



CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

**SUMMIT CHARTER SCHOOL
CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF
ORANGE COUNTY, FLORIDA**

**FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITORS' REPORTS THEREON**

JUNE 30, 2007

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the financial performance of Summit Charter School Central Campus, Inc. (the "School") provides an overview of the School's financial activities for the year ended June 30, 2007. Please read it in conjunction with the School's financial statements, which begin on page 10. The financial statements are followed by required supplementary information concerning budgetary information for the School's general fund.

FINANCIAL HIGHLIGHTS

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

- The liabilities of the School exceeded its assets at the close of the fiscal year by \$29,937 (net assets). This represents a decrease from the prior year of \$33,022.
- For the fiscal year ended June 30, 2007, the School's expenses exceeded revenues by \$33,022, as compared to the fiscal year ended June 30, 2006 when expenses exceeded revenues by \$3,689.
- At the close of fiscal 2007, the School had cash and cash equivalents in the amount of \$34,261.
- The School received capital outlay funding of approximately \$71,000 for the 2007 fiscal year.

OVERVIEW OF THE SCHOOL'S FINANCIAL STATEMENTS

The School's financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

Government-Wide Financial Statements

The two government-wide financial statements are the Statement of Net Assets (page 10) and the Statement of Activities (page 11). The government-wide financial statements provide information about the School as a whole and present a longer-term view of the School's finances. These statements use the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies.

The *statement of net assets* presents information on all of the School's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in the School's net assets are an indicator of whether its financial health is improving or deteriorating, respectively. To assess the overall health of the School, one needs to consider additional nonfinancial factors as well, such as changes in the School's student base and staff turnover.

The *statement of activities* presents information showing how the School's net assets changed during the current 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 the cash flows.

Fund Financial Statements

A *fund* is a self-balancing set of accounts segregated to keep track of specific sources of funding and spending for particular purposes. Some funds are required by state law, and others are established to control and manage money for particular purposes, such as for federal grants. The School, like state and local governments, uses fund accounting.

There are three types of funds: *proprietary* (to account for the School's business-type activities), *fiduciary* (to account for activities for which the School acts as an agent for someone else) and *governmental funds* (to account for all other activities). Because the School engages in no material proprietary or fiduciary activities, all of its funds are governmental funds.

The fund financial statements included in this annual report are the Governmental Fund Balance Sheet (page 12) and the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Deficit (page 14). In contrast to the government-wide financial statements, fund financial statements provide more detailed information about the most significant parts of the School – not the School as a whole. Governmental fund financial statements use the *modified accrual basis of accounting*, which measures cash and all other financial assets that can readily be converted to cash. This provides a detailed short-term view of the School's operations. 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.

The following table summarizes the major features of the School's financial statements, including the portion of the School they cover and the types of information they contain. In addition, both the governmental fund balance sheet and the governmental funds statement of revenues, expenditures and changes in fund deficit provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

This chart summarizes the differences between the two types of financial statements.

	<u>Government-wide Statements</u>	<u>Fund Statements— Governmental Funds</u>
Scope	Entire School	The activities of the School that are not proprietary or fiduciary
Required financial statements	Statement of net assets Statement of activities	Balance sheet Statement of revenues, expenditures and changes in fund balances
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16 – 24 of this annual report.

FINANCIAL ANALYSIS OF THE SCHOOL AS A WHOLE

Net Assets

The School's combined net assets as of June 30, 2006 and 2007 are summarized as follows:

	Governmental Activities		Increase
	2006	2007	(Decrease)
Current and other assets	\$ 109,336	\$ 50,616	\$ (58,720)
Capital assets, net	647,785	644,576	(3,209)
Total assets	<u>\$ 757,121</u>	<u>\$ 695,192</u>	<u>\$ (61,929)</u>
Current and other liabilities	\$ 276,636	\$ 287,329	\$ 10,693
Long-term liabilities	477,400	437,800	(39,600)
Total liabilities	<u>754,036</u>	<u>725,129</u>	<u>(28,907)</u>
Net assets:			
Invested in capital assets, net of related debt	176,387	198,742	22,355
Restricted	30,000	9,654	(20,346)
Unrestricted	<u>(203,302)</u>	<u>(238,333)</u>	<u>(35,031)</u>
Total net assets	<u>3,085</u>	<u>(29,937)</u>	<u>(33,022)</u>
Total liabilities and net assets	<u>\$ 757,121</u>	<u>\$ 695,192</u>	<u>\$ (61,929)</u>

Current and other assets decreased as a result of a current year operating deficit and note payable payments during the year. Cash and cash equivalents decreased as a result of the timing of receipts from the School Board.

Current and other liabilities increased due to the timing of payroll payments and the increase of \$5,000 in amounts due to the School Board. Long-term liabilities decreased in fiscal 2007 due to principal payments on long-term debt. Total net assets decreased due to the current year operating deficit.

Change in Net Assets

The School's total revenues decreased by 4% to \$841,348, and the total cost of all programs and services decreased by 1% to \$874,370 (see table below).

	<u>Governmental Activities</u>		<u>Increase</u>
	<u>2006</u>	<u>2007</u>	<u>(Decrease)</u>
Revenues:			
State and local sources	\$ 796,608	\$ 798,434	\$ 1,826
Contributions and other revenue	81,109	42,914	(38,195)
Total revenues	<u>877,717</u>	<u>841,348</u>	<u>(36,369)</u>
Expenses:			
Instruction	365,881	370,927	5,046
Instructional support services	36,176	73,492	37,316
Instructional staff training	-	213	213
School administration	292,184	305,298	13,114
Food services	9,714	5,049	(4,665)
Central services	9,013	20,132	11,119
Operation of plant	79,851	60,850	(19,001)
Interest	35,510	38,409	2,899
Unreimbursed expenses	53,077	-	(53,077)
Total expenses	<u>881,406</u>	<u>874,370</u>	<u>(7,036)</u>
Change in net assets	<u>\$ (3,689)</u>	<u>\$ (33,022)</u>	<u>\$ (29,333)</u>

Contributions and other revenue decreased during the fiscal year due to several one-time private grants toward technology and software in the prior year.

Instructional support services increased due to an increase in pupil personnel needed for the classrooms in 2007. School administration increased due to one additional staff salary and increasing salary-related costs. Central services increased to the School using services offered by the School Board. In addition, operation of plant expenses decreased during fiscal 2007 due to plant renovation expenses in the prior year that did not reoccur. Unreimbursed expenses decreased due to a one time write-off of federal pass-through funds due to changing criteria of allowable expense reimbursements.

FINANCIAL ANALYSIS OF THE SCHOOL'S FUNDS

As the School completed the year, its governmental fund reported a fund deficit of \$229,620, compared to a fund deficit of \$173,302 in the preceding year. This increase in the fund deficit is the result of current year activity when governmental fund expenditures exceeded revenues.

General Fund Budgetary Highlights

Over the course of the 2006-2007 academic year, the School revised its budget several times. These budget amendments fall into three categories:

- Amendments and supplemental appropriations approved shortly after the beginning of the year to reflect the actual beginning account balances.
- Changes made to account for increased enrollment.
- Increases in appropriations to prevent budget overruns.

Even with these adjustments, actual revenues were \$10,634 above the final budget amounts. Revenues from the School Board through FEFP were under budget since the actual student population was above the budgeted student population. Actual expenditures were \$74,699 above the final budget amounts, primarily due to instructional support salary related expenditures that were not budgeted, central services not budgeted and to additional operation of plant salary related expenditures that were not expected. See the budgetary comparison schedule on page 25.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2007, the School had invested \$718,778 in a broad range of capital assets, including land, buildings and improvements and furniture, fixtures and equipment (see table below). The School reported accumulated depreciation of \$74,202 for a net book value of \$644,576 at June 30, 2007.

	<u>Governmental Activities</u>		<u>Increase</u>
	<u>2006</u>	<u>2007</u>	<u>(Decrease)</u>
Land	\$ 264,810	\$ 264,810	\$ -
Buildings and improvements	385,247	385,247	-
Furniture, fixtures and equipment	43,900	61,421	17,521
Property under capital lease	7,300	7,300	-
Total capital assets	<u>\$ 701,257</u>	<u>\$ 718,778</u>	<u>\$ 17,521</u>

This year's major capital assets additions included the following:

- Two Dell computers - \$4,986
- One Toshiba copier - \$12,535

The School's fiscal year 2008 capital budget includes spending an additional \$22,000 for capital projects, principally for additional building renovations. The School intends to finance these projects with resources on hand. More detailed information about the School's capital assets is presented in Note 4 to the financial statements.

Long-Term Liabilities

At June 30, 2007, the School had \$449,667 in notes payable outstanding, which related to debt assumed in connection with the purchase of the new School building during fiscal 2004 and purchase of the copier discussed above. Notes payable decreased by \$39,600 during fiscal 2007 due to principal payments made. More detailed information about the School's long-term liabilities is presented in Note 5 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The following factors were taken into account when adopting the general fund budget for fiscal year 2008:

- Inflation is expected to remain constant. Leading economic indicators predict the continuation of the economic recovery.

Amounts available for appropriation in the general fund are \$925,890, a decrease of 21% over the actual 2007 revenues of \$769,549. Budgeted expenditures are expected to increase to \$913,090, an increase of 12% over the actual 2007 expenditures of \$818,716. The School has added no major new programs to the fiscal 2008 budget but is anticipating an increase in student population. If these estimates are realized, the School's budgetary general fund balance is expected to increase by the close of fiscal 2008.

CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT

This financial report is designed to provide interested parties with a general overview of the School's finances and to demonstrate the School's accountability for the money it receives. Should additional information be required, please contact the School's administrative offices at 720 W. Princeton Street, Orlando, Florida 32804.



**Report of Independent Auditors on Basic Financial Statements
and Supplementary Information**

To the Board of Directors of Summit Charter School Central Campus, Inc., a Charter School
and Component Unit of the District School Board of Orange County, Florida

We have audited the accompanying financial statements of the governmental activities and each major fund of Summit Charter School Central Campus, Inc. (the "School"), a charter school and component unit of the District School Board of Orange County, Florida, as of and for the year ended June 30, 2007, 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 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.

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 Summit Charter School Central Campus, Inc. as of June 30, 2007, 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 September 27, 2007 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.

The management's discussion and analysis on pages 1-7 and the budgetary comparison schedule on page 25 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

BKHM, P.A.

Winter Park, Florida
September 27, 2007

**SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE DISTRICT SCHOOL BOARD OF ORANGE COUNTY, FLORIDA**

STATEMENT OF NET ASSETS

JUNE 30, 2007

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 34,261
Accounts receivable	9,654
Other assets	6,701
Capital assets:	
Land	264,810
Buildings and improvements	385,247
Furniture, fixtures and equipment	61,421
Property under capital lease	7,300
Less accumulated depreciation	<u>(74,202)</u>
Total capital assets, net	<u>644,576</u>
Total assets	<u><u>\$ 695,192</u></u>
LIABILITIES	
Accounts payable and accrued expenses	\$ 39,975
Due to related parties	247,354
Long-term liabilities:	
Portion due or payable within one year:	
Notes payable	39,600
Portion due or payable after one year:	
Notes payable	<u>398,200</u>
Total liabilities	<u>725,129</u>
NET ASSETS	
Invested in capital assets, net of related debt	198,742
Restricted for:	
Purchase of computer hardware and software	8,713
Capital projects	941
Unrestricted	<u>(238,333)</u>
Total net assets	<u>(29,937)</u>
Total liabilities and net assets	<u><u>\$ 695,192</u></u>

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

**SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE DISTRICT SCHOOL BOARD OF ORANGE COUNTY, FLORIDA**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007**

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
	Expenses		Governmental Activities	Total
Governmental activities:				
Instruction	\$ 370,927	\$ 22,131	\$ -	\$ (348,796)
Instructional support services	73,492	-	-	(73,492)
Instructional staff training	213	-	-	(213)
School administration	305,298	-	-	(305,298)
Food services	5,049	-	-	(5,049)
Central services	20,132	-	-	(20,132)
Operation and maintenance of plant	60,850	-	33,305	(27,545)
Interest	38,409	-	38,409	-
Total primary government	<u>\$ 874,370</u>	<u>\$ 22,131</u>	<u>\$ 71,714</u>	<u>(780,525)</u>
General revenues:				
State and local sources				726,720
Contributions and other revenue				20,783
Total general revenues				<u>747,503</u>
Change in net assets				(33,022)
Net assets at beginning of year				3,085
Net assets at end of year				<u>\$ (29,937)</u>

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

**SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE DISTRICT SCHOOL BOARD OF ORANGE COUNTY, FLORIDA**

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2007

	General Fund	Capital Projects Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 34,261	\$ -	\$ 34,261
Accounts receivable	8,713	941	9,654
Other assets	2,200	-	2,200
Total assets	<u>\$ 45,174</u>	<u>\$ 941</u>	<u>\$ 46,115</u>
 LIABILITIES AND FUND BALANCES (DEFICIT)			
Accounts payable and accrued expenses	\$ 39,975	\$ -	\$ 39,975
Due to related parties	234,819	-	234,819
Total liabilities	<u>274,794</u>	<u>-</u>	<u>274,794</u>
 Fund balances (deficit):			
Reserved for:			
Purchase of computer hardware and software	8,713	-	8,713
Capital projects	-	941	941
Unreserved:			
Undesignated	(238,333)	-	(238,333)
Total fund balances (deficit)	<u>(229,620)</u>	<u>941</u>	<u>(228,679)</u>
Total liabilities and fund balances (deficit)	<u>\$ 45,174</u>	<u>\$ 941</u>	<u>\$ 46,115</u>

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

SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE DISTRICT SCHOOL BOARD OF ORANGE COUNTY, FLORIDA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS

JUNE 30, 2007

Total fund deficit - total governmental funds **\$ (228,679)**

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 the governmental funds. The cost of the capital assets is \$718,778 and the accumulated depreciation is \$74,202. 644,576

Non-current assets, including deferred loan costs, are not financial resources and, therefore, are not reported as assets in the governmental funds. 4,501

Liabilities, including due to related parties for purchased fixed assets are not due and payable in the current period and therefore, are not reported as liabilities in the governmental funds. (12,535)

Long-term liabilities, including notes payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:

Notes payable (437,800)

Total net assets - governmental activities **\$ (29,937)**

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

**SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE DISTRICT SCHOOL BOARD OF ORANGE COUNTY, FLORIDA**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (DEFICIT) - GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED JUNE 30, 2007

	General Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES				
State and local sources	\$ 727,661	\$ 70,773	\$ -	\$ 798,434
Contributions and other revenue	41,973	941	-	42,914
Total revenues	<u>769,634</u>	<u>71,714</u>	<u>-</u>	<u>841,348</u>
EXPENDITURES				
Current:				
Instruction	359,207	-	-	359,207
Instructional support services	73,492	-	-	73,492
Instructional staff training	213	-	-	213
School administration	294,787	-	-	294,787
Food services	5,049	-	-	5,049
Central services	20,132	-	-	20,132
Operation and maintenance of plant	60,850	-	-	60,850
Debt service:				
Principal	-	-	39,600	39,600
Interest	-	-	38,409	38,409
Capital outlay	4,986	-	-	4,986
Total expenditures	<u>818,716</u>	<u>-</u>	<u>78,009</u>	<u>896,725</u>
Excess (deficiency) of revenues over expenditures	<u>(49,082)</u>	<u>71,714</u>	<u>(78,009)</u>	<u>(55,377)</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	-	-	78,009	78,009
Transfers out	(7,236)	(70,773)	-	(78,009)
Total other financing sources (uses)	<u>(7,236)</u>	<u>(70,773)</u>	<u>78,009</u>	<u>-</u>
Net changes in fund balances (deficit)	(56,318)	941	-	(55,377)
Fund balances (deficit) at beginning of year	(173,302)	-	-	(173,302)
Fund balances (deficit) at end of year	<u>\$ (229,620)</u>	<u>\$ 941</u>	<u>\$ -</u>	<u>\$ (228,679)</u>

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

**SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE DISTRICT SCHOOL BOARD OF ORANGE COUNTY, FLORIDA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (DEFICIT) OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED JUNE 30, 2007

Net changes in fund balances (deficit) - total governmental funds \$ (55,377)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those capital assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the depreciation expense (\$20,730) exceeded capital outlay (\$4,986) in the current period. (15,744)

Governmental funds report deferred loan costs paid as expenditures. However, in the statement of activities, the cost of those assets is allocated over the loan term and reported as amortization expense. This is the amount of amortization expense in the current period. (1,501)

Principal payments on long-term liabilities are expenditures in the government funds, but the repayments reduce long-term liabilities in the statement of net assets. 39,600

Change in net assets of governmental activities \$ (33,022)

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

**SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT OF
THE DISTRICT SCHOOL BOARD OF ORANGE COUNTY, FLORIDA**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2007

1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Summit Charter School Central Campus, Inc. (the "School") is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act and Section 1002.33, Florida Statutes. The governing body of the School is the not-for-profit corporation Board of Directors, which is composed of at least three and no more than nine members.

The general operating authority of the School is contained in Section 1002.33 Florida Statutes. The School operates under a charter of the sponsoring school district, the District School Board of Orange County, Florida (the "School Board"). The current charter is effective until June 30, 2013 and 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 this case, the School Board is required to notify the School in writing at least 90 days prior to the charter's expiration. During the term of the charter, the School Board may also terminate the charter if good cause is shown. In the event of termination of the charter, any property purchased by the School with public funds and any unencumbered public funds revert back to the School Board. The School is considered a component unit of the School Board and meets the definition of a governmental entity under the *Audit and Accounting Guide – State and Local Governments* issued by the American Institute of Certified Public Accountants; therefore, for financial reporting purposes, the School is required to follow generally accepted accounting principles applicable to state and local governmental units.

Criteria for determining if other entities are potential component units of the School which should be reported with the School's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. The application of these criteria provides for identification of any entities for which the School is financially accountable and other organizations for which the nature and significance of their relationship with the School are such that exclusion would cause the School's basic financial statements to be misleading or incomplete. Based on these criteria, no component units are included within the reporting entity of the School.

Basis of presentation

The School's financial statements have been prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board. Accordingly, both government-wide and fund financial statements are presented.

**SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT OF
THE DISTRICT SCHOOL BOARD OF ORANGE COUNTY, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS
(continued)**

The government-wide financial statements report information about the School as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the School's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The government-wide financial statements of the School are generally divided into three categories:

- *Governmental activities* – most of the School's basic services are included here, such as instruction and school administration. Funds received through the Florida Education Finance Program (FEFP) and state and federal grants finance most of these activities.
- *Business-type activities* – in certain instances, the School may charge fees to help it cover the costs of certain services it provides. The School currently has no business-type activities.
- *Component units* – there currently are no component units included within the reporting entity of the School.

The fund financial statements provide more detailed information about the School's most significant funds, not the School as a whole. A fund is an accounting entity having a self-balancing set of accounts for recording assets, liabilities, fund balance, revenues, expenditures and other financing sources and uses. Resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. The funds in the financial statements of this report are as follows:

Governmental funds:

- General Fund – to account for all financial resources not required to be accounted for in another fund.
- Capital Projects Fund – to account for all the resources for the acquisition of capital items by the School purchased with capital outlay funds.
- Debt Service Fund – to account for the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs.

For purposes of these statements, the general and debt service funds constitute major funds. There are no other governmental funds.

Basis of accounting

Basis of accounting refers to when revenues and expenses/expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

**SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT OF
THE DISTRICT SCHOOL BOARD OF ORANGE COUNTY, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS
(continued)**

The government-wide financial statements are presented using the accrual basis of accounting and an economic resources focus. Under the accrual basis of accounting, revenues and expenses are recognized when they occur.

The modified accrual basis of accounting and current financial resources focus is followed by the governmental funds. Under the modified accrual basis, revenues are recognized when they become measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The School considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred. The principal exceptions to this general rule are: (1) interest on general long-term debt is recognized when due and (2) expenditures related to liabilities reported as general long-term debt are recognized when due.

Budgetary basis accounting

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries, purchased services and capital outlay).

Deposits and investments

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by federal depository insurance and collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes. The School's cash consists primarily of demand deposits with financial institutions.

Capital assets and depreciation

Expenditures for capital assets acquired for general School purposes are reported in the governmental fund that financed the acquisition. Purchased capital assets are reported at cost, net of accumulated depreciation, in the government-wide financial statements. Donated assets are recorded at fair value at the date of donation.

**SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT OF
THE DISTRICT SCHOOL BOARD OF ORANGE COUNTY, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS
(continued)**

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range as follows:

	<u>Years</u>
Buildings and improvements	39
Furniture, fixtures and equipment	3 – 7
Property under capital lease	3 – 5

Information relative to changes in capital assets is described in Note 4.

Long-term liabilities

Long-term liabilities that will be financed by resources to be received in the future by the general fund are reported in the government-wide financial statements, not in the general fund. Changes in long-term liabilities for the current year are reported in Note 5.

Revenue sources

Revenues for current operations are received primarily from the District School Board of Orange County, Florida pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33(18), Florida Statutes, the School reports the number of full-time equivalent students and related data to the School Board.

Under the provisions of Section 1011.62, Florida Statutes, the School Board reports the number of full-time equivalent students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program (FEFP). Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the Florida Education Finance Program and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods. The School Board receives a 5% administrative fee from the School, which is reflected as a school administration expense/expenditure in the accompanying statement of activities and statement of revenues, expenditures and changes in fund balance (deficit) – governmental funds.

The School may receive federal awards for the enhancement of various educational programs. This assistance is generally received based on applications submitted to and approved by various granting agencies. For federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred.

**SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT OF
THE DISTRICT SCHOOL BOARD OF ORANGE COUNTY, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS
(continued)**

Use of estimates

In preparing the financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the balance sheet and revenues and expenditures for the period presented. Actual results could differ significantly from those estimates.

2 RELATED PARTY TRANSACTIONS

During current and prior fiscal years, the School received advances for certain start-up costs from Summit Charter School, Inc. and Summit Charter School, West Campus, Inc., charter schools which are related through common control. Net advances totaled \$247,354 and \$249,819 for the years ended June 30, 2007 and June 30, 2006, respectively, and are included in due to related parties in the accompanying financial statements. The due to related parties balance as of June 30, 2007 in the statement of net assets also includes \$12,535 for a copier purchased from West during fiscal year 2007. However, this amount is excluded from the due to related parties balance in the governmental funds balance sheet as it relates to capital assets and is not due and payable in the current period.

3 ACCOUNTS RECEIVABLE

Accounts receivable included in the accompanying statement of net assets and balance sheet – governmental funds include \$941 in capital outlay funds receivable from the School Board and \$8,713 in funds receivable from the School Board under a settlement agreement with Microsoft. These amounts are reflected as restricted net assets in the accompanying statement of net assets and reserved fund balance in the accompanying balance sheet – governmental funds since they must be spent for lawful capital outlay expenditures and for computer hardware and software. Based on the collectibility of funds from these sources, an allowance for doubtful accounts is not considered necessary.

**SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT OF
THE DISTRICT SCHOOL BOARD OF ORANGE COUNTY, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS
(continued)**

4 CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2007 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 264,810	\$ -	\$ -	\$ 264,810
Total capital assets not being depreciated	<u>264,810</u>	<u>-</u>	<u>-</u>	<u>264,810</u>
Other capital assets:				
Buildings and improvements	385,247	-	-	385,247
Furniture, fixtures and equipment	43,900	17,521	-	61,421
Property under capital lease	<u>7,300</u>	<u>-</u>	<u>-</u>	<u>7,300</u>
Total other capital assets at historical cost	<u>436,447</u>	<u>17,521</u>	<u>-</u>	<u>453,968</u>
Less accumulated depreciation for:				
Buildings and improvements	(29,634)	(9,878)	-	(39,512)
Furniture, fixtures and equipment	(16,538)	(10,852)	-	(27,390)
Property under capital lease	<u>(7,300)</u>	<u>-</u>	<u>-</u>	<u>(7,300)</u>
Total accumulated depreciation	<u>(53,472)</u>	<u>(20,730)</u>	<u>-</u>	<u>(74,202)</u>
Other capital assets, net	<u>382,975</u>	<u>(3,209)</u>	<u>-</u>	<u>379,766</u>
Governmental activities capital assets, net	<u>\$ 647,785</u>	<u>\$ (3,209)</u>	<u>\$ -</u>	<u>\$ 644,576</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
Instruction	\$ 11,720
School administration	<u>9,010</u>
Total governmental activities depreciation expense	<u>\$ 20,730</u>

Included in the additions of capital assets is \$12,535 for a copier that was purchased from a related party as discussed in Note 2.

**SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT OF
THE DISTRICT SCHOOL BOARD OF ORANGE COUNTY, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS
(continued)**

5 LONG-TERM LIABILITIES

Long-term liabilities consists of two notes payable to a financial institution. The first note is secured by a mortgage on the School's facility and requires monthly principal payments of \$2,200 plus accrued interest at the bank's prime rate (8.25% as of June 30, 2007) through June 2010, at which time a balloon payment is due. The second note is secured by the cash balance in the School's cash account on deposit at the financial institution. This note requires monthly principal payments of \$1,100 plus accrued interest at the bank's prime rate (8.25% as of June 30, 2007) through June 2008. Long-term liabilities activity during the current fiscal year was as follows:

Balance outstanding at beginning of year	\$ 477,400
Additions	-
Reductions	<u>(39,600)</u>
Balance outstanding at end of year	<u>\$ 437,800</u>
Amount due within one year	<u>\$ 39,600</u>

Future debt service requirements related to the notes payable are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 39,600	\$ 34,621	\$ 74,221
2009	26,400	31,853	58,253
2010	<u>371,800</u>	<u>29,832</u>	<u>401,632</u>
Total	<u>\$ 437,800</u>	<u>\$ 96,306</u>	<u>\$ 534,106</u>

Interest paid during the year ended June 30, 2007 totaled approximately \$38,000.

**SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT OF
THE DISTRICT SCHOOL BOARD OR ORANGE COUNTY, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS
(continued)**

6 SCHEDULE OF STATE AND LOCAL REVENUE SOURCES

The following is a schedule of state and local revenue sources and amounts:

District School Board of Orange County, Florida:	
Florida Education Finance Program	\$ 406,577
ESE guaranteed allocation	173,348
Class size reduction	73,457
Capital outlay	70,773
Discretionary millage funds	29,554
Supplemental academic instruction	22,792
Instructional materials	10,208
Discretionary lottery funds	9,196
Safe schools	<u>2,529</u>
Total	<u>\$ 798,434</u>

The administration fee paid to the School Board during the year ended June 30, 2007 totaled approximately \$37,000, which is reflected as a school administration expense/expenditure in the accompanying statement of activities and statement of revenues, expenditures and changes in fund balances (deficit) – governmental funds.

7 RISK MANAGEMENT PROGRAM

Workers' compensation coverage, health and hospitalization, general liability, professional liability and property coverages are being provided through purchased commercial insurance with minimum deductibles for each line of coverage. Settled claims resulting from these risks have not exceeded commercial coverage.

**SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT OF
THE DISTRICT SCHOOL BOARD OR ORANGE COUNTY, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS
(continued)**

8 COMMITMENTS AND CONTINGENT LIABILITIES

Grants

The School participates in state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at June 30, 2007 may be impaired.

In the opinion of the School, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

Legal matters

During the year ended June 30, 2005, two former employees filed charges of discrimination against the School and have filed a lawsuit alleging that they were the victims of a retaliatory discharge. Management is vigorously defending these allegations, and settlement discussions are ongoing. Management, after consultation with legal counsel, has determined that these claims are unsubstantiated; therefore, the accompanying financial statements do not include any liability that may result from the outcome of this uncertainty.

In the normal course of conducting its operations, the School also occasionally becomes party to various other legal actions and proceedings. In the opinion of management, the ultimate resolution of such legal matters will not have a significant adverse effect on the accompanying financial statements.

**SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE DISTRICT SCHOOL BOARD OF ORANGE COUNTY, FLORIDA**

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE – GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
State and local sources	\$ 800,364	\$ 724,000	\$ 727,661	\$ 3,661
Contributions and other revenue	35,000	35,000	41,973	6,973
Total revenues	<u>835,364</u>	<u>759,000</u>	<u>769,634</u>	<u>10,634</u>
EXPENDITURES				
Current:				
Instruction	384,067	379,967	359,207	20,760
Instructional support services	-	-	73,705	(73,705)
School administration	338,533	336,169	294,787	41,382
Food services	750	750	5,049	(4,299)
Central services	-	-	20,132	(20,132)
Pupil transportation services	3,500	2,500	-	2,500
Operation and maintenance of plant	20,710	20,700	60,850	(40,150)
Capital outlay	3,000	3,000	4,986	(1,986)
Total expenditures	<u>750,560</u>	<u>743,086</u>	<u>818,716</u>	<u>(75,630)</u>
Excess (deficiency) of revenues over expenditures	<u>84,804</u>	<u>15,914</u>	<u>(49,082)</u>	<u>(64,996)</u>
OTHER FINANCING USES				
Transfers out	(84,000)	(14,000)	(7,236)	6,764
Total other financing uses	<u>(84,000)</u>	<u>(14,000)</u>	<u>(7,236)</u>	<u>6,764</u>
Net change in fund balance	804	1,914	(56,318)	(58,232)
Fund balance at beginning of year	(173,302)	(173,302)	(173,302)	-
Fund balance at end of year	<u>\$ (172,498)</u>	<u>\$ (171,388)</u>	<u>\$ (229,620)</u>	<u>\$ (58,232)</u>

See report of independent auditors.



**Report of Independent Auditors on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To the Board of Directors of Summit Charter School Central Campus, Inc., a Charter School
and Component Unit of the District School Board of Orange County, Florida

We have audited the financial statements of the governmental activities and each major fund of Summit Charter School Central Campus, Inc. (the "School"), a charter school and component unit of the District School Board of Orange County, Florida, as of and for the year ended June 30, 2007, and have issued our report thereon dated September 27, 2007. 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 in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the School's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the School's financial statements that is more than inconsequential will not be prevented or detected by the School's internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over the financial reporting that we consider to be a material weakness, as defined above. However, we noted other matters involving internal control over financial reporting, which we have reported to management of the School in a separate letter dated September 27, 2007.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's basic 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 an instance of noncompliance that is required to be reported under Government Auditing Standards and which is described as follows:

Board Member Fingerprinting: Our audit procedures revealed that the School has been unable to obtain documentation of fingerprinting and background check results for several members of the Board of Directors. Management of the School has represented that this information must be processed through the District School Board of Orange County, and the School does not always receive documentation of the completed process. We recommend that the School continue its dialogue with the District School Board of Orange County and strengthen procedures related to fingerprinting and background checks.

The School's response to the findings identified in our audit is included in the Written Statement of Explanation or Rebuttal on page 31. We did not audit the School's response and, accordingly, we express no opinion on it.

This report is intended for the information and use of management of the School, the District School Board of Orange County, Florida, the Florida Department of Education and the Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

BKHM, P.A.

Winter Park, Florida
September 27, 2007

**ADDITIONAL INFORMATION REQUIRED BY
RULES OF THE FLORIDA AUDITOR GENERAL,
CHAPTER 10.850, *AUDITS OF CHARTER SCHOOLS AND
SIMILAR ENTITIES***



CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

To the Board of Directors of Summit Charter School Central Campus, Inc., a Charter School
and Component Unit of the District School Board of Orange County, Florida

In planning and performing our audit of the financial statements of the governmental activities and each major fund of Summit Charter School Central Campus, Inc. (the "School"), a charter school and component unit of the District School Board of Orange County, Florida, as of and for the year ended June 30, 2007, we considered the School's internal control in order to determine 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. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

During our audit, we became aware of certain matters that are opportunities for strengthening internal controls and operating efficiency. The specific matters noted during our audit, together with management's response thereto, is included in the memorandum which follows.

During the course of our audit, it came to our attention that the School had met one of the conditions described in Section 218.503(1), Florida Statutes (the "conditions"). Our audit revealed that the School had a deficit in unrestricted net assets and a deficit in the general fund balance of \$238,333 and \$229,620, respectively, as of June 30, 2007, for which sufficient resources are not available to cover the deficit. In planning and performing our audit, we considered whether the School had met any of the conditions 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 as to whether the School had met any of the conditions. Accordingly, we do not express an opinion as to whether the School had met any of the conditions.

The School's written response to the matter identified in our audit has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

This communication is intended solely for the information and use of the Board of Directors, management and others within Summit Charter School Central Campus, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

BKHM, P.A.

Winter Park, Florida
September 27, 2007

**SUMMIT CHARTER SCHOOL CENTRAL CAMPUS, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE DISTRICT SCHOOL BOARD OF ORANGE COUNTY, FLORIDA**

**RECOMMENDATIONS TO IMPROVE COMPLIANCE, INTERNAL CONTROL
AND THE FINANCIAL REPORTING PROCESS**

JUNE 30, 2007

RECOMMENDATION 1:

Devise a plan to eliminate the School's deficit financial position and operate within the budget.

During our audit procedures, we noted that the School operated in a deficit financial position in unrestricted net assets and in the general fund for the year ended June 30, 2007.

We recommend that management devise a plan to eliminate the School's deficit position in the general fund and to operate within the budget.

MANAGEMENT'S RESPONSE:

Fiscal year 2007 is the third year of operation for the School. The current losses and the negative fund balance as noted on the report are projected to reduce in the next five years. The fiscal year 2007 was the first year the School was eligible for capital outlay funds. It is our plan to apply these funds to the plant expense, thus lessen the burden on the operational budget. Also, the School will enhance revenue with increased enrollment, gifting of funds, and grants.

STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS

See compliance finding Board Member Fingerprinting.

There were no other findings or recommendations in the prior year.



**SUMMIT
CHARTER SCHOOL**

CENTRAL CAMPUS

720 West Princeton Street
Orlando, Florida 32804
Office (407) 244-5920
Fax (407) 244-5923

BKHM
Certified Public Accountants
1560 N. Orange Avenue – Suite 600
Winter Park, FL 32789-5540

Dear Sir/Madam,

The following information is provided in response to the Report of Independent Auditors 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.

Summit Audit Response to Summit Charter Board Member Fingerprinting

The auditors indicated the records reflect that several board members have not been fingerprinted. To the best of our knowledge and records, all of our board members have been fingerprinted with the exception of one new board member who is not able to physically attend board meetings due to scheduling conflicts. We will schedule his fingerprinting when his schedule allows him to attend meetings. On January 6, 2003, we arranged through OCPS staff to hold a Board training/meeting at the ELC in the evening and have a member of the fingerprinting staff electronically fingerprint all off our board members. The few members that missed the meeting went down to the ELC and had their fingerprinting done on a one-on-one basis. Since that time, the new procedure is to have fingerprinting done by an outside vendor, Pride Rock Holdings. Our newest board member was fingerprinted by Pride Rock Holdings.

When teachers and staff are fingerprinted, there is correspondence from OCPS stating that they have been cleared through the process. Historically, we do not receive a similar clearance for board members. Our board membership is stable, with many board members serving for 9 years on the Central and Maitland Boards. Some of our board members have been fingerprinted three times, and are still not reflected in the records. Steve Palmer and Alan Smolowe were each fingerprinted four times to comply. We will continue to do our best to meet the fingerprinting requirements of board members.

Sincerely,

Alan W. Smolowe, Ed.D., Ph.D
President