the School at three locations (Civic Center, North Shore and Hialeah) serving special education students grades Pre-K to 1<sup>st</sup> grade. The Organization board of directors approved the closing of the Hialeah location to be effective for the 2012-2013 school year, however, the school may be re opened at a later date. The maximum enrollment capacity of the School is 150 students.

The School currently operates under a charter with the School Board that was approved for a second renewal on June 18, 2015 for an additional 10 years ending on June 30, 2025. The charter may be renewed by mutual written agreement between the School and the School Board. At the end of the term of the charter, the School Board may choose not to renew the charter under grounds specified in the charter in which case the School Board is required to notify the School in writing at least 90 days prior to the charter's termination. Pursuant to Section 228.056(11)(e), Florida Statutes (2001), the charter school contract provides that in the event the School is dissolved or terminated, any unencumbered funds and all school property purchased with public funds automatically revert to the School Board. During the term of the charter, the School Board may also terminate the charter if good cause is shown.

The School is accounted for as a program of the Organization. The governing body of the School is the Organization's Board of Directors.

**Board of Directors**

The Board of Directors of United Cerebral Palsy of South Florida Charter Schools, Inc. consists of the following members:

Roy Lustig	Chairperson / President
Anne Steinhart	Vice-Chairperson / Secretary
Jeremy Steinhart	Member
Raisa Bauza	Member
Silvia Calderon	Parent Member

**EARLY BEGINNINGS ACADEMY  
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2018 AND 2017**

**Note 1 NATURE OF ACTIVITIES (Continued)**

**School Location and Enrollment**

<u>School Name and Addresses</u>	<u>Location No.</u>	<u>Grades</u>	<u>Enroll- ment</u>	<u>School Principal</u>
Early Beginnings Academy	4070	Pre-K, K – 2 <sup>nd</sup>	122	Makeesha Coleman
Location at Civic Center: 1411 N.W. 14th Avenue Miami, Florida 33125				
Location at North Shore: 985 N.W. 91 <sup>st</sup> Street Miami, Florida 33150				

**Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The financial statements, disclosures and account classifications are presented pursuant to the accounting regulations promulgated by the State of Florida Department of Education. The special purpose financial statements present the financial position, activities, net assets and cash flows for the Early Beginnings Academy only and do not include the assets, liabilities, net assets and statements of activities and cash flows of United Cerebral Palsy of South Florida Charter Schools, Inc.

For financial reporting purposes, Early Beginnings Academy is a program of United Cerebral Palsy of South Florida Charter Schools, Inc. and is included in the Organization's annual financial statements.

**Classification of Net Assets**

Activities of the School are recorded in its Statements of Financial Position and Activities according to three classes of net assets (unrestricted, temporarily restricted, and permanently restricted) based upon the existence or absence of donor-imposed restrictions.

**Cash and Cash Equivalents**

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

**Credit Risk**

Financial instruments which potentially subject the School to concentration of credit risk consist principally of cash and accounts receivable. The School maintains its cash in bank deposit accounts which, at times, may exceed the Federal Deposit Insurance Corporation ("FDIC") insured limits up to \$250,000. At June 30, 2018, the School had uninsured cash balances of approximately \$153,000.

**EARLY BEGINNINGS ACADEMY  
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2018 AND 2017**

**Note 2 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Contributions**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. However, donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Contributions of donated non-cash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

**Accounts Receivable**

The School uses the allowance method to account for uncollectible accounts receivable. The allowance for doubtful accounts is based on management analysis of possible bad debts. As of June 30, 2018 and 2017, there was no allowance for doubtful accounts.

**Property and Equipment**

Property and equipment are recorded at cost, except for donated assets which are recorded at their estimated fair value at the date of donation. The straight-line method is used to provide for depreciation over three to ten year estimated useful lives of the assets. The School capitalizes assets with a cost greater than \$1,000 and a useful life greater than one year. Maintenance and repairs are expensed as incurred; replacements and improvements are capitalized.

**Impairment of Long Lived Assets**

Long lived assets held and used by the School are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of assets may not be recoverable. The School evaluates recoverability of assets to be held and used by comparing the carrying amount of an asset to future net undiscounted cash flows to be generated by the asset. If an asset is considered to be impaired, the impairment to be recognized is equal to the amount by which the carrying amount of the asset exceeds the asset's fair value calculated using a discounted future cash flows analysis or market comparables. Assets held for sale, if any, are reported at the lower of the carrying amount or fair value less cost to sell.

**Revenue Sources**

Student funding is provided by the State of Florida Department of Education (FDOE) through the School Board of Miami-Dade County, Florida. This funding is received on a pro-rata basis over the twelve month period based on the student attendance reported by the school during the designated Full-Time Equivalent (FTE) survey periods.

In accordance with the charter agreement, the School Board retains five percent as an administrative fee, approximately \$41,700 and \$42,000 during the years ended June 30, 2018 and 2017 and are reflected as a reduction against FEFP funding on the statement of activities.

**EARLY BEGINNINGS ACADEMY  
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2018 AND 2017**

**Note 2 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Revenue Sources (Continued)**

Section 1013.62(1), Florida Statutes, establishes eligibility criteria and allocation procedures for the distribution of capital outlay funds to charter schools. Distributions from capital outlay funds are sent on a monthly basis to the sponsoring school district, which in turn remits funds to the charter schools. Pursuant to Section 1013.62(2), Florida Statutes, charter school capital outlay funds may be use only for specific purposes in which the School has complied. The School receives an annual allocation of charter school capital outlay funds for leasing of school facilities.

The School also receives federal awards for the enhancement of various educational programs. This assistance is generally received based on applications submitted and approved by various granting agencies. For federal awards which require incurring eligible expenditures, revenue is recognized to the extent eligible expenditures have been incurred. In the fiscal years 2018 and 2017, the School received a federal award through Individuals with Disability Education Act (IDEA).

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Note 3 TAX STATUS**

The Organization, and therefore the School, is a non-profit organization exempt from federal income taxes under Sec. 501(c)(3) of the Internal Revenue Code and has been classified as a public charity. The School's activities have been in furtherance of the Organization's tax-exempt purpose and there is no unrelated business income subject to taxation. As of June 30, 2018, with a few exceptions, the School is no longer subject to income tax examinations by the United States federal taxing authority for any tax year before 2015.

**Note 4 PROPERTY AND EQUIPMENT**

For the years ended June 30, 2018 and 2017, the School's property and equipment consisted of the following:

	<u>2018</u>	<u>2017</u>
Furniture and equipment	\$ 134,607	\$ 119,445
Building improvements	<u>6,902</u>	<u>6,902</u>
	141,509	126,347
Less: Accumulated depreciation	<u>114,127</u>	<u>111,087</u>
	<u>\$ 27,382</u>	<u>\$ 15,260</u>

**EARLY BEGINNINGS ACADEMY  
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2018 AND 2017**

**Note 4 PROPERTY AND EQUIPMENT (Continued)**

Depreciation expense for the years ended June 30, 2018 and 2017 was \$6,000 and \$4,406, respectively.

Upon non-renewal or termination of the School's contract with the School Board, any property, improvements, furnishings and equipment purchased with public funds shall automatically revert to the School Board. As of June 30, 2018, the cost and the net book value of property and equipment purchased with public funds was \$131,505 and \$27,382, respectively.

**Note 5 RELATED PARTY TRANSACTIONS**

Because of the existence of common members on the board of directors and other factors, United Cerebral Palsy of South Florida Charter Schools, Inc. and United Cerebral Palsy Association of Miami, Inc. d/b/a United Community Options of Miami (UCPM) are considered to be related parties for financial statement reporting purposes. UCPM is tax-exempt not-for-profit corporation who provides services to the developmentally disabled and the handicapped. UCPM provides to the School managerial, administrative, accounting and other related services, general liability and property insurance coverage, educational leadership services, funds for start up costs and working capital, and leases classroom space and facilities to the School.

UCPM provides administrative and educational leadership services to the School. Fees for these services can be adjusted based on the School's financial ability. The fees paid to UCPM for administrative and educational leadership services for the years ended June 30, 2018 and 2017 was \$257,351 and \$253,298, respectively.

In addition, the agreement provides for the following services:

Purchased support services and classroom personnel: Reimbursement for services provided by UCPM staff are based on an allocation of total time spent on service to the School for identified positions based on their salary and benefits.

Transportation: UCPM provides the coordination and supervision of all transportation services to the School. The charges for these services are based on an allocation methodology as approved in the annual budget.

The fees for these services from UCPM for the year ended June 30, 2018 and 2017 was \$41,883 and \$40,692, respectively.

The School leases its classroom facilities from UCPM. The lease for each location is through the period ending June 30, 2022, with options to renew for two five-year periods.

For the years ended June 30, 2018 and 2017, the rent expense for the School by location was as follows:

	<u>2018</u>	<u>2017</u>
Civic Center	\$ 65,453	\$ 66,864
North Shore	<u>65,453</u>	<u>71,309</u>
	<u>\$ 130,906</u>	<u>\$ 138,173</u>

**EARLY BEGINNINGS ACADEMY  
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2018 AND 2017**

**Note 5 RELATED PARTY TRANSACTIONS (Continued)**

The minimum future lease payments for the School by location for the year ended June 30, are as follows:

<u>Years</u>	<u>Civic Center</u>	<u>North Shore</u>	<u>Total</u>
2019	\$ 65,453	\$ 65,453	\$ 130,906
2020	65,453	65,453	130,906
2021	65,453	65,453	130,906
2022	65,453	65,453	130,906

UCPM's central office is located at 2700 West 81<sup>st</sup> Street, Hialeah, Florida and its main program facility is located at 1411 N.W. 14<sup>th</sup> Street, Miami, Florida.

UCPM's Board of Directors is as follows:

Norman Bonchick	Chairperson
Richard Rangel	Vice Chairperson
Craig Steinhart	Vice Chairperson

**Note 6 EMPLOYEE BENEFIT PLAN**

The School has a 403(b) retirement plan. Under 403(b), the employees may contribute up to 100 percent of their annual compensation, subject to certain statutory limitations. The School matches employee contributions at 50 percent up to 6 percent of the employees' compensation. The School's contributions to the 403(b) vest ratably over two to six years of service as specified in the plan. For the years ended June 30, 2018 and 2017, the School's cost under the retirement plan was approximately \$15,000 and \$10,900, respectively. The plan is held in a trust for the exclusive benefit of the participants and their beneficiaries; consequently, the School has no fiduciary responsibility and the net assets of the plan are not included in the School's special purpose financial statements.

**Note 7 ECONOMIC DEPENDENCE**

For the year ended June 30, 2018, revenues for program services from the School Board represented 99% of the School's total program revenues. The School's ability to continue operating and to provide program services is predicated on the School Board's continued support and funding of its programs. If a significant reduction were to occur, it would have an adverse effect on the School's ability to continue operating the programs and services being provided.

**Note 8 SUBSEQUENT EVENTS**

Management has evaluated subsequent events through August 24, 2018, which is the date the financial statements were available to be issued. No events were identified during this review of subsequent events that required adjustment to or disclosure within the financial statements.



To the Board of Directors of  
United Cerebral Palsy of South Florida Charter Schools, Inc.  
d/b/a United Community Options of South Florida Charter Schools  
Miami, Florida

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Menendez & Company*

Pembroke Pines, FL  
August 24, 2018



To the Board of Directors of  
United Cerebral Palsy of South Florida Charter Schools, Inc.  
d/b/a United Community Options of South Florida Charter Schools  
Miami, Florida

**Financial Condition *(Continued)***

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the Early Beginnings Academy. It is management's responsibility to monitor the Early Beginnings Academy's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

**Transparency**

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, requires that we apply appropriate procedures and communicate the results of our determination as to whether the Early Beginnings Academy maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the Early Beginnings Academy maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

**Additional Matters**

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

**Purpose of this Letter**

Our management letter is intended solely for the information and uses of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the School Board of Miami-Dade County, Florida, the Board of Directors, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

*Menendez & Company*

Pembroke Pines, FL  
August 24, 2018