## REVENUE

### FEDERAL SOURCES

- **Federal through state and local:**
  - 4200-xx-70-68 Charter School IDEA---IDEA: 94,000.00
  - 4200-xx-70-73 Holloway-Title 1Reimbursement---Title I: 41,000.00
  - 4200-xx-70-78 Title II-OCPS: 60,000.00
  - **Total Federal through state and local:** 195,000.00

- **STATE SOURCES**
  - 4200-xx-70-00 Charter School Revenue: 1,868,883.00
  - 4200-xx-70-72 Charter School - Capital Outlay: 70,400.00
  - **Total FEFP:** 1,868,883.00

- **LOCAL SOURCES**
  - Interest: 1,200.00
  - Local capital improvement tax: 1,200.00
  - **Total Other state revenue:** 46,152.00

### OTHER SOURCES

- 4200-xx-70-69 Charter- Other Local Revenue--Other Local Revenue-:
  - 4400-xx-70-50 Grants - Miscellaneous:
  - 6500-xx-70-00 Development Allocation:
  - **Total Other local revenue:** 46,152.00

### TOTAL REVENUES

- **Total REVENUES:** 2,564,809.00

### NET ASSETS RELEASED FROM RESTRICTION

### TOTAL REVENUES AND SUPPORT

- **Total REVENUES AND SUPPORT:** 2,564,809.00

## EXPENSES

### UCP CHILD DEVELOPMENT CENTERS

For the Twelve Months Ending Saturday, June 30, 2018
### UCP CHILD DEVELOPMENT CENTERS
**For the Twelve Months Ending Saturday, June 30, 2018**

**Current Expenses**

<table>
<thead>
<tr>
<th>Instruction</th>
<th>Downtown Budget</th>
<th>East Orange Budget</th>
<th>Wes Orange Budget</th>
<th>Pine Hills Budget</th>
<th>Seminole Budget</th>
<th>Osceola Budget</th>
<th>TLA Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>5001-xx-70-00 Salaries - CS Teachers</td>
<td>578,508.00</td>
<td>1,137,043.70</td>
<td>681,910.00</td>
<td>463,854.00</td>
<td>453,814.50</td>
<td>559,787.00</td>
<td>278,984.00</td>
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<tr>
<td>5002-xx-70-00 Salaries - Teacher Assistants</td>
<td>369,065.60</td>
<td>326,891.94</td>
<td>241,121.63</td>
<td>218,974.40</td>
<td>211,386.98</td>
<td>289,854.43</td>
<td>213,388.36</td>
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<tr>
<td>5011-xx-70-00 Employee Ins - CS Teachers</td>
<td>73,801.00</td>
<td>140,402.00</td>
<td>87,995.00</td>
<td>60,042.00</td>
<td>58,824.00</td>
<td>64,265.00</td>
<td>32,437.00</td>
</tr>
<tr>
<td>5012-xx-70-00 Employee Ins - Teacher Assist</td>
<td>43,261.00</td>
<td>38,580.00</td>
<td>29,653.00</td>
<td>28,801.00</td>
<td>25,872.00</td>
<td>30,851.00</td>
<td>22,258.00</td>
</tr>
<tr>
<td>5021-xx-70-00 Payroll Taxes - Teachers</td>
<td>27,816.00</td>
<td>24,454.00</td>
<td>18,277.00</td>
<td>16,210.00</td>
<td>16,340.00</td>
<td>21,681.00</td>
<td>15,958.00</td>
</tr>
<tr>
<td>5022-xx-70-00 Payroll Taxes - Teacher Assist</td>
<td>7,806.00</td>
<td>15,343.00</td>
<td>9,204.00</td>
<td>6,264.00</td>
<td>6,134.00</td>
<td>11,536.00</td>
<td>5,739.00</td>
</tr>
<tr>
<td>5031-xx-70-00 Workers Comp Ins - Teachers</td>
<td>2,974.00</td>
<td>4,353.00</td>
<td>2,780.00</td>
<td>2,262.00</td>
<td>2,055.00</td>
<td>3,055.00</td>
<td>1,961.00</td>
</tr>
<tr>
<td>5032-xx-70-00 Workers Comp Ins - Teacher Assist</td>
<td>4,975.00</td>
<td>4,409.00</td>
<td>3,274.00</td>
<td>2,955.00</td>
<td>2,874.00</td>
<td>5,973.00</td>
<td>4,393.00</td>
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<tr>
<td>5050-xx-70-00 Education/Dues - Charter School</td>
<td>17,410.00</td>
<td>14,468.00</td>
<td>36,507.00</td>
<td>27,871.00</td>
<td>17,553.00</td>
<td>27,312.00</td>
<td>38,336.00</td>
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<tr>
<td>5060-xx-70-00 Curriculum &amp; Instructional Material</td>
<td>20,740.00</td>
<td>13,200.00</td>
<td>750.00</td>
<td>31,750.00</td>
<td>9,100.00</td>
<td>29,353.00</td>
<td>12,150.00</td>
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<tr>
<td>5215-xx-70-00 Therapy Expense - Charter School</td>
<td>255,150.00</td>
<td>314,125.00</td>
<td>247,401.00</td>
<td>194,387.00</td>
<td>250,614.00</td>
<td>320,229.00</td>
<td>84,609.00</td>
</tr>
<tr>
<td>5216-xx-70-00 Instructional Support Services</td>
<td>293,300.00</td>
<td>341,793.00</td>
<td>284,658.00</td>
<td>254,088.00</td>
<td>277,267.00</td>
<td>376,894.00</td>
<td>135,095.00</td>
</tr>
<tr>
<td>5445-xx-70-00 Fees - OCPS</td>
<td>45,925.00</td>
<td>149,968.00</td>
<td>49,263.00</td>
<td>45,605.00</td>
<td>32,334.00</td>
<td>43,269.00</td>
<td>28,808.00</td>
</tr>
<tr>
<td>5520-xx-70-00 Contract Labor</td>
<td>282,049.91</td>
<td>317,141.50</td>
<td>220,173.51</td>
<td>250,384.16</td>
<td>186,312.75</td>
<td>190,658.35</td>
<td>177,525.52</td>
</tr>
<tr>
<td>5015-xx-70-00 Employee Ins - Director</td>
<td>35,981.00</td>
<td>39,161.00</td>
<td>28,410.00</td>
<td>32,410.00</td>
<td>24,151.00</td>
<td>29,353.00</td>
<td>12,150.00</td>
</tr>
<tr>
<td>5025-xx-70-00 Payroll Taxes - Director</td>
<td>21,093.00</td>
<td>23,722.00</td>
<td>16,471.00</td>
<td>18,727.00</td>
<td>14,262.00</td>
<td>13,277.00</td>
<td></td>
</tr>
<tr>
<td>5035-xx-70-00 Workers Comp Ins - Director</td>
<td>3,806.00</td>
<td>4,285.00</td>
<td>3,381.00</td>
<td>2,510.00</td>
<td>3,926.00</td>
<td>3,661.00</td>
<td></td>
</tr>
<tr>
<td>5102-xx-70-00 Field Trips</td>
<td>2,100.00</td>
<td>2,500.00</td>
<td>2,700.00</td>
<td>2,050.00</td>
<td>2,272.00</td>
<td>272.00</td>
<td>150.00</td>
</tr>
<tr>
<td>5125-xx-70-00 Meetings - Staff</td>
<td>396.00</td>
<td>297.00</td>
<td>198.00</td>
<td>160.00</td>
<td>186.00</td>
<td>1,460.00</td>
<td>365.00</td>
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<tr>
<td>5126-xx-70-00 Meetings - Community</td>
<td>165.00</td>
<td>149.00</td>
<td>240.00</td>
<td>186.00</td>
<td>272.00</td>
<td>227.00</td>
<td>150.00</td>
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<tr>
<td>5132-xx-70-00 Program Events</td>
<td>3,264.00</td>
<td>1,968.00</td>
<td>2,946.00</td>
<td>1,235.00</td>
<td>3,641.00</td>
<td>1,853.00</td>
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</tr>
<tr>
<td>5145-xx-70-00 Supplies - Program</td>
<td>9,003.00</td>
<td>16,446.00</td>
<td>9,524.00</td>
<td>8,861.00</td>
<td>8,149.00</td>
<td>5,490.00</td>
<td></td>
</tr>
<tr>
<td>5160-xx-70-00 Travel - Staff</td>
<td>396.00</td>
<td>792.00</td>
<td>396.00</td>
<td>480.00</td>
<td>558.00</td>
<td>680.00</td>
<td>456.00</td>
</tr>
<tr>
<td>5205-xx-70-00 Contract Services</td>
<td>68,068.00</td>
<td>35,158.78</td>
<td>14,416.68</td>
<td>38,760.00</td>
<td>16,089.54</td>
<td>28,119.37</td>
<td>14,293.22</td>
</tr>
<tr>
<td>5220-xx-70-00 Audit &amp; Legal Fees</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td></td>
</tr>
<tr>
<td>5312-xx-70-00 Employee Screening</td>
<td>1,000.00</td>
<td>2,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>500.00</td>
</tr>
<tr>
<td>5315-xx-70-00 Insurance</td>
<td>25,748.66</td>
<td>46,620.54</td>
<td>6,222.28</td>
<td>13,447.27</td>
<td>13,088.33</td>
<td>4,933.22</td>
<td>5,392.05</td>
</tr>
<tr>
<td>5330-xx-70-00 Miscellaneous</td>
<td>500.00</td>
<td>500.00</td>
<td>500.00</td>
<td>500.00</td>
<td>500.00</td>
<td>500.00</td>
<td></td>
</tr>
<tr>
<td>5335-xx-70-00 Office Supplies</td>
<td>4,693.00</td>
<td>6,595.00</td>
<td>3,722.00</td>
<td>3,283.00</td>
<td>3,125.00</td>
<td>3,618.00</td>
<td>2,360.00</td>
</tr>
<tr>
<td>5340-xx-70-00 Postage &amp; Shipping</td>
<td>554.00</td>
<td>605.00</td>
<td>792.00</td>
<td>252.00</td>
<td>223.00</td>
<td>143.00</td>
<td>274.00</td>
</tr>
<tr>
<td>5345-xx-70-00 Printing</td>
<td>347.00</td>
<td>108.00</td>
<td>198.00</td>
<td>105.00</td>
<td>74.00</td>
<td>153.00</td>
<td>84.00</td>
</tr>
</tbody>
</table>
UCP CHILD DEVELOPMENT CENTERS
For the Twelve Months Ending Saturday, June 30, 2018

<table>
<thead>
<tr>
<th>Downtown</th>
<th>East Orange</th>
<th>Wes Orange</th>
<th>Pine Hills</th>
<th>Seminole</th>
<th>Osceola</th>
<th>TLA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget</td>
<td>Budget</td>
<td>Budget</td>
<td>Budget</td>
<td>Budget</td>
<td>Budget</td>
<td>Budget</td>
</tr>
<tr>
<td>5350-xx-70-00 Recognition</td>
<td>497.00</td>
<td>663.00</td>
<td>319.00</td>
<td>327.00</td>
<td>302.00</td>
<td>624.00</td>
</tr>
<tr>
<td>5405-xx-70-00 Lease - Equipment</td>
<td>1,874.90</td>
<td>2,109.53</td>
<td>2,074.09</td>
<td>2,017.09</td>
<td>1,707.17</td>
<td>1,849.96</td>
</tr>
<tr>
<td>5420-xx-70-00 Minor Equipment</td>
<td>3,322.00</td>
<td>2,160.00</td>
<td>9,045.00</td>
<td>9,900.00</td>
<td>3,103.00</td>
<td>9,639.00</td>
</tr>
<tr>
<td>6600-xx-70-00 Administration Allocation</td>
<td>209,181.51</td>
<td>268,519.96</td>
<td>211,877.05</td>
<td>151,849.84</td>
<td>143,097.55</td>
<td>181,426.81</td>
</tr>
</tbody>
</table>

Total School Administration: 675,039.98 772,501.35 535,201.61 538,709.36 419,862.34 478,541.71 365,770.32

Facilities and Acquisition:

Fiscal Services:

5105-xx-70-00 Food Program - Charter | 136,521.05 | 68,019.96 | 80,850.00 | 105,592.20 | 53,400.00 | 104,110.00 | 27,540.00 |

Total Food Services: 136,521.05 68,019.96 80,850.00 105,592.20 53,400.00 104,110.00 27,540.00

Central Services:

Pupil Transportation Services: 32,000.00

Operation of Plant:

5375-xx-70-00 Telephone: 720.00 720.00 360.00 360.00 446.00 360.00 600.00

5400-xx-70-00 Lease - Building: 187,490.23 253,143.20 174,223.94 96,820.32 102,430.41 184,995.83 123,246.94

5440-xx-70-00 Utilities: 47,122.55 52,738.17 12,444.57 16,809.08 18,209.85 33,299.25 12,838.22

5500-xx-70-00 Salaries - Plant Operations: 13,981.58 37,087.95 15,301.75 12,884.51

5510-xx-70-00 Employee Ins - Plant Operations: 1,783.00 4,578.00 1,670.00

5520-xx-70-00 Payroll Taxes - Plant Operations: 1,044.00 2,773.00 1,141.00 960.00

5530-xx-70-00 Workers Comp Ins - Plant: 192.00 504.00 204.00 168.00

Total Operation of Plant: 252,333.36 351,544.32 203,675.26 113,989.40 136,768.77 218,655.08 144,129.26

Maintenance of Plant:

5410-xx-70-00 Maintenance - Building: 28,123.54 31,642.90 13,827.30 23,532.72 19,917.02 21,582.85 8,558.82

Total Maintenance of Plant: 28,123.54 31,642.90 13,827.30 23,532.72 19,917.02 21,582.85 8,558.82

Administrative Technology Services:

5373-xx-70-00 Internet/Data Services: 27,123.59 35,158.80 17,975.49 16,809.08 17,071.74 13,566.36 19,685.28

Total Administrative Technology Services: 27,123.59 35,158.80 17,975.49 16,809.08 17,071.74 13,566.36 19,685.28

Debt Service:

TOTAL CURRENT EXPENSES: 2,609,648.12 3,527,157.97 2,310,559.29 1,932,472.16 1,797,341.35 2,285,498.43 1,325,581.04

DEPRECIATION:

5450-xx-70-00 Depreciation - Holloway: 26,971.56 28,827.72 2,562.60 13,516.56 21,780.12 1,526.64 1,037.52

Total DEPRECIATION: 26,971.56 28,827.72 2,562.60 13,516.56 21,780.12 1,526.64 1,037.52

TOTAL EXPENSES: 2,636,619.68 3,555,985.69 2,313,121.89 1,945,988.72 1,819,121.47 2,287,025.07 1,326,618.56

CHANGE IN NET ASSETS: (71,810.68) (247,097.69) (262,175.11) (51,507.72) (93,014.47) (47,127.07) (5,429.56)
Audited Financial Statements

UCP DOWNTOWN CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

June 30, 2018
Independent Auditor’s Report.................................................................1

Financial Statements:

Statement of Financial Position.........................................................3

Statement of Activities.........................................................................4

Statement of Cash Flows ......................................................................5

Notes to Financial Statements..............................................................6

Independent Auditor’s 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..........................................................12

Management Letter ............................................................................14

Independent Auditor’s Report on Supplementary Information .............16

Schedule 1

Statement of Activities by Fund Type..................................................17
Independent Auditor’s Report

To Board of Directors
UCP Downtown Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Report on the Financial Statements

We have audited the accompanying financial statements of UCP Downtown Charter School, (A Division of United Cerebral Palsy of Central Florida, Inc.) which comprise the Statement of Financial Position as of June 30, 2018, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UCP Downtown Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) as of June 30, 2018, and the changes in its net assets and its cash flows for the year 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 a report dated September 19, 2018 on our consideration of the UCP Downtown Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.)’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 in considering UCP Downtown Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.)’s internal control over financial reporting and compliance.

Scherer, Troy, Whitcomb, Mitchell & Schielen, LLP

Maitland, Florida
September 19, 2018
UCP DOWNTOWN CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Financial Position

June 30, 2018

Assets

<table>
<thead>
<tr>
<th>Account</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable</td>
<td>$ 7,677</td>
</tr>
<tr>
<td>Due from UCP</td>
<td>1,377,418</td>
</tr>
<tr>
<td>Property and equipment, net (note 2)</td>
<td>4,514</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$ 1,389,609</strong></td>
</tr>
</tbody>
</table>

Liabilities and Net Assets

<table>
<thead>
<tr>
<th>Liability</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$ 147,379</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>147,379</strong></td>
</tr>
</tbody>
</table>

Net assets:

<table>
<thead>
<tr>
<th>Account</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted net assets</td>
<td>1,242,230</td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$ 1,389,609</strong></td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
Revenue (note 3):
FTE revenue $2,256,442
National School Lunch Program 145,427
Title I Part A 16,207
Contributions and grants 67,613
IDEA grant 74,792
Florida's Best and Brightest Scholarship Program 18,400
Other revenue 25,972
Total revenue 2,604,853

Expenses:
Program expenses 1,813,033
General and administration 657,820
Total expenses 2,470,853

Change in net assets 134,000

Net assets, June 30, 2017, as originally reported 3,166,143
Prior period adjustment (note 4) (2,057,913)
Net assets, June 30, 2017, as adjusted 1,108,230

Net assets, June 30, 2018 $1,242,230

See accompanying notes to financial statements.
UCP DOWNTOWN CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Cash Flows

Year ended June 30, 2018

Cash flows from operating activities:
Change in net assets $ 134,000
Adjustments to reconcile change in net assets to net cash provided by operating activities:
Depreciation 1,129
Net change in cash flows from changes in:
Accounts receivable 23,833
Accounts payable and accrued liabilities (25,882)
Net cash provided by operating activities 133,080

Cash flows from financing activities:
Net borrowings from (advances to) UCP (133,080)
Net cash used in financing activities (133,080)

Net increase in cash and cash equivalents -

Cash and cash equivalents at beginning of year -

Cash and cash equivalents at end of year $ -

See accompanying notes to financial statements.
(1) **Organization and Summary of Significant Accounting Policies**

(a) **Organization and Purpose**

UCP Downtown Charter School (the “School” or “Organization”) is a division of United Cerebral Palsy of Central Florida, Inc. (UCP), a Florida not-for-profit corporation. The School was organized under Section 228.056, Florida Statutes.

The general operating authority of the School is contained in Section 228.056, Florida Statutes. The School operates under a charter of the sponsoring school district, the Downtown County District School Board (the “District”). The current charter was issued on April 24, 2012, commenced July 1, 2012, and is effective until June 30, 2027, and may be renewed by mutual consent and written agreement between the School and the District. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter in which case the District is required to notify the School in writing at least 90 days prior to the charter’s expiration. During the term of the charter, the District may also terminate the charter if good cause is shown. The School is considered a component unit of the District.

The accounting policies of the School conform to generally accepted accounting principles. The following is a summary of the more significant policies.

(b) **Basis of Accounting**

The accompanying financial statements are presented on the accrual basis and represent the financial position and results of operations of the School.

The financial statements are prepared on an entity wide basis, focusing on the organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by aggregating all funds into one set of financial statements and classifying fund balances and transactions into three classes of net assets – permanently restricted, temporarily restricted or unrestricted as follows:

(Continued)
Notes to Financial Statements

(1) Organization and Summary of Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. There were no permanently restricted net assets as of or for the year ended June 30, 2018.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time. There were no temporarily restricted net assets as of or for the year ended June 30, 2018.

Unrestricted net assets - Net assets not subject to donor-imposed stipulations. The Organization reports donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support.

Contributions are generally recognized as revenue when the gift is made and are recorded as unrestricted, temporarily restricted or permanently restricted, depending on the presence or absence and type of donor imposed restrictions or conditions.

(c) Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers highly liquid investments in demand deposit and money market accounts to be cash equivalents.

(d) Contributions

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions, whose restrictions are met in the same reporting period, are reported as unrestricted support.

(Continued)
Notes to Financial Statements

(1) Organization and Summary of Significant Accounting Policies (Continued)

(d) Contributions (Continued)

The Organization reports gifts of land, building and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

(e) Property and Equipment

Property and equipment acquisitions in excess of $1,000 are capitalized at cost when purchased or at the fair value at the date of gift when donated. Depreciation of building improvements and equipment is calculated using the straight-line method over the estimated useful lives of the assets, generally 5 to 39 years. Expenditures for repairs and maintenance are expensed as incurred.

(f) Income Taxes

The Organization as a division of UCP, is exempt from Federal income tax under provisions of Section 501(c)(3) of the Internal Revenue Code. In addition, UCP has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. Consequently, no provision for income taxes has been included in the accompanying financial statements.

In accordance with “Income Taxes” FASB Accounting Standards Codification Topic 740 (Topic 740), all entities are required to evaluate and disclose income tax risks. Topic 740 clarifies the accounting for uncertainty in tax positions and prescribes guidance related to the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The tax benefit from an uncertain tax position is only recognized in the statements of financial position if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Interest and penalties, if any, are included in expenses in the statements of activities. As of June 30, 2018, the Organization had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

(Continued)
Notes to Financial Statements

(I) Organization and Summary of Significant Accounting Policies (Continued)

(g) Donated Services, Materials and Facilities

A substantial number of unpaid volunteers have donated significant amounts of their time to the Organization’s program and administrative services. However, due primarily to the nature of the services provided, the value of such services has not been reflected in the accompanying financial statements. Donated materials that the Organization would be required to purchase to operate programs are reflected in the financial statements at their estimated fair values at date of their receipt.

(h) 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(i) Revenue Sources

Revenues for current operations are received primarily from the District pursuant to the funding provisions included in the School’s charter. In accordance with the funding provisions of the charter and Section 228.056(13), Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the District. Under provisions of Section 236.081, Florida Statutes, the District reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE and the actual weighted FTE students reported by the School during the designated FTE student survey period.

(j) Subsequent Events

In preparing these financial statements, the School has evaluated subsequent events and transactions for potential recognition and disclosure through September 19, 2018, which is the date the financial statements were available to be issued.
UCP DOWNTOWN CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Notes to Financial Statements

(2) **Property and Equipment**

Property and equipment consist of the following at June 30, 2018:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>$11,574</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>1,698</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>13,272</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(8,758)</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 4,514</td>
</tr>
</tbody>
</table>

(3) **Schedule of Local Revenue Sources**

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

Orange County District School Board:
- Florida Education Finance Program: $1,646,849
- Discretionary millage funds: 110,392
- Special millage: 97,331
- Class size reduction: 334,812
- Instructional materials: 12,575
- Safe schools: 3,802
- Supplemental academic instruction: 33,269
- Compression adjustment: 4,003
- Reading allocation: 10,588
- Digital classroom allocation: 2,821

Total: $2,256,442

Title I Part A: $16,207

IDEA grant: $74,792

Florida’s Best and Brightest Scholarship Program: $18,400

National School Lunch Program: $145,427
(4) **Prior Period Adjustment**

During the year ended June 30, 2018, management determined that certain capital expenditures and other overhead expenses had not been allocated to the School. Accordingly, an adjustment has been made to beginning net assets to reflect these allocations.
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Directors
UCP Downtown Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

We have audited the financial statements of UCP Downtown Charter School (the “School”) (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018, and have issued our report thereon dated September 19, 2018. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

Management of UCP Downtown Charter School is responsible for establishing and maintaining effective 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 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 organization’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 organization’s financial statements that is more than inconsequential will not be prevented or detected by the organization’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 organization’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 was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Maitland, Florida
September 19, 2018
Management Letter

To the Board of Directors
UCP Downtown Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Compliance

We have audited the financial statements of UCP Downtown Charter School (the “School”) (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018 and have issued our report thereon dated September 19, 2018.

We have issued our Independent Auditors’ Report on Compliance and 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 dated September 19, 2018. Disclosures in that report, if any, should be considered in conjunction with this management letter.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with provisions of Chapter 10.850, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.854(1)(e)1.,2.), require disclosure as to whether corrective actions have been taken to address findings and recommendations made in the preceding annual financial report not otherwise addressed in the auditors’ report pursuant to Rule 10.856(2)(b)2 and whether or not the Charter School has met one or more of the conditions in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. Pursuant to the Rules of the Auditor General (Sections 10.854(1)(3)7.a. and 10.855(10)) we applied financial condition assessment procedures in determining whether deteriorating financial conditions exist pursuant to Section 218.39(5), Florida Statutes. In connection with our audit, there were no recommendations made in the preceding annual financial audit report for the year ended June 30, 2017, and the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes as of June 30, 2018.

The Rules of the Auditor General (Sections 10.854(1)(e)3., 4., 5., 6., 7.) require disclosure in the management letter of the following matters if not already addressed in the auditors’ report on compliance and internal control over financial reporting: recommendations to improve the School’s
financial management, accounting procedures, and internal controls; violations of laws, regulations, contracts or grant agreements, or abuse that have occurred, or are likely to have occurred, that have an effect on the determination of financial statement amounts that is less than material but more than inconsequential; illegal acts or improper expenditures that would have an immaterial effect on the financial statements; control deficiencies that are not significant deficiencies, including, but not limited to: improper or inadequate accounting procedures; failures to properly record financial transactions; and other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or come to the attention of, the auditor. Our audit disclosed no such matters required to be disclosed.

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 the Board of Directors, management, the Orange County District School Board and the State of Florida Office of the Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Schrader, Finley, Whitten, Mitchell & Shuler, LLP

Maitland, Florida
September 19, 2018
Independent Auditor's Report on Supplementary Information

The Board of Directors
UCP Downtown Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

We have audited and reported separately herein on the financial statements of UCP Downtown Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018.

Our audit was made for the purpose of forming an opinion on the basic financial statements of UCP Downtown Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) taken as a whole. The supplementary information included in Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as whole.

Maitland, Florida
September 19, 2018
Schedule 1

UCP DOWNTOWN CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Activities by Fund Type

Year ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>General</th>
<th>Special Revenue</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FTE Revenue</td>
<td>$ 2,256,442</td>
<td>-</td>
<td>2,256,442</td>
</tr>
<tr>
<td>National School Lunch Program</td>
<td>145,427</td>
<td>-</td>
<td>145,427</td>
</tr>
<tr>
<td>Title I Part A</td>
<td>16,207</td>
<td>-</td>
<td>16,207</td>
</tr>
<tr>
<td>Contributions and grants</td>
<td>67,613</td>
<td>-</td>
<td>67,613</td>
</tr>
<tr>
<td>IDEA grant</td>
<td>-</td>
<td>74,792</td>
<td>74,792</td>
</tr>
<tr>
<td>Florida's Best and Brightest Scholarship Program</td>
<td>-</td>
<td>18,400</td>
<td>18,400</td>
</tr>
<tr>
<td>Other revenue</td>
<td>25,972</td>
<td>-</td>
<td>25,972</td>
</tr>
<tr>
<td>Total revenue</td>
<td>2,511,661</td>
<td>93,192</td>
<td>2,604,853</td>
</tr>
</tbody>
</table>

Expenses:

<table>
<thead>
<tr>
<th></th>
<th>General</th>
<th>Special Revenue</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program expenses</td>
<td>1,719,841</td>
<td>93,192</td>
<td>1,813,033</td>
</tr>
<tr>
<td>General and administration</td>
<td>657,820</td>
<td>-</td>
<td>657,820</td>
</tr>
<tr>
<td>Total expenses</td>
<td>2,377,661</td>
<td>93,192</td>
<td>2,470,853</td>
</tr>
</tbody>
</table>

Change in net assets   | $ 134,000    | -               | 134,000      |
Audited Financial Statements

UCP EAST ORANGE CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

June 30, 2018
UCP EAST ORANGE CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Audited Financial Statements

June 30, 2018

(With Independent Auditor’s Report Thereon)
Table of Contents

Independent Auditor's Report.................................................................1

Financial Statements:

Statement of Financial Position.........................................................3

Statement of Activities........................................................................4

Statement of Cash Flows .....................................................................5

Notes to Financial Statements..............................................................6

Independent Auditor's 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..........................................................12

Management Letter ............................................................................14

Independent Auditor's Report on Supplementary Information .............16

Schedule 1

Statement of Activities by Fund Type..................................................17
Independent Auditor's Report

To Board of Directors
UCP East Orange Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Report on the Financial Statements

We have audited the accompanying financial statements of UCP East Orange Charter School, (A Division of United Cerebral Palsy of Central Florida, Inc.) which comprise the Statement of Financial Position as of June 30, 2018, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UCP East Orange Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) as of June 30, 2018, and the changes in its net assets and its cash flows for the year 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 a report dated September 19, 2018 on our consideration of the UCP East Orange Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.)’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 in considering UCP East Orange Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.)’s internal control over financial reporting and compliance.

Schwartz, Fischer, Whitcomb, Mitchell & Schulein, LLP

Maitland, Florida
September 19, 2018
UCP EAST ORANGE CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Financial Position

June 30, 2018

Assets

Accounts receivable $ 5,506
Due from UCP 318,993
Property and equipment, net (note 2) 51,181
Total assets $ 375,680

Liabilities and Net Assets

Liabilities:
Accounts payable and accrued liabilities $ 217,814
Total liabilities 217,814

Net assets:
Unrestricted net assets 157,866
Total liabilities and net assets $ 375,680

See accompanying notes to financial statements.
UCP EAST ORANGE CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Activities
Year ended June 30, 2018

Revenue (note 3):
FTE revenue $3,337,816
Capital outlay 138,475
National School Lunch Program 97,684
Contributions and grants 449,622
IDEA grant 19,434
Florida's Best and Brightest Scholarship Program 54,400
Other revenue 8,069

Total revenue 4,105,500

Expenses:
Program expenses 2,698,961
General and administration 1,123,102

Total expenses 3,822,063

Change in net assets 283,437

Net assets, June 30, 2017, as originally reported 342,359

Prior period adjustment (note 4) (467,930)

Net assets, June 30, 2017, as adjusted (125,571)

Net assets, June 30, 2018 $157,866

See accompanying notes to financial statements.
UCP EAST ORANGE CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Cash Flows

Year ended June 30, 2018

Cash flows from operating activities:
  Change in net assets $ 283,437
  Adjustments to reconcile change in net assets to net
cash provided by operating activities:
    Depreciation 26,873
    Net change in cash flows from changes in:
      Accounts receivable 6,456
      Accounts payable and accrued liabilities 38,770
  Net cash provided by operating activities 355,536

Cash flows from financing activities:
  Net borrowings from (payments to) UCP (355,536)
  Net cash used in financing activities (355,536)

Net increase in cash and cash equivalents -

Cash and cash equivalents at beginning of year -

Cash and cash equivalents at end of year $ -

See accompanying notes to financial statements.
(1) **Organization and Summary of Significant Accounting Policies**

(a) **Organization and Purpose**

UCP East Orange Charter School (the “School” or “Organization”) is a division of United Cerebral Palsy of Central Florida, Inc. (UCP), a Florida not-for-profit corporation. The School was organized under Section 228.056, Florida Statutes.

The general operating authority of the School is contained in Section 228.056, Florida Statutes. The School operates under a charter of the sponsoring school district, the Orange County District School Board (the “District”). The current charter was issued on June 24, 2008, commenced July 1, 2008, and is effective until June 30, 2018, and may be renewed by mutual consent and written agreement between the School and the District. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter in which case the District is required to notify the School in writing at least 90 days prior to the charter’s expiration. During the term of the charter, the District may also terminate the charter if good cause is shown. The School is considered a component unit of the District.

The accounting policies of the School conform to generally accepted accounting principles. The following is a summary of the more significant policies.

(b) **Basis of Accounting**

The accompanying financial statements are presented on the accrual basis and represent the financial position and results of operations of the School.

The financial statements are prepared on an entity wide basis, focusing the organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by aggregating all funds into one set of financial statements and classifying fund balances and transactions into three classes of net assets – permanently restricted, temporarily restricted or unrestricted as follows:

(Continued)
(I) **Organization and Summary of Significant Accounting Policies (Continued)**

(b) **Basis of Accounting (Continued)**

**Permanently restricted net assets** - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. There were no permanently restricted net assets as of or for the year ended June 30, 2018.

**Temporarily restricted net assets** - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time. There were no temporarily restricted net assets as of or for the year ended June 30, 2018.

**Unrestricted net assets** - Net assets not subject to donor-imposed stipulations. The Organization reports donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support.

Contributions are generally recognized as revenue when the gift is made and are recorded as unrestricted, temporarily restricted or permanently restricted, depending on the presence or absence and type of donor-imposed restrictions or conditions.

(c) **Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers highly liquid investments in demand deposit and money market accounts to be cash equivalents.

(d) **Contributions**

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions, whose restrictions are met in the same reporting period, are reported as unrestricted support.

(Continued)
(l) **Organization and Summary of Significant Accounting Policies (Continued)**

(d) **Contributions (Continued)**

The Organization reports gifts of land, building and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

(e) **Property and Equipment**

Property and equipment acquisitions in excess of $1,000 are capitalized at cost when purchased or at the fair value at the date of gift when donated. Depreciation of building improvements and equipment is calculated using the straight-line method over the estimated useful lives of the assets, generally 5 to 39 years. Expenditures for repairs and maintenance are expensed as incurred.

(f) **Income Taxes**

The Organization as a division of UCP, is exempt from Federal income tax under provisions of Section 501(c)(3) of the Internal Revenue Code. In addition, UCP has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. Consequently, no provision for income taxes has been included in the accompanying financial statements.

In accordance with “Income Taxes” FASB Accounting Standards Codification Topic 740 (Topic 740), all entities are required to evaluate and disclose income tax risks. Topic 740 clarifies the accounting for uncertainty in tax positions and prescribes guidance related to the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The tax benefit from an uncertain tax position is only recognized in the statements of financial position if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Interest and penalties, if any, are included in expenses in the statements of activities. As of June 30, 2018, the Organization had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

(Continued)
Organization and Summary of Significant Accounting Policies (Continued)

(g) Donated Services, Materials and Facilities

A substantial number of unpaid volunteers have donated significant amounts of their time to the Organization’s program and administrative services. However, due primarily to the nature of the services provided, the value of such services has not been reflected in the accompanying financial statements. Donated materials that the Organization would be required to purchase to operate programs are reflected in the financial statements at their estimated fair values at date of their receipt.

(h) 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(i) Revenue Sources

Revenues for current operations are received primarily from the District pursuant to the funding provisions included in the School’s charter. In accordance with the funding provisions of the charter and Section 228.056(13), Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the District. Under provisions of Section 236.081, Florida Statutes, the District reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE and the actual weighted FTE students reported by the School during the designated FTE student survey period.

(j) Subsequent Events

In preparing these financial statements, the School has evaluated subsequent events and transactions for potential recognition and disclosure through September 19, 2018, which is the date the financial statements were available to be issued.
(2) **Property and Equipment**

Property and equipment consist of the following at June 30, 2018:

<table>
<thead>
<tr>
<th>Item</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>$1,152,572</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>102,486</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,255,058</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(1,203,877)</td>
</tr>
<tr>
<td><strong>Net</strong></td>
<td><strong>$51,181</strong></td>
</tr>
</tbody>
</table>

(3) **Schedule of Local Revenue Sources**

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

<table>
<thead>
<tr>
<th>Orange County District School Board:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Florida Education Finance Program</td>
<td>$2,403,180</td>
</tr>
<tr>
<td>Discretionary millage funds</td>
<td>163,073</td>
</tr>
<tr>
<td>Special millage</td>
<td>173,597</td>
</tr>
<tr>
<td>Class size reduction</td>
<td>481,602</td>
</tr>
<tr>
<td>Instructional materials</td>
<td>22,428</td>
</tr>
<tr>
<td>Safe schools</td>
<td>6,782</td>
</tr>
<tr>
<td>Supplemental academic instruction</td>
<td>59,338</td>
</tr>
<tr>
<td>Compression adjustment</td>
<td>7,140</td>
</tr>
<tr>
<td>Digital classroom allocation</td>
<td>5,035</td>
</tr>
<tr>
<td>Reading allocation</td>
<td>15,641</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$3,337,816</td>
</tr>
</tbody>
</table>

| IDEA grant                                   | $19,434 |
| Capital outlay                                | $138,475 |
| Florida’s Best and Brightest Scholarship Program | $54,400 |
| National School Lunch Program                 | $97,684 |
(4) **Prior Period Adjustment**

During the year ended June 30, 2018, management determined that certain capital expenditures and other overhead expenses had not been allocated to the School. Accordingly, an adjustment has been made to beginning net assets to reflect these allocations.
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Directors
UCP East Orange Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

We have audited the financial statements of UCP East Orange Charter School (the “School”) (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018, and have issued our report thereon dated September 19, 2018. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

Management of UCP East Orange Charter School is responsible for establishing and maintaining effective 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 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 organization’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 organization’s financial statements that is more than inconsequential will not be prevented or detected by the organization’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 organization’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 was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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

Maitland, Florida
September 19, 2018
Management Letter

To the Board of Directors
UCP East Orange Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Compliance

We have audited the financial statements of UCP East Orange Charter School (the “School”) (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018 and have issued our report thereon dated September 19, 2018.

We have issued our Independent Auditors’ Report on Compliance and 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 dated September 19, 2018. Disclosures in that report, if any, should be considered in conjunction with this management letter.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with provisions of Chapter 10.850, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.854(1)(e)1.,2.), require disclosure as to whether corrective actions have been taken to address findings and recommendations made in the preceding annual financial report not otherwise addressed in the auditors’ report pursuant to Rule 10.856(2)(b)2 and whether or not the Charter School has met one or more of the conditions in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. Pursuant to the Rules of the Auditor General (Sections 10.854(1)(3)7.a. and 10.855(10)) we applied financial condition assessment procedures in determining whether deteriorating financial conditions exist pursuant to Section 218.39(5), Florida Statutes. In connection with our audit, there were no recommendations made in the preceding annual financial audit report for the year ended June 30, 2017, and the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes as of June 30, 2018.
The Rules of the Auditor General (Sections 10.854(1)(e)3., 4., 5., 6., 7.) require disclosure in the management letter of the following matters if not already addressed in the auditors' report on compliance and internal control over financial reporting: recommendations to improve the School’s financial management, accounting procedures, and internal controls; violations of laws, regulations, contracts or grant agreements, or abuse that have occurred, or are likely to have occurred, that have an effect on the determination of financial statement amounts that is less than material but more than inconsequential; illegal acts or improper expenditures that would have an immaterial effect on the financial statements; control deficiencies that are not significant deficiencies, including, but not limited to: improper or inadequate accounting procedures; failures to properly record financial transactions; and other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or come to the attention of, the auditor. Our audit disclosed no such matters required to be disclosed.

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 the Board of Directors, management, the Orange County District School Board and the State of Florida Office of the Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Maitland, Florida
September 19, 2018
Independent Auditor’s Report on Supplementary Information

The Board of Directors
UCP East Orange Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

We have audited and reported separately herein on the financial statements of UCP East Orange Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018.

Our audit was made for the purpose of forming an opinion on the basic financial statements of UCP East Orange Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) taken as a whole. The supplementary information included in Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as whole.

Maitland, Florida
September 19, 2018
## Schedule 1

**UCP EAST ORANGE CHARTER SCHOOL**  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

### Statement of Activities by Fund Type

Year ended June 30, 2017

<table>
<thead>
<tr>
<th></th>
<th>General</th>
<th>Special Revenue</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FTE Revenue</td>
<td>$ 3,337,816</td>
<td>-</td>
<td>3,337,816</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>138,475</td>
<td>-</td>
<td>138,475</td>
</tr>
<tr>
<td>National School Lunch Program</td>
<td>97,684</td>
<td>-</td>
<td>97,684</td>
</tr>
<tr>
<td>Contributions and grants</td>
<td>449,622</td>
<td>-</td>
<td>449,622</td>
</tr>
<tr>
<td>IDEA grant</td>
<td>-</td>
<td>19,434</td>
<td>19,434</td>
</tr>
<tr>
<td>Florida's Best and Brightest Scholarship Program</td>
<td>-</td>
<td>54,400</td>
<td>54,400</td>
</tr>
<tr>
<td>Other revenue</td>
<td>8,069</td>
<td>-</td>
<td>8,069</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>4,031,666</td>
<td>73,834</td>
<td>4,105,500</td>
</tr>
</tbody>
</table>

|                      |               |                 |              |
| **Expenses:**        |               |                 |              |
| Program expenses     | 2,625,127     | 73,834          | 2,698,961    |
| General and administration | 1,123,102 | -               | 1,123,102    |
| **Total expenses**   | 3,748,229     | 73,834          | 3,822,063    |

|                  |               |                 |              |
| **Change in net assets** | $ 283,437 | -               | 283,437      |
Audited Financial Statements

UCP OSCEOLA CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

June 30, 2018
UCP OSCEOLA CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)  

Audited Financial Statements  

June 30, 2018  

(With Independent Auditor’s Report Thereon)
Table of Contents

Independent Auditor’s Report.................................................................1

Financial Statements:

   Statement of Financial Position .....................................................3
   Statement of Activities.................................................................4
   Statement of Cash Flows ...............................................................5
   Notes to Financial Statements.......................................................6

Independent Auditor’s 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................................................12

Management Letter ...........................................................................14

Independent Auditor’s Report on Supplementary Information ..................16

Schedule 1
   Statement of Activities by Fund Type ............................................17

Schedule 2
   Balance Sheet - Governmental Funds.............................................18

Schedule 3
   Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets.......................................................19

Schedule 4
   Statement of Revenues, Expenditures and Changes
   in Fund Balances - Governmental Funds.........................................20

Schedule 5
   Reconciliation of the Statement of Revenues, Expenditures
   and Changes in Fund Balances - Governmental Funds to
   the Statement of Activities.............................................................21
Independent Auditor’s Report

To Board of Directors
UCP Osceola Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Report on the Financial Statements

We have audited the accompanying financial statements of UCP Osceola Charter School, (A Division of United Cerebral Palsy of Central Florida, Inc.) which comprise the Statement of Financial Position as of June 30, 2018 and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UCP Osceola Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) as of June 30, 2018, and the changes in its net assets and its cash flows for the year 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 a report dated September 18, 2018 on our consideration of the UCP Osceola Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.)’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 in considering UCP Osceola Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.)’s internal control over financial reporting and compliance.

Maitland, Florida
September 18, 2018
UCP OSCEOLA CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Financial Position

June 30, 2018

<table>
<thead>
<tr>
<th>Assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable</td>
<td>$ 32,765</td>
</tr>
<tr>
<td>Due from UCP</td>
<td>1,501,248</td>
</tr>
<tr>
<td>Total current assets</td>
<td>1,534,013</td>
</tr>
<tr>
<td>Property and equipment, net (note 2)</td>
<td>5,998</td>
</tr>
<tr>
<td>Total assets</td>
<td>$ 1,540,011</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities and Net Assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities:</td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$ 112,676</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>112,676</td>
</tr>
<tr>
<td>Net assets:</td>
<td></td>
</tr>
<tr>
<td>Unrestricted net assets</td>
<td>1,427,335</td>
</tr>
<tr>
<td>Total liabilities and net assets</td>
<td>$ 1,540,011</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
UCP OSCEOLA CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)  

Statement of Activities  
Year ended June 30, 2018

Unrestricted net assets:
Revenue (note 3):
  FTE revenue $2,671,525
  Capital outlay 43,772
  Title I Part A 18,634
  National School Lunch Program 118,368
  IDEA 84,148
  Other revenue 34,340
  Total revenue 2,970,787

Expenses:
  Program expenses 1,482,014
  General and administration 502,871
  Total expenses 1,984,885

Change in net assets 985,902

Net assets, June 30, 2017, as originally reported 2,181,286

Prior period adjustment (note 4) (1,739,853)

Net assets, June 30, 2017, as adjusted 441,433

Net assets, June 30, 2018 $1,427,335

See accompanying notes to financial statements.
Statement of Cash Flows

Year ended June 30, 2018

Cash flows from operating activities:
  Change in net assets $ 985,902
  Adjustments to reconcile change in net assets to net
  cash provided by operating activities:
    Depreciation 1,499
    Net increase (decrease) in cash flows from changes in:
      Accounts receivable (27,592)
      Accounts payable and accrued expenses 39,422
  Net cash provided by operating activities 999,231

Cash flows from financing activities:
  Net borrowings from (advances to) UCP (999,231)
  Net cash used in financing activities (999,231)

Net increase in cash and cash equivalents -

Cash and cash equivalents at beginning of year -

Cash and cash equivalents at end of year $ -

See accompanying notes to financial statements.
(1) **Organization and Summary of Significant Accounting Policies**

(a) **Organization and Purpose**

UCP Osceola Charter School (the “School” or “Organization”) is a division of United Cerebral Palsy of Central Florida, Inc. (UCP), a Florida not-for-profit corporation. The School was organized under Section 228.056, Florida Statutes. The School was incorporated on March 27, 1998 and is governed by a Board of Directors.

The general operating authority of the School is contained in Section 228.056, Florida Statutes. The School operates under a charter of the sponsoring school district, the Osceola County District School Board (the “District”). The current charter was issued on July 14, 2015, commenced July 1, 2015 and is effective until June 30, 2020 and may be renewed by mutual consent and written agreement between the School and the District. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter in which case the District is required to notify the School in writing at least 90 days prior to the charter’s expiration. During the term of the charter, the District may also terminate the charter if good cause is shown. The School is considered a component unit of the District.

The accounting policies of the School conform to generally accepted accounting principles. The following is a summary of the more significant policies.

(b) **Basis of Accounting**

The accompanying financial statements are presented on the accrual basis and represent the financial position and results of operations of the School.

These financial statements are prepared on an entity wide basis, focusing on the organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by aggregating all funds into one set of financial statements and classifying fund balances and transactions into three classes of net assets – permanently restricted, temporarily restricted or unrestricted as follows:

(Continued)
(1) **Organization and Summary of Significant Accounting Policies (Continued)**

(b) **Basis of Accounting (Continued)**

**Permanently restricted net assets** - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. There were no permanently restricted net assets as of or for the year ended June 30, 2018.

**Temporarily restricted net assets** - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time. There were no temporarily restricted net assets as of or for the year ended June 30, 2018.

**Unrestricted net assets** - Net assets not subject to donor-imposed stipulations. The Organization reports donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support.

Contributions are generally recognized as revenue when the gift is made and are recorded as unrestricted, temporarily restricted or permanently restricted, depending on the presence or absence and type of donor-imposed restrictions or conditions.

(c) **Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers highly liquid investments in demand deposit and money market accounts to be cash equivalents.

(d) **Contributions**

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions, whose restrictions are met in the same reporting period, are reported as unrestricted support.

(Continued)
(1) **Organization and Summary of Significant Accounting Policies (Continued)**

(d) **Contributions (Continued)**

The Organization reports gifts of land, building and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

(e) **Property and Equipment**

Property and equipment acquisitions in excess of $1,000 are capitalized at cost when purchased, or at the fair value at the date of gift when donated. Depreciation of leasehold improvements and equipment is calculated using the straight-line method over the estimated useful lives of the assets, generally 5 to 39 years. Expenditures for repairs and maintenance are expensed as incurred.

(f) **Income Taxes**

The Organization as a division of UCP, is exempt from Federal income tax under provisions of Section 501(c)(3) of the Internal Revenue Code. In addition, UCP has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. Consequently, no provision for income taxes has been included in the accompanying financial statements.

In accordance with “Income Taxes” FASB Accounting Standards Codification Topic 740 (Topic 740), all entities are required to evaluate and disclose income tax risks. Topic 740 clarifies the accounting for uncertainty in tax positions and prescribes guidance related to the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The tax benefit from an uncertain tax position is only recognized in the statements of financial position if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Interest and penalties, if any, are included in expenses in the statements of activities. As of June 30, 2018, the Organization had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

(Continued)
Notes to Financial Statements

(1) **Organization and Summary of Significant Accounting Policies (Continued)**

(g) **Donated Services, Materials and Facilities**

A substantial number of unpaid volunteers have donated significant amounts of their time to the Organization’s program and administrative services. However, due primarily to the nature of the services provided, the value of such services has not been reflected in the accompanying financial statements. Donated materials that the Organization would be required to purchase to operate programs are reflected in the financial statements at their estimated fair values at date of their receipt.

(h) **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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(i) **Revenue Sources**

Revenues for current operations are received primarily from the District pursuant to the funding provisions included in the School’s charter. In accordance with the funding provisions of the charter and Section 228.056(13), Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the District. Under provisions of Section 236.081, Florida Statutes, the District reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE and the actual weighted FTE students reported by the School during the designated FTE student survey period.

(j) **Subsequent Events**

In preparing these financial statements, the School has evaluated subsequent events and transactions for potential recognition and disclosure through September 18, 2018, which is the date the financial statements were available to be issued.
(2) **Property and Equipment**

Property and equipment consist of the following at June 30, 2018:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equipment</strong></td>
<td>$114,333</td>
</tr>
<tr>
<td><strong>Leasehold improvements</strong></td>
<td>$57,381</td>
</tr>
<tr>
<td><strong>Less accumulated depreciation</strong></td>
<td>(165,716)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$5,998</td>
</tr>
</tbody>
</table>

(3) **Schedule of Local Revenue Sources**

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

- **Osceola County District School Board:**
  - Florida Education Finance Program: $1,931,698
  - Discretionary local effort: 99,760
  - Supplemental Academic Instruction: 34,435
  - Discretionary millage funds: 35,321
  - Digital classroom allocation: 3,646
  - Instructional materials: 13,772
  - Class size reduction: 531,308
  - Reading allocation: 16,523
  - Safe schools: 2,624
  - Florida’s Teachers Classroom Supply Assistance Program: 2,438
  - **Total:** $2,671,525

- **Capital outlay:** $43,772
- **Title I Part A:** $18,634
- **IDEA Grant:** $84,148
- **National School Lunch Program:** $118,368
UCP OSCEOLA CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Notes to Financial Statements

(4) Prior Period Adjustment

During the year ended June 30, 2018, management determined that certain capital expenditures and other overhead expenses had not been allocated to the School. Accordingly, an adjustment has been made to beginning net assets to reflect these allocations.
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Directors
UCP Osceola Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

We have audited the financial statements of UCP Osceola Charter School (the “School”) (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018, and have issued our report thereon dated September 18, 2018. 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, such that there is a reasonable possibility that a material misstatement of the School’s financial statements will not be prevented, or detected and corrected on a timely basis.
Our consideration of 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 weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

\[
\text{Schiller, Fischhoff, Whitcomb, Mitchell} \quad \text{LLP}
\]

Maitland, Florida
September 18, 2018
Management Letter

To the Board of Directors
UCP Osceola Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.):

Compliance

We have audited the financial statements of UCP Osceola Charter School (the “School”) (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018 and have issued our report thereon dated September 18, 2018.

We have issued our Independent Auditors’ Report on Compliance and 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 dated September 18, 2018. Disclosures in that report, if any, should be considered in conjunction with this management letter.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with provisions of Chapter 10.850, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.854(1)(e)1.,2.), require disclosure as to whether corrective actions have been taken to address findings and recommendations made in the preceding annual financial report not otherwise addressed in the auditors’ report pursuant to Rule 10.856(2)(b)2 and whether or not the Charter School has met one or more of the conditions in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. Pursuant to the Rules of the Auditor General (Sections 10.854(1)(3)7.a. and 10.855(10)) we applied financial condition assessment procedures in determining whether deteriorating financial conditions exist pursuant to Section 218.39(5), Florida Statutes. In connection with our audit, there were no recommendations made in the preceding annual financial audit report for the year ended June 30, 2017 and the School did not meet any conditions described in Section 218.503(1), Florida Statutes as of June 30, 2018.
The Rules of the Auditor General (Sections 10.854(1)(e)3., 4., 5., 6., 7.) require disclosure in the management letter of the following matters if not already addressed in the auditors’ report on compliance and internal control over financial reporting: recommendations to improve the School’s financial management, accounting procedures, and internal controls; violations of laws, regulations, contracts or grant agreements, or abuse that have occurred, or are likely to have occurred, that have an effect on the determination of financial statement amounts that is less than material but more than inconsequential; illegal acts or improper expenditures that would have an immaterial effect on the financial statements; control deficiencies that are not significant deficiencies, including, but not limited to: improper or inadequate accounting procedures; failures to properly record financial transactions; and other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or come to the attention of, the auditor. Out audit disclosed no such matters required to be disclosed.

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 the Board of Directors, management, the Osceola County District School Board and the State of Florida Office of the Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Maitland, Florida
September 18, 2018
Independent Auditor's Report on Supplementary Information

The Board of Directors
UCP Osceola Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

We have audited and reported separately herein on the financial statements of UCP Osceola Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018.

Our audit was made for the purpose of forming an opinion on the basic financial statements of UCP Osceola Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) taken as a whole. The supplementary information included in Schedules 1-5 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as whole.

Maitland, Florida
September 18, 2018
UCP OSCEOLA CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Activities by Fund Type  
Year ended June 30, 2018

<table>
<thead>
<tr>
<th>FUNCTIONS</th>
<th>Account Number</th>
<th>Expenses</th>
<th>Charges for Services</th>
<th>Program Revenues Operating Grants and Contributions</th>
<th>Capital Grants and Contributions</th>
<th>Net (Expense) Revenue and Changes in Net Assets Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governmental Activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Instruction</td>
<td>5000</td>
<td>826,549</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(826,549)</td>
</tr>
<tr>
<td>Instructional Support Services</td>
<td>6000</td>
<td>303,587</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(303,587)</td>
</tr>
<tr>
<td>Pupil Personnel Services</td>
<td>6100</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Instructional Media Services</td>
<td>6200</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Instruction and Curriculum Development Services</td>
<td>6300</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Instructional Staff Training Services</td>
<td>6400</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Board</td>
<td>7100</td>
<td>49,647</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(49,647)</td>
</tr>
<tr>
<td>General Administration</td>
<td>7200</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>School Administration</td>
<td>7300</td>
<td>439,275</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(439,275)</td>
</tr>
<tr>
<td>Facilities Acquisition and Construction</td>
<td>7400</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fiscal Services</td>
<td>7500</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Food Services</td>
<td>7600</td>
<td>99,200</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(99,200)</td>
</tr>
<tr>
<td>Central Services</td>
<td>7700</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Pupil Transportation Services</td>
<td>7800</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Operation of Plant</td>
<td>7900</td>
<td>193,559</td>
<td>-</td>
<td>43,772</td>
<td>-</td>
<td>(237,341)</td>
</tr>
<tr>
<td>Maintenance of Plant</td>
<td>8100</td>
<td>15,337</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(15,337)</td>
</tr>
<tr>
<td>Administrative technology services</td>
<td>8200</td>
<td>12,450</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(12,450)</td>
</tr>
<tr>
<td>Community Services</td>
<td>9100</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest on Long-Term Debt</td>
<td>9200</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Unallocated Depreciation/Amortization Expense*</td>
<td>1,499</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,499)</td>
</tr>
<tr>
<td>Loss on Disposal of Fixed Assets</td>
<td>810</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Governmental Activities</strong></td>
<td>1,941,113</td>
<td>-</td>
<td>-</td>
<td>43,772</td>
<td>-</td>
<td>(1,984,885)</td>
</tr>
</tbody>
</table>

General Revenues:
- State Passed through local school district: 2,715,297
- Other revenues: 255,490

Grants and Contributions Not Restricted to Specific Programs: -
Investment Earnings: -
Miscellaneous: -
Special Items: -
Extraordinary Items: -
Transfers: -

Total General Revenues, Special Items, Extraordinary Items, and Transfers: 2,970,787
Net change in net assets: 985,902
Net assets as of June 30, 2017, as originally reported: 2,181,286
Prior period adjustment: (1,739,853)
Net assets as of June 30, 2017, as adjusted: 441,433
Net assets as of June 30, 2018: 1,427,335

* This amount excludes the depreciation/amortization that is included in the direct expenses of the various functions.

The notes to the financial statements are an integral part of this statement.
UCP OSCEOLA CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

**Balance Sheet - Governmental Funds**

**June 30, 2018**

<table>
<thead>
<tr>
<th></th>
<th>General Fund</th>
<th>Special Revenue Capital Outlay Fund</th>
<th>Special Revenue Other Governmental Funds</th>
<th>Total Governmental Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>$ 32,765</td>
<td></td>
<td></td>
<td>$ 32,765</td>
</tr>
<tr>
<td>Due from UCP</td>
<td>1,501,248</td>
<td></td>
<td></td>
<td>1,501,248</td>
</tr>
<tr>
<td>Total assets</td>
<td>$ 1,534,013</td>
<td></td>
<td></td>
<td>1,534,013</td>
</tr>
<tr>
<td>Liabilities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$ 112,676</td>
<td></td>
<td></td>
<td>112,676</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>112,676</td>
<td></td>
<td></td>
<td>112,676</td>
</tr>
<tr>
<td>Unreserved fund balance</td>
<td>1,421,337</td>
<td></td>
<td></td>
<td>1,421,337</td>
</tr>
<tr>
<td>Total liabilities and fund balance</td>
<td>$ 1,534,013</td>
<td></td>
<td></td>
<td>1,534,013</td>
</tr>
</tbody>
</table>
Fund balances - total governmental funds $ 1,421,337

The net assets 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 in the governmental funds.

Those assets consist of:

Furniture, fixtures and equipment, net of accumulated depreciation 5,998

Total capital assets 5,998

Total net assets of governmental activities $ 1,427,335
UCP OSCEOLA CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

Year ended June 30, 2018

<table>
<thead>
<tr>
<th>Fund</th>
<th>General Fund</th>
<th>Capital Outlay Fund</th>
<th>Other Governmental Funds</th>
<th>Total Governmental Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State passed through local school district</td>
<td>$ 2,671,525</td>
<td>43,772</td>
<td>-</td>
<td>2,715,297</td>
</tr>
<tr>
<td>Other revenues</td>
<td>171,342</td>
<td>-</td>
<td>84,148</td>
<td>255,490</td>
</tr>
<tr>
<td>Contributions and grants</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>2,842,867</td>
<td>43,772</td>
<td>84,148</td>
<td>2,970,787</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Instruction</td>
<td>742,401</td>
<td>-</td>
<td>84,148</td>
<td>826,549</td>
</tr>
<tr>
<td>Instructional support services</td>
<td>303,587</td>
<td>-</td>
<td>-</td>
<td>303,587</td>
</tr>
<tr>
<td>Instructional media services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Instruction and curriculum development services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Instructional staff training services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Board</td>
<td>49,647</td>
<td>-</td>
<td>-</td>
<td>49,647</td>
</tr>
<tr>
<td>General administration</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>School administration</td>
<td>439,275</td>
<td>-</td>
<td>-</td>
<td>439,275</td>
</tr>
<tr>
<td>Facilities acquisition and construction</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fiscal services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Food services</td>
<td>99,200</td>
<td>-</td>
<td>-</td>
<td>99,200</td>
</tr>
<tr>
<td>Central services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Pupil transportation services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Operation of plant</td>
<td>193,569</td>
<td>43,772</td>
<td>-</td>
<td>237,341</td>
</tr>
<tr>
<td>Maintenance of plant</td>
<td>15,337</td>
<td>-</td>
<td>-</td>
<td>15,337</td>
</tr>
<tr>
<td>Administrative technology services</td>
<td>12,450</td>
<td>-</td>
<td>-</td>
<td>12,450</td>
</tr>
<tr>
<td>Community services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>7,497</td>
<td>-</td>
<td>-</td>
<td>7,497</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>1,862,963</td>
<td>43,772</td>
<td>84,148</td>
<td>1,990,883</td>
</tr>
<tr>
<td>Net change in fund balances</td>
<td>979,904</td>
<td>-</td>
<td>-</td>
<td>979,904</td>
</tr>
<tr>
<td>Fund balances at June 30, 2017, as originally reported</td>
<td>2,181,286</td>
<td>-</td>
<td>-</td>
<td>2,181,286</td>
</tr>
<tr>
<td>Prior period adjustment</td>
<td>(1,739,853)</td>
<td>-</td>
<td>-</td>
<td>(1,739,853)</td>
</tr>
<tr>
<td>Net assets, June 30, 2017, as adjusted</td>
<td>441,433</td>
<td>-</td>
<td>-</td>
<td>441,433</td>
</tr>
<tr>
<td>Fund balances at June 30, 2018</td>
<td>$ 1,421,337</td>
<td>-</td>
<td>-</td>
<td>1,421,337</td>
</tr>
</tbody>
</table>
Schedule 5

UCP OSCEOLA CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds to the Statement of Activities

Year ended June 30, 2018

Net change in fund balances - total governmental funds $ 979,904

The change in net assets reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.

________ 5,998

Change in net assets of governmental activities $ 985,902
Audited Financial Statements

UCP PINE HILLS CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

June 30, 2018
UCP PINE HILLS CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Audited Financial Statements

June 30, 2018

(With Independent Auditor's Report Thereon)
UCP PINE HILLS CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Table of Contents

Independent Auditor’s Report.................................................................1

Financial Statements:

Statement of Financial Position ..........................................................3

Statement of Activities...........................................................................4

Statement of Cash Flows ........................................................................5

Notes to Financial Statements...............................................................6

Independent Auditor’s 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...............................................................12

Management Letter ................................................................................14

Independent Auditor’s Report on Supplementary Information ..................16

Schedule 1

Statement of Activities by Fund Type .......................................................17
Independent Auditor’s Report

To Board of Directors
UCP Pine Hills Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Report on the Financial Statements

We have audited the accompanying financial statements of UCP Pine Hills Charter School, (A Division of United Cerebral Palsy of Central Florida, Inc.) which comprise the Statement of Financial Position as of June 30, 2018, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UCP Pine Hills Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) as of June 30, 2018, and the changes in its net assets and its cash flows for the year 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 a report dated September 14, 2018 on our consideration of the UCP Pine Hills Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.)’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 in considering UCP Pine Hills Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.)’s internal control over financial reporting and compliance.

Maitland, Florida
September 14, 2018
# UCP PINE HILLS CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

## Statement of Financial Position

June 30, 2018

**Assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Due from UCP</td>
<td>$ 404,790</td>
</tr>
<tr>
<td>Property and equipment, net (note 2)</td>
<td>$ 6,007</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$ 410,797</strong></td>
</tr>
</tbody>
</table>

**Liabilities and Net Assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$ 102,877</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>102,877</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted net assets</td>
<td>$ 307,920</td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$ 410,797</strong></td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
UCP PINE HILLS CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Activities

Year ended June 30, 2018

Revenue (note 3):
  FTE revenue                  $ 1,676,760
  Title IV                      3,947
  Title I Part A                 72,949
  National School Lunch Program  147,554
  IDEA grant                     32,067
  Florida’s Best and Brightest Scholarship Program 16,400
  Contributions and grants     2,000
  Other revenue                  9,767

  Total revenue                 1,961,444

Expenses:
  Program expenses              1,427,522
  General and administration    467,784

  Total expenses                1,895,306

Change in net assets           66,138

Net assets, June 30, 2017, as originally reported 817,326

Prior period adjustment (note 4) (575,544)

Net assets, June 30, 2017, as adjusted 241,782

Net assets, June 30, 2018       $ 307,920

See accompanying notes to financial statements.
UCP PINE HILLS CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Cash Flows  
Year ended June 30, 2018

Cash flows from operating activities:
Change in net assets $ 66,138
Adjustments to reconcile change in net assets to net cash provided by operating activities:
Depreciation 1,877
Net change in cash flows from changes in:
Accounts receivable 9,229
Accounts payable and accrued liabilities 16,024
Net cash provided by operating activities 93,268

Cash flows from financing activities:
Net borrowings from (advances to) UCP (93,268)
Net cash used in financing activities (93,268)

Net increase in cash and cash equivalents -

Cash and cash equivalents at beginning of year -

Cash and cash equivalents at end of year $ -

See accompanying notes to financial statements.
(1) **Organization and Summary of Significant Accounting Policies**

(a) **Organization and Purpose**

UCP Pine Hills Charter School (the “School” or “Organization”) is a division of United Cerebral Palsy of Central Florida, Inc. (UCP), a Florida not-for-profit corporation. The School was organized under Section 228.056, Florida Statutes.

The general operating authority of the School is contained in Section 228.056, Florida Statutes. The School operates under a charter of the sponsoring school district, the Orange County District School Board (the “District”). The current charter was issued on June 10, 2008, commenced on July 1, 2008, and is effective until June 30, 2018, and may be renewed by mutual consent and written agreement between the School and the District. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter in which case the District is required to notify the School in writing at least 90 days prior to the charter’s expiration. During the term of the charter, the District may also terminate the charter if good cause is shown. The School is considered a component unit of the District.

The accounting policies of the School conform to generally accepted accounting principles. The following is a summary of the more significant policies.

(b) **Basis of Accounting**

The accompanying financial statements are presented on the accrual basis and represent the financial position and results of operations of the School.

The financial statements are prepared on an entity wide basis, to focusing on the organization as a whole and present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by aggregating all funds into one set of financial statements and classifying fund balances and transactions into three classes of net assets – permanently restricted, temporarily restricted or unrestricted as follows:

(Continued)
UCP PINE HILLS CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Notes to Financial Statements

(1) Organization and Summary of Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. There were no permanently restricted net assets as of or for the year ended June 30, 2018.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time. There were no temporarily restricted net assets as of or for the year ended June 30, 2018.

Unrestricted net assets - Net assets not subject to donor-imposed stipulations. The Organization reports donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support.

Contributions are generally recognized as revenue when the gift is made and are recorded as unrestricted, temporarily restricted or permanently restricted, depending on the presence or absence and type of donor-imposed restrictions or conditions.

(c) Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers highly liquid investments in demand deposit and money market accounts to be cash equivalents.

(d) Contributions

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions, whose restrictions are met in the same reporting period, are reported as unrestricted support.

(Continued)
(1) **Organization and Summary of Significant Accounting Policies (Continued)**

(d) **Contributions (Continued)**

The Organization reports gifts of land, building and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expired of donor restrictions when the donated or acquired long-lived assets are placed in service.

(e) **Property and Equipment**

Property and equipment acquisitions in excess of $1,000 are capitalized at cost when purchased, or at the fair value at the date of gift when donated. Depreciation of building improvements and equipment is calculated using the straight-line method over the estimated useful lives of the assets, generally 5 to 39 years. Expenditures for repairs and maintenance are expensed as incurred.

(f) **Income Taxes**

The Organization as a division of UCP, is exempt from Federal income tax under provisions of Section 501(c)(3) of the Internal Revenue Code. In addition, UCP has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. Consequently, no provision for income taxes has been included in the accompanying financial statements.

In accordance with "Income Taxes" FASB Accounting Standards Codification Topic 740 (Topic 740), all entities are required to evaluate and disclose income tax risks. Topic 740 clarifies the accounting for uncertainty in tax positions and prescribes guidance related to the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The tax benefit from an uncertain tax position is only recognized in the statements of financial position if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Interest and penalties, if any, are included in expenses in the statements of activities. As of June 30, 2018, the Organization had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

(Continued)
(1) **Organization and Summary of Significant Accounting Policies (Continued)**

(g) **Donated Services, Materials and Facilities**

A substantial number of unpaid volunteers have donated significant amounts of their time to the Organization's program and administrative services. However, due primarily to the nature of the services provided, the value of such services has not been reflected in the accompanying financial statements. Donated materials that the Organization would be required to purchase to operate programs are reflected in the financial statements at their estimated fair values at date of their receipt.

(h) **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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(i) **Revenue Sources**

Revenues for current operations are received primarily from the District pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 228.056(13), Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the District. Under provisions of Section 236.081, Florida Statutes, the District reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE and the actual weighted FTE students reported by the School during the designated FTE student survey period.

(j) **Subsequent Events**

In preparing these financial statements, the School has evaluated subsequent events and transactions for potential recognition and disclosure through September 14, 2018, which is the date the financial statements were available to be issued.
UCP PINE HILLS CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Notes to Financial Statements

(2) Property and Equipment

Property and equipment consist of the following at June 30, 2018:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>$ 50,345</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>55,851</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(100,189)</td>
</tr>
<tr>
<td></td>
<td>$ 6,007</td>
</tr>
</tbody>
</table>

(3) Schedule of Local Revenue Sources

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

Orange County District School Board:
- Florida Education Finance Program: $1,197,801
- Discretionary millage funds: $79,828
- Special millage: $93,778
- Compression adjustment: $3,857
- Class size reduction: $243,284
- Instructional materials: $12,116
- Safe schools: $3,664
- Supplemental academic instruction: $32,055
- Digital classroom allocation: $2,721
- Reading allocation: $7,656

Total: $1,676,760

Title I Part A: $72,949

IDEA grant: $32,067

Florida’s Best and Brightest Scholarship Program: $16,400

Title IV: $3,947

National School Lunch Program: $147,554
(4) **Prior Period Adjustment**

During the year ended June 30, 2018, management determined that certain capital expenditures and other overhead expenses had not been allocated to the School. Accordingly, an adjustment has been made to beginning net assets to reflect these allocations.
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Directors
UCP Pine Hills Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

We have audited the financial statements of UCP Pine Hills Charter School (the “Organization”) (A Division of United Cerebral Palsy, Inc.) as of and for the year ended June 30, 2018, and have issued our report thereon dated September 14, 2018. 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

Management of UCP Pine Hills Charter School is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered UCP Pine Hills Charter 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 Organization’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization’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 organization’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 organization’s financial statements that is more than inconsequential will not be prevented or detected by the organization’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 organization’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 financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether UCP Pine Hills Charter 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.

This report is intended solely for the information and use of the audit committee, Board of Directors, management, others within the organization, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Schlatter, Frick, Whitcomb, Mitchell & Sheideman, LLP

Maitland, Florida
September 14, 2018
Management Letter

To the Board of Directors
UCP Pine Hills Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Compliance

We have audited the financial statements of UCP Pine Hills Charter School (the "School") (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018 and have issued our report thereon dated September 14, 2018.

We have issued our Independent Auditors’ Report on Compliance and 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 dated September 14, 2018. Disclosures in that report, if any, should be considered in conjunction with this management letter.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with provisions of Chapter 10.850, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.854(1)(e)1.,2.), require disclosure as to whether corrective actions have been taken to address findings and recommendations made in the preceding annual financial report not otherwise addressed in the auditors’ report pursuant to Rule 10.856(2)(b)2 and whether or not the Charter School has met one or more of the conditions in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. Pursuant to the Rules of the Auditor General (Sections 10.854(1)(3)7.a. and 10.855(10)) we applied financial condition assessment procedures in determining whether deteriorating financial conditions exist pursuant to Section 218.39(5), Florida Statutes. In connection with our audit, there were no recommendations made in the preceding annual financial audit report for the year ended June 30, 2017, and the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes as of June 30, 2018.

The Rules of the Auditor General (Sections 10.854(1)(e)3., 4., 5., 6., 7.) require disclosure in the management letter of the following matters if not already addressed in the auditors’ report on compliance and internal control over financial reporting: recommendations to improve the School’s
financial management, accounting procedures, and internal controls; violations of laws, regulations, contracts or grant agreements, or abuse that have occurred, or are likely to have occurred, that have an effect on the determination of financial statement amounts that is less than material but more than inconsequential; illegal acts or improper expenditures that would have an immaterial effect on the financial statements; control deficiencies that are not significant deficiencies, including, but not limited to: improper or inadequate accounting procedures; failures to properly record financial transactions; and other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or come to the attention of, the auditor. Our audit disclosed no such matters required to be disclosed.

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 the Board of Directors, management, the Orange County District School Board and the State of Florida Office of the Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Maitland, Florida
September 14, 2018
Independent Auditor's Report on Supplementary Information

The Board of Directors
UCP Pine Hills Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

We have audited and reported separately herein on the financial statements of UCP Pine Hills Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018.

Our audit was made for the purpose of forming an opinion on the basic financial statements of UCP Pine Hills Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) taken as a whole. The supplementary information included in Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as whole.

Maitland, Florida
September 14, 2018
## Schedule 1

**UCP PINE HILLS CHARTER SCHOOL**  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

**Statement of Activities by Fund Type**

Year ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>General</th>
<th>Special Revenue</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FTE Revenue</td>
<td>$1,676,760</td>
<td>-</td>
<td>1,676,760</td>
</tr>
<tr>
<td>Title IV</td>
<td>3,947</td>
<td>-</td>
<td>3,947</td>
</tr>
<tr>
<td>Title I Part A</td>
<td>72,949</td>
<td>-</td>
<td>72,949</td>
</tr>
<tr>
<td>National School Lunch Program</td>
<td>147,554</td>
<td>-</td>
<td>147,554</td>
</tr>
<tr>
<td>IDEA grant</td>
<td>-</td>
<td>32,067</td>
<td>32,067</td>
</tr>
<tr>
<td>Florida's Best and Brightest Scholarship Program</td>
<td>-</td>
<td>16,400</td>
<td>16,400</td>
</tr>
<tr>
<td>Contributions and grants</td>
<td>2,000</td>
<td>-</td>
<td>2,000</td>
</tr>
<tr>
<td>Other revenue</td>
<td>9,767</td>
<td>-</td>
<td>9,767</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>1,912,977</td>
<td>48,467</td>
<td>1,961,444</td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program expenses</td>
<td>1,379,055</td>
<td>48,467</td>
<td>1,427,522</td>
</tr>
<tr>
<td>General and administration</td>
<td>467,784</td>
<td>-</td>
<td>467,784</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>1,846,839</td>
<td>48,467</td>
<td>1,895,306</td>
</tr>
<tr>
<td><strong>Change in net assets</strong></td>
<td>$66,138</td>
<td>-</td>
<td>66,138</td>
</tr>
</tbody>
</table>
Audited Financial Statements

UCP SEMINOLE CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

June 30, 2018
UCP SEMINOLE CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Audited Financial Statements

June 30, 2018

(With Independent Auditor's Report Thereon)
Table of Contents

Independent Auditor’s Report....................................................................................................................1

Financial Statements:

  Statement of Financial Position ........................................................................................................3
  Statement of Activities..........................................................................................................................4
  Statement of Cash Flows ......................................................................................................................5
  Notes to Financial Statements................................................................................................................6

Independent Auditor’s 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...........................................................................................................12

Management Letter ..................................................................................................................................14

Independent Auditor’s Report on Supplementary Information ..............................................................16

Schedule 1

  Statement of Activities by Fund Type ................................................................................................17
Independent Auditor's Report

To Board of Directors
UCP Seminole Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Report on the Financial Statements

We have audited the accompanying financial statements of UCP Seminole Charter School, (A Division of United Cerebral Palsy of Central Florida, Inc.) which comprise the Statement of Financial Position as of June 30, 2018, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UCP Seminole Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) as of June 30, 2018, and the changes in its net assets and its cash flows for the year 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 a report dated September 14, 2018 on our consideration of the UCP Seminole Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.)’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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* in considering UCP Seminole Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.)’s internal control over financial reporting and compliance.

Scherzer, Toews, Winton, Mitchell & Shulman, LLP

Maitland, Florida
September 14, 2018
UCP SEMINOLE CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Financial Position

June 30, 2018

**Assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable</td>
<td>$ 12,849</td>
</tr>
<tr>
<td>Due from UCP</td>
<td>$ 321,121</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>$ 333,970</td>
</tr>
<tr>
<td>Property and equipment, net (note 2)</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$ 333,970</strong></td>
</tr>
</tbody>
</table>

**Liabilities and Net Assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$ 90,429</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$ 90,429</strong></td>
</tr>
<tr>
<td><strong>Net assets:</strong></td>
<td></td>
</tr>
<tr>
<td>Unrestricted net assets</td>
<td>$ 243,541</td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$ 333,970</strong></td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
UCP SEMINOLE CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Activities  
Year ended June 30, 2018

Revenue (note 3):
  FTE revenue $1,593,649
  Capital outlay 48,480
  Title I Part A 33,987
  National School Lunch Program 67,542
  IDEA grant 115,017
  Contributions 60,000
  Florida's Best and Brightest Scholarship Program 6,000

  Total revenue 1,924,675

Expenses:
  Program expenses 1,374,436
  General and administration 499,826

  Total expenses 1,874,262

Change in net assets 50,413

Net assets, June 30, 2017, as originally reported 435,198

Prior period adjustment (note 4) (242,070)

Net assets, June 30, 2017, as adjusted 193,128

Net assets, June 30, 2018 $243,541

See accompanying notes to financial statements.
UCP SEMINOLE CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)  

Statement of Cash Flows  
June 30, 2018

Cash flows from operating activities:  
  Change in net assets $ 50,413  
  Adjustments to reconcile change in net assets to net cash provided by operating activities:  
    Net increase (decrease) in cash flows from changes in:  
      Accounts receivable 9,101  
      Accounts payable and accrued liabilities (8,158)  
    Net cash provided by operating activities 51,356

Cash flows from financing activities:  
  Net borrowings from (advances to) UCP (51,356)  
  Net cash used in financing activities (51,356)

Net increase in cash and cash equivalents -

Cash and cash equivalents at beginning of year -

Cash and cash equivalents at end of year $ -

See accompanying notes to financial statements.
UCP SEMINOLE CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)  

Notes to Financial Statements  
June 30, 2018  

(1) **Organization and Summary of Significant Accounting Policies**  

(a) **Organization and Purpose**  

UCP Seminole Charter School (the “School” or “Organization”) is a division of United Cerebral Palsy of Central Florida, Inc. (UCP), a Florida not-for-profit corporation. The School was organized under Section 228.056, Florida Statutes.  

The general operating authority of the School is contained in Section 228.056, Florida Statutes. The School operates under a charter of the sponsoring school district, the Seminole County District School Board (the “District”). The current charter was issued on February 15, 2001, commenced on January 30, 2001, and is effective until June 30, 2019, and may be renewed by mutual consent and written agreement between the School and the District. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter in which case the District is required to notify the School in writing at least 90 days prior to the charter’s expiration. During the term of the charter, the District may also terminate the charter if good cause is shown. The School is considered a component unit of the District.  

The accounting policies of the School conform to generally accepted accounting principles. The following is a summary of the more significant policies.  

(b) **Basis of Accounting**  

The accompanying financial statements are presented on the accrual basis and represent the financial position and results of operations of the School.  

The financial statements are prepared on an entity wide basis, focusing on the organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by aggregating all funds into one set of financial statements and classifying fund balances and transactions into three classes of net assets – permanently restricted, temporarily restricted or unrestricted as follows:  

(Continued)
(1) **Organization and Summary of Significant Accounting Policies (Continued)**

(b) **Basis of Accounting (Continued)**

**Permanently restricted net assets** - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. There were no permanently restricted net assets as of or for the year ended June 30, 2018.

**Temporarily restricted net assets** - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time. There were no temporarily restricted net assets as of or for the year ended June 30, 2018.

**Unrestricted net assets** - Net assets not subject to donor-imposed stipulations. The Organization reports donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support.

Contributions are generally recognized as revenue when the gift is made and are recorded as unrestricted, temporarily restricted or permanently restricted, depending on the presence or absence and type of donor imposed restrictions or conditions.

(c) **Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers highly liquid investments in demand deposit and money market accounts to be cash equivalents.

(d) **Contributions**

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions, whose restrictions are met in the same reporting period, are reported as unrestricted support.

(Continued)
Notes to Financial Statements

(1) **Organization and Summary of Significant Accounting Policies (Continued)**

(d) **Contributions (Continued)**

The Organization reports gifts of land, building and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

(e) **Property and Equipment**

Property and equipment acquisitions in excess of $1,000 are capitalized at cost when purchased, or at the fair value at the date of gift when donated. Depreciation of building improvements and equipment is calculated using the straight-line method over the estimated useful lives of the assets, generally 5 to 39 years. Expenditures for repairs and maintenance are expensed as incurred.

(f) **Income Taxes**

The Organization as a division of UCP, is exempt from Federal income tax under provisions of Section 501(c)(3) of the Internal Revenue Code. In addition, UCP has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. Consequently, no provision for income taxes has been included in the accompanying financial statements.

In accordance with “Income Taxes” FASB Accounting Standards Codification Topic 740 (Topic 740), all entities are required to evaluate and disclose income tax risks. Topic 740 clarifies the accounting for uncertainty in tax positions and prescribes guidance related to the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The tax benefit from an uncertain tax position is only recognized in the statements of financial position if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Interest and penalties, if any, are included in expenses in the statements of activities. As of June 30, 2018, the Organization had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

(Continued)
(1) Organization and Summary of Significant Accounting Policies (Continued)

(g) Donated Services, Materials and Facilities

A substantial number of unpaid volunteers have donated significant amounts of their time to the Organization’s program and administrative services. However, due primarily to the nature of the services provided, the value of such services has not been reflected in the accompanying financial statements. Donated materials that the Organization would be required to purchase to operate programs are reflected in the financial statements at their estimated fair values at date of their receipt.

(h) 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(i) Revenue Sources

Revenues for current operations are received primarily from the District pursuant to the funding provisions included in the School’s charter. In accordance with the funding provisions of the charter and Section 228.056(13), Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the District. Under provisions of Section 236.081, Florida Statutes, the District reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE and the actual weighted FTE students reported by the School during the designated FTE student survey period.

(j) Subsequent Events

In preparing these financial statements, the School has evaluated subsequent events and transactions for potential recognition and disclosure through September 14, 2018, which is the date the financial statements were available to be issued.
(2) **Property and Equipment**

Property and equipment consist of the following at June 30, 2018:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>$48,078</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>56,509</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>104,587</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(104,587)</td>
</tr>
<tr>
<td><strong>Net</strong></td>
<td>$ -</td>
</tr>
</tbody>
</table>

(3) **Schedule of Local Revenue Sources**

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

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seminole County District School Board:</td>
<td></td>
</tr>
<tr>
<td>Florida Education Finance Program</td>
<td>$1,228,015</td>
</tr>
<tr>
<td>Discretionary local effort</td>
<td>53,276</td>
</tr>
<tr>
<td>Class size reduction</td>
<td>210,060</td>
</tr>
<tr>
<td>Supplemental academic instruction</td>
<td>29,472</td>
</tr>
<tr>
<td>Discretionary millage funds</td>
<td>16,602</td>
</tr>
<tr>
<td>Digital classrooms allocation</td>
<td>2,890</td>
</tr>
<tr>
<td>Instructional materials</td>
<td>9,465</td>
</tr>
<tr>
<td>Reading allocation</td>
<td>6,549</td>
</tr>
<tr>
<td>Student transportation</td>
<td>35,003</td>
</tr>
<tr>
<td>Safe schools</td>
<td>2,317</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,593,649</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>$48,480</td>
</tr>
<tr>
<td>Title I Part A</td>
<td>$33,987</td>
</tr>
<tr>
<td>IDEA Grant</td>
<td>$115,017</td>
</tr>
<tr>
<td>Florida’s Best and Brightest Scholarship Program</td>
<td>$6,000</td>
</tr>
<tr>
<td>National School Lunch Program</td>
<td>$67,542</td>
</tr>
</tbody>
</table>
(4) **Prior Period Adjustment**

During the year ended June 30, 2018, management determined that certain capital expenditures and other overhead expenses had not been allocated to the School. Accordingly, an adjustment has been made to beginning net assets to reflect these allocations.
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Directors
UCP Seminole Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

We have audited the financial statements of UCP Seminole Charter School (the “School”) (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018, and have issued our report thereon dated September 14, 2018. 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, such that there is a reasonable possibility that a material misstatement of the School’s financial statements will not be prevented, or detected and corrected on a timely basis.
Our consideration of 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 weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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

Maitland, Florida
September 14, 2018
Management Letter

To the Board of Directors
UCP Seminole Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.):

Compliance

We have audited the financial statements of UCP Seminole Charter School (the “School”) (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018 and have issued our report thereon dated September 14, 2018.

We have issued our Independent Auditors’ Report on Compliance and 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 dated September 14, 2018. Disclosures in that report, if any, should be considered in conjunction with this management letter.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with provisions of Chapter 10.850, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.854(1)(e)1.,2.), require that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report not otherwise addressed in the auditors’ report pursuant to Rule 10.856(2)(b)2 and whether or not the Charter School has met one or more of the conditions in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. Pursuant to the Rules of the Auditor General (Sections 10.854(1)(3)(a, and 10.855(10)) we applied financial condition assessment procedures in determining whether deteriorating financial conditions exist pursuant to Section 218.39(5), Florida Statutes. In connection with our audit, there were no recommendations made in the preceding annual financial audit report for the year ended June 30, 2017, and the School did not meet any conditions described in Section 218.503(1), Florida Statutes as of June 30, 2018.
The Rules of the Auditor General (Sections 10.854(1)(e)3., 4., 5., 6., 7.) require disclosure in the management letter of the following matters if not already addressed in the auditors’ report on compliance and internal control over financial reporting: recommendations to improve the School’s financial management, accounting procedures, and internal controls; violations of laws, regulations, contracts or grant agreements, or abuse that have occurred, or are likely to have occurred, that have an effect on the determination of financial statement amounts that is less than material but more than inconsequential; illegal acts or improper expenditures that would have an immaterial effect on the financial statements; control deficiencies that are not significant deficiencies, including, but not limited to: improper or inadequate accounting procedures; failures to properly record financial transactions; and other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or come to the attention of, the auditor. Our audit disclosed no such matters required to be disclosed.

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 the Board of Directors, management, the Seminole County District School Board and the State of Florida Office of the Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Schrader, Trechey, Whiterock, Mitchell & Shuilen, LLP

Maitland, Florida
September 14, 2018
Independent Auditor's Report on Supplementary Information

The Board of Directors
UCP Seminole Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

We have audited and reported separately herein on the financial statements of UCP Seminole Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018.

Our audit was made for the purpose of forming an opinion on the basic financial statements of UCP Seminole Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) taken as a whole. The supplementary information included in Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as whole.

SCHAFER, TSCHOPP, WHITCOMB, MITCHELL & SHERIDAN, LLP

Maitland, Florida
September 14, 2018
### UCP SEMINOLE CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

**Statement of Activities by Fund Type**

Year ended June 30, 2018

### Schedule 1

#### Program Revenues

<table>
<thead>
<tr>
<th>Functions/Programs</th>
<th>Expenses</th>
<th>Charges for Services</th>
<th>Operating Grants and Contributions</th>
<th>Capital Grants and Contributions</th>
<th>Net (Expense) Revenue and Changes in Net Assets Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charter school activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Instruction</td>
<td>$889,290</td>
<td>-</td>
<td>121,017</td>
<td>-</td>
<td>(759,273)</td>
</tr>
<tr>
<td>Student personnel services</td>
<td>286,141</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(286,141)</td>
</tr>
<tr>
<td>School board</td>
<td>40,449</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(40,449)</td>
</tr>
<tr>
<td>School administration</td>
<td>444,464</td>
<td>-</td>
<td>60,000</td>
<td>-</td>
<td>(384,464)</td>
</tr>
<tr>
<td>Food services</td>
<td>32,198</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(32,198)</td>
</tr>
<tr>
<td>Student transportation services</td>
<td>65,403</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(65,403)</td>
</tr>
<tr>
<td>Operation of plant</td>
<td>94,572</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(94,572)</td>
</tr>
<tr>
<td>Maintenance of plant</td>
<td>15,832</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(15,832)</td>
</tr>
<tr>
<td>Administrative technology services</td>
<td>14,913</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(14,913)</td>
</tr>
<tr>
<td>Unallocated depreciation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total charter school activities</strong></td>
<td>$1,874,262</td>
<td>-</td>
<td>181,017</td>
<td></td>
<td>(1,693,245)</td>
</tr>
<tr>
<td>General revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local sources, not restricted to specific functions/programs</td>
<td>1,743,658</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total general revenues</strong></td>
<td>1,743,658</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Change in net position</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>50,413</td>
</tr>
<tr>
<td><strong>Net position - beginning</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>435,198</td>
</tr>
<tr>
<td>Prior period adjustment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(242,070)</td>
</tr>
<tr>
<td><strong>Net position - ending</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$243,541</td>
</tr>
</tbody>
</table>
Audited Financial Statements

UCP TRANSITIONAL LEARNING ACADEMY CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

June 30, 2018
# Table of Contents

Independent Auditor’s Report...........................................................................................................1

Financial Statements:

Statement of Financial Position .....................................................................................................3

Statement of Activities..................................................................................................................4

Statement of Cash Flows ...............................................................................................................5

Notes to Financial Statements......................................................................................................6

Independent Auditor’s 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.........................................................12

Management Letter .....................................................................................................................14

Independent Auditor’s Report on Supplementary Information ....................................................16

Schedule 1

Statement of Activities by Fund Type ..........................................................................................17
Independent Auditor’s Report

To Board of Directors
UCP Transitional Learning Academy Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Report on the Financial Statements

We have audited the accompanying financial statements of UCP Transitional Learning Academy Charter School, (A Division of United Cerebral Palsy of Central Florida, Inc.) which comprise the Statement of Financial Position as of June 30, 2018, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UCP Transitional Learning Academy Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) as of June 30, 2018, and the changes in its net assets and its cash flows for the year 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 a report dated September 19, 2018 on our consideration of the UCP Transitional Learning Academy Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.)’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 in considering UCP Transitional Learning Academy Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.)’s internal control over financial reporting and compliance.

Schwartz, Fischbein, Whiteman, Mitchell & Schuilen, LLP

Maitland, Florida
September 19, 2018
UCP TRANSITIONAL LEARNING ACADEMY CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Financial Position

June 30, 2018

Assets

Due from UCP $ 202,351
Accounts receivable 2,829
Property and equipment, net (note 2) -

$ 205,180

Liabilities and Net Assets

Accounts payable and accrued liabilities $ 68,269

Total liabilities 68,269

Net assets:
Unrestricted net assets 136,911

Total liabilities and net assets $ 205,180

See accompanying notes to financial statements.
UCP TRANSITIONAL LEARNING ACADEMY CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Activities

Year ended June 30, 2018

Revenue (note 3):
FTE revenue $1,174,809
Capital outlay 39,819
National School Lunch Program 20,653
IDEA grant . 2,750
Florida's Best and Brightest Scholarship Program 6,000
Contributions 100,000

Total revenue 1,344,031

Expenses:
Program expenses 906,973
General and administration 301,783

Total expenses 1,208,756

Change in net assets 135,275

Net assets, June 30, 2017, as originally reported 236,457

Prior period adjustment (note 4) (234,821)

Net assets, June 30, 2017, as adjusted 1,636

Net assets, June 30, 2018 $136,911

See accompanying notes to financial statements.
Cash flows from operating activities:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net assets</td>
<td>$135,275</td>
</tr>
<tr>
<td>Adjustments to reconcile changes in net assets to</td>
<td></td>
</tr>
<tr>
<td>net cash provided by operating activities:</td>
<td></td>
</tr>
<tr>
<td>Net change in cash flows from changes in:</td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>4,981</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>40,419</td>
</tr>
<tr>
<td><strong>Net cash provided by operating activities</strong></td>
<td><strong>180,675</strong></td>
</tr>
</tbody>
</table>

Cash flows from financing activities:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net borrowings from (advances to) UCP</td>
<td>(180,675)</td>
</tr>
<tr>
<td>Net used in financing activities</td>
<td>(180,675)</td>
</tr>
</tbody>
</table>

Net increase in cash and cash equivalents                -

Cash and cash equivalents at beginning of year           -

Cash and cash equivalents at end of year                 $

See accompanying notes to financial statements.
(1) **Organization and Summary of Significant Accounting Policies**

(a) **Organization and Purpose**

UCP Transitional Learning Academy Charter School (the “School” or “Organization”) is a division of United Cerebral Palsy of Central Florida, Inc. (UCP), a Florida not-for-profit corporation. The School was organized under Section 228.056, Florida Statutes.

The general operating authority of the School is contained in Section 228.056, Florida Statutes. The School operates under a charter of the sponsoring school district, the Orange County District School Board (the “District”). The charter has been completely amended and restated to include the UCP Transitional Learning Academy Middle School Charter School contract, dated July 27, 2011, and the UCP Transitional Learning Academy High School Charter School contract, dated February 11, 2011. The current charter was issued on October 13, 2015, commenced on July 1, 2015 and is effective until June 30, 2021, and may be renewed by mutual consent and written agreement between the School and the District. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter in which case the District is required to notify the School in writing at least 90 days prior to the charter’s expiration. During the term of the charter, the District may also terminate the charter if good cause is shown. The School is considered a component unit of the District.

The accounting policies of the School conform to generally accepted accounting principles. The following is a summary of the more significant policies.

(b) **Basis of Accounting**

The accompanying financial statements are presented on the accrual basis and represent the financial position and results of operations of the School.

The financial statements are prepared on an entity wide basis, focusing on the organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by aggregating all funds into one set of financial statements and classifying fund balances and transactions into three classes of net assets – permanently restricted, temporarily restricted or unrestricted as follows:

(Continued)
Notes to Financial Statements

(1) Organization and Summary of Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. There were no permanently restricted net assets as of or for the year ended June 30, 2018.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time. There were no temporarily restricted net assets as of or for the year ended June 30, 2018.

Unrestricted net assets - Net assets not subject to donor-imposed stipulations. The Organization reports donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support.

Contributions are generally recognized as revenue when the gift is made and are recorded as unrestricted, temporarily restricted or permanently restricted, depending on the presence or absence and type of donor-imposed restrictions or conditions.

(c) Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers highly liquid investments in demand deposit and money market accounts to be cash equivalents.

(d) Contributions

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions, whose restrictions are met in the same reporting period, are reported as unrestricted support.

(Continued)
(1) Organization and Summary of Significant Accounting Policies (Continued)

(d) Contributions (Continued)

The Organization reports gifts of land, building and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

(e) Property and Equipment

Property and equipment acquisitions in excess of $1,000 are capitalized at cost when purchased, or at the fair value at the date of gift when donated. Depreciation of building improvements and equipment is calculated using the straight-line method over the estimated useful lives of the assets, generally 5 to 39 years. Expenditures for repairs and maintenance are expensed as incurred.

(f) Income Taxes

The Organization as a division of UCP, is exempt from Federal income tax under provisions of Section 501(c)(3) of the Internal Revenue Code. In addition, UCP has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. Consequently, no provision for income taxes has been included in the accompanying financial statements.

In accordance with “Income Taxes” FASB Accounting Standards Codification Topic 740 (Topic 740), all entities are required to evaluate and disclose income tax risks. Topic 740 clarifies the accounting for uncertainty in tax positions and prescribes guidance related to the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The tax benefit from an uncertain tax position is only recognized in the statements of financial position if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Interest and penalties, if any, are included in expenses in the statements of activities. As of June 30, 2018, the Organization had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

(Continued)
(1) Organization and Summary of Significant Accounting Policies (Continued)

(g) Donated Services, Materials and Facilities
A substantial number of unpaid volunteers have donated significant amounts of their time to the Organization’s program and administrative services. However, due primarily to the nature of the services provided, the value of such services has not been reflected in the accompanying financial statements. Donated materials that the Organization would be required to purchase to operate programs are reflected in the financial statements at their estimated fair values at date of their receipt.

(h) 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(i) Revenue Sources
Revenues for current operations are received primarily from the District pursuant to the funding provisions included in the School’s charter. In accordance with the funding provisions of the charter and Section 228.056(13), Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the District. Under provisions of Section 236.081, Florida Statutes, the District reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE and the actual weighted FTE students reported by the School during the designated FTE student survey period.

(j) Subsequent Events
In preparing these financial statements, the School has evaluated subsequent events and transactions for potential recognition and disclosure through September 19, 2018, which is the date the financial statements were available to be issued.
UCP TRANSITIONAL LEARNING ACADEMY CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Notes to Financial Statements

(2) Property and Equipment

Property and equipment consist of the following at June 30, 2018:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>$ 13,096</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(13,096)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 0</strong></td>
</tr>
</tbody>
</table>

(3) Schedule of Local Revenue Sources

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

Orange County District School Board:

- Florida Education Finance Program $ 898,592
- Discretionary millage funds 59,325
- Special millage 52,536
- Compression adjustment 2,161
- Class size reduction 128,183
- Instructional materials 6,787
- Safe schools 2,052
- Supplemental academic instruction 17,958
- Digital classroom allocation 1,525
- Reading allocation 5,690

Total $ 1,174,809

Capital outlay $ 39,819

Florida’s Best and Brightest Scholarship Program $ 6,000

IDEA Grant $ 2,750

National School Lunch Program $ 20,653
Prior Period Adjustment

During the year ended June 30, 2018, management determined that certain capital expenditures and other overhead expenses had not been allocated to the School. Accordingly, an adjustment has been made to beginning net assets to reflect these allocations.
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Directors
UCP Transitional Learning Academy Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

We have audited the financial statements of UCP Transitional Learning Academy Charter School (the “School”) (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018, and have issued our report thereon dated September 19, 2018. 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

Management of UCP Transitional Learning Academy Charter School is responsible for establishing and maintaining effective 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, such that there is a reasonable possibility that a material misstatement of the School’s financial statements will not be prevented, or detected and corrected on a timely basis.
Our consideration of 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 weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

_Schiffer, Fischman, Whitcomb, Mitchell & Shaiken, LLP_

Maitland, Florida
September 19, 2018
Management Letter

To the Board of Directors
UCP Transitional Learning Academy Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.):

Compliance

We have audited the financial statements of UCP Transitional Learning Academy Charter School (the “School”) (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018 and have issued our report thereon dated September 19, 2018.

We have issued our Independent Auditors’ Report on Compliance and 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 dated September 19, 2018. Disclosures in that report, if any, should be considered in conjunction with this management letter.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with provisions of Chapter 10.850, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.854(1)(e)1.,2.), require disclosure as to whether corrective actions have been taken to address findings and recommendations made in the preceding annual financial report not otherwise addressed in the auditors’ report pursuant to Rule 10.856(2)(b)2 and whether or not the Charter School has met one or more of the conditions in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. Pursuant to the Rules of the Auditor General (Sections 10.854(1)(3)7.a. and 10.855(10)) we applied financial condition assessment procedures in determining whether deteriorating financial conditions exist pursuant to Section 218.39(5), Florida Statutes. In connection with our audit, there were no recommendations made in the preceding annual financial audit report for the year.
ended June 30, 2017, and the School did not meet any conditions described in Section 218.503(1), Florida Statutes as of June 30, 2018.

The Rules of the Auditor General (Sections 10.854(1)(e)3., 4., 5., 6., 7.) require disclosure in the management letter of the following matters if not already addressed in the auditors’ report on compliance and internal control over financial reporting: recommendations to improve the School’s financial management, accounting procedures, and internal controls; violations of laws, regulations, contracts or grant agreements, or abuse that have occurred, or are likely to have occurred, that have an effect on the determination of financial statement amounts that is less than material but more than inconsequential; illegal acts or improper expenditures that would have an immaterial effect on the financial statements; control deficiencies that are not significant deficiencies, including, but not limited to: improper or inadequate accounting procedures; failures to properly record financial transactions; and other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or come to the attention of, the auditor. Out audit disclosed no such matters required to be disclosed.

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 the Board of Directors, management, the Orange County District School Board and the State of Florida Office of the Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Scherzer, Trichy, Whitcomb, Mitchell, & Sheidlan, LLP

Maitland, Florida
September 19, 2018
Independent Auditor’s Report on Supplementary Information

The Board of Directors
UCP Transitional Learning Academy Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

We have audited and reported separately herein on the financial statements of UCP Transitional Learning Academy Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018.

Our audit was made for the purpose of forming an opinion on the basic financial statements of UCP Transitional Learning Academy Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) taken as a whole. The supplementary information included in Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as whole.

Maitland, Florida
September 19, 2018
### Schedule 1

**UCP TRANSITIONAL LEARNING ACADEMY CHARTER SCHOOL**  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

**Statement of Activities by Fund Type**

Year ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>General</th>
<th>Special Revenue</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FTE Revenue</td>
<td>$1,174,809</td>
<td>-</td>
<td>1,174,809</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>39,819</td>
<td>-</td>
<td>39,819</td>
</tr>
<tr>
<td>National School Lunch Program</td>
<td>20,653</td>
<td>-</td>
<td>20,653</td>
</tr>
<tr>
<td>IDEA grant</td>
<td>-</td>
<td>2,750</td>
<td>2,750</td>
</tr>
<tr>
<td>Florida's Best and Brightest Scholarship Program</td>
<td>-</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Contributions</td>
<td>100,000</td>
<td>-</td>
<td>100,000</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td><strong>1,335,281</strong></td>
<td><strong>8,750</strong></td>
<td><strong>1,344,031</strong></td>
</tr>
</tbody>
</table>

|                      |             |                 |              |
| **Expenses:**        |             |                 |              |
| Program expenses     | 898,223     | 8,750           | 906,973      |
| General and administration | 301,783 | -               | 301,783      |
| **Total expenses**   | **1,200,006** | **8,750**       | **1,208,756**|
| **Change in net assets** | $135,275 | -               | 135,275      |
Audited Financial Statements

UCP WEST ORANGE CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

June 30, 2018
UCP WEST ORANGE CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Audited Financial Statements

June 30, 2018

(With Independent Auditor's Report Thereon)
# Table of Contents

Independent Auditor’s Report........................................................................................................1

Financial Statements:

  Statement of Financial Position ............................................................................................3

  Statement of Activities ..........................................................................................................4

  Statement of Cash Flows .......................................................................................................5

  Notes to Financial Statements ..............................................................................................6

Independent Auditor’s 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.......................................................................................12

Management Letter ................................................................................................................14

Independent Auditor’s Report on Supplementary Information ................................................16

Schedule 1

  Statement of Activities by Fund Type ...................................................................................17
Independent Auditor's Report

To Board of Directors
UCP West Orange Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Report on the Financial Statements

We have audited the accompanying financial statements of UCP West Orange Charter School,
(A Division of United Cerebral Palsy of Central Florida, Inc.) which comprise the Statement of
Financial Position as of June 30, 2018, and the related statements of activities, and cash flows for
the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UCP West Orange Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) as of June 30, 2018, and the changes in its net assets and its cash flows for the year 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 a report dated September 19, 2018 on our consideration of the UCP West Orange Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.)’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 in considering UCP West Orange Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.)’s internal control over financial reporting and compliance.

Maitland, Florida
September 19, 2018
UCP WEST ORANGE CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Financial Position

June 30, 2018

Assets

Due from UCP $ 804,805
Property and equipment, net (note 2) 2,285
Total assets $ 807,090

Liabilities and Net Assets

Liabilities:
Accounts payable and accrued liabilities $ 119,296
Total liabilities 119,296

Net assets:
Unrestricted net assets 687,794
Total liabilities and net assets $ 807,090

See accompanying notes to financial statements.
UCP WEST ORANGE CHARTER SCHOOL
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Activities
Year ended June 30, 2018

Revenue (note 3):
FTE revenue $ 2,260,882
Title I Part A 21,838
National School Lunch Program 110,822
IDEA grant 45,339
Florida's Best and Brightest Scholarship Program 7,600
Contributions and grants 8,000
Other revenue 1,011

Total revenue 2,455,492

Expenses:
Program expenses 1,792,794
General and administration 497,026

Total expenses 2,289,820

Change in net assets 165,672

Net assets, June 30, 2017, as originally reported 1,278,170

Prior period adjustment (note 4) (756,048)

Net assets, June 30, 2017, as adjusted 522,122

Net assets, June 30, 2018 $ 687,794

See accompanying notes to financial statements.
UCP WEST ORANGE CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Cash Flows
Year ended June 30, 2018

Cash flows from operating activities:
Change in net assets $ 165,672
Adjustments to reconcile change in net assets to net cash provided by operating activities:
Depreciation 2,287
Net change in cash flows from changes in:
  Accounts receivable 8,711
  Accounts payable and accrued liabilities 23,095
  Net cash provided by operating activities 199,765

Cash flows from financing activities:
  Net borrowings from (advances to) UCP (199,765)
  Net cash used in financing activities (199,765)

Net increase in cash and cash equivalents -
Cash and cash equivalents at beginning of year -
Cash and cash equivalents at end of year $ -

See accompanying notes to financial statements.
UCP WEST ORANGE CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Notes to Financial Statements

June 30, 2018

(1) **Organization and Summary of Significant Accounting Policies**

**a) Organization and Purpose**

UCP West Orange Charter School (the “School” or “Organization”) is a division of United Cerebral Palsy of Central Florida, Inc. (UCP), a Florida not-for-profit corporation. The School was organized under Section 228.056, Florida Statutes.

The general operating authority of the School is contained in Section 228.056, Florida Statutes. The School operates under a charter of the sponsoring school district, the Orange County District School Board (the “District”). The current charter was issued on May 12, 2015, commenced July 1, 2015, and is effective until June 30, 2020, and may be renewed by mutual consent and written agreement between the School and the District. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter in which case the District is required to notify the School in writing at least 90 days prior to the charter’s expiration. During the term of the charter, the District may also terminate the charter if good cause is shown. The School is considered a component unit of the District.

The accounting policies of the School conform to generally accepted accounting principles. The following is a summary of the more significant policies.

**b) Basis of Accounting**

The accompanying financial statements are presented on the accrual basis and represent the financial position and results of operations of the School.

The financial statements are prepared on an entity wide basis, focusing on the organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by aggregating all funds into one set of financial statements and classifying fund balances and transactions into three classes of net assets – permanently restricted, temporarily restricted or unrestricted as follows:

(Continued)
Notes to Financial Statements

(1) Organization and Summary of Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. There were no permanently restricted net assets as of or for the year ended June 30, 2018.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time. There were no temporarily restricted net assets as of or for the year ended June 30, 2018.

Unrestricted net assets - Net assets not subject to donor-imposed stipulations. The Organization reports donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support. Contributions are generally recognized as revenue when the gift is made and are recorded as unrestricted, temporarily restricted or permanently restricted, depending on the presence or absence and type of donor-imposed restrictions or conditions.

(c) Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers highly liquid investments in demand deposit and money market accounts to be cash equivalents.

(d) Contributions

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions, whose restrictions are met in the same reporting period, are reported as unrestricted support.

(Continued)
(1) **Organization and Summary of Significant Accounting Policies (Continued)**

(d) **Contributions (Continued)**

The Organization reports gifts of land, building and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

(e) **Property and Equipment**

Property and equipment acquisitions in excess of $1,000 are capitalized at cost when purchased or at the fair value at the date of gift when donated. Depreciation of building improvements and equipment is calculated using the straight-line method over the estimated useful lives of the assets, generally 5 to 39 years. Expenditures for repairs and maintenance are expensed as incurred.

(f) **Income Taxes**

The Organization as a division of UCP, is exempt from Federal income tax under provisions of Section 501(c)(3) of the Internal Revenue Code. In addition, UCP has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. Consequently, no provision for income taxes has been included in the accompanying financial statements.

In accordance with "Income Taxes" FASB Accounting Standards Codification Topic 740 (Topic 740), all entities are required to evaluate and disclose income tax risks. Topic 740 clarifies the accounting for uncertainty in tax positions and prescribes guidance related to the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The tax benefit from an uncertain tax position is only recognized in the statements of financial position if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Interest and penalties, if any, are included in expenses in the statements of activities. As of June 30, 2018, the Organization had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.
Notes to Financial Statements

(1) **Organization and Summary of Significant Accounting Policies (Continued)**

(g) **Donated Services, Materials and Facilities**

A substantial number of unpaid volunteers have donated significant amounts of their time to the Organization’s program and administrative services. However, due primarily to the nature of the services provided, the value of such services has not been reflected in the accompanying financial statements. Donated materials that the Organization would be required to purchase to operate programs are reflected in the financial statements at their estimated fair values at date of their receipt.

(h) **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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(i) **Revenue Sources**

Revenues for current operations are received primarily from the District pursuant to the funding provisions included in the School’s charter. In accordance with the funding provisions of the charter and Section 228.056(13), Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the District. Under provisions of Section 236.081, Florida Statutes, the District reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE and the actual weighted FTE students reported by the School during the designated FTE student survey period.

(j) **Subsequent Events**

In preparing these financial statements, the School has evaluated subsequent events and transactions for potential recognition and disclosure through September 19, 2018 which is the date the financial statements were available to be issued.
(2) **Property and Equipment**

Property and equipment consist of the following at June 30, 2018:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>$ 63,497</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>$ 65,884</td>
</tr>
<tr>
<td></td>
<td>$ 129,381</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>$(127,096)</td>
</tr>
<tr>
<td></td>
<td>$ 2,285</td>
</tr>
</tbody>
</table>

(3) **Schedule of Local Revenue Sources**

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orange County District School Board:</td>
<td></td>
</tr>
<tr>
<td>Florida Education Finance Program</td>
<td>$ 1,633,568</td>
</tr>
<tr>
<td>Discretionary millage funds</td>
<td>112,765</td>
</tr>
<tr>
<td>Special millage</td>
<td>100,757</td>
</tr>
<tr>
<td>Class size reduction</td>
<td>344,516</td>
</tr>
<tr>
<td>Instructional materials</td>
<td>13,017</td>
</tr>
<tr>
<td>Safe schools</td>
<td>3,936</td>
</tr>
<tr>
<td>Supplemental academic instruction</td>
<td>34,441</td>
</tr>
<tr>
<td>Compression adjustment</td>
<td>4,144</td>
</tr>
<tr>
<td>Digital classroom allocation</td>
<td>2,922</td>
</tr>
<tr>
<td>Reading allocation</td>
<td>10,816</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 2,260,882</td>
</tr>
<tr>
<td>IDEA grant</td>
<td>$ 45,339</td>
</tr>
<tr>
<td>Title I Part A</td>
<td>$ 21,838</td>
</tr>
<tr>
<td>Florida’s Best and Brightest Scholarship Program</td>
<td>$ 7,600</td>
</tr>
<tr>
<td>National School Lunch Program</td>
<td>$ 100,822</td>
</tr>
</tbody>
</table>
Notes to Financial Statements

(4) **Prior Period Adjustment**

During the year ended June 30, 2018, management determined that certain capital expenditures and other overhead expenses had not been allocated to the School. Accordingly, an adjustment has been made to beginning net assets to reflect these allocations.
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Directors  
UCP West Orange Charter School  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

We have audited the financial statements of UCP West Orange Charter School (the “School”) (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018, and have issued our report thereon dated September 19, 2018. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

Management of UCP West Orange Charter School is responsible for establishing and maintaining effective 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 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 organization’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 organization’s financial statements that is more than inconsequential will not be prevented or detected by the organization’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 organization’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 was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Schifter, Tschopp, Whitcomb, Mitchell & Sheriden, LLP

Maitland, Florida
September 19, 2018
Management Letter

To the Board of Directors
UCP West Orange Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Compliance

We have audited the financial statements of UCP West Orange Charter School (the “School”) (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018 and have issued our report thereon dated September 19, 2018.

We have issued our Independent Auditors’ Report on Compliance and 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 dated September 19, 2018. Disclosures in that report, if any, should be considered in conjunction with this management letter.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with provisions of Chapter 10.850, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.854(1)(e)1.,2.), require disclosure as to whether corrective actions have been taken to address findings and recommendations made in the preceding annual financial report not otherwise addressed in the auditors’ report pursuant to Rule 10.856(2)(b)2 and whether or not the Charter School has met one or more of the conditions in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. Pursuant to the Rules of the Auditor General (Sections 10.854(1)(3)7.a. and 10.855(10)) we applied financial condition assessment procedures in determining whether deteriorating financial conditions exist pursuant to Section 218.39(5), Florida Statutes. In connection with our audit, there were no recommendations made in the preceding annual financial audit report for the year ended June 30, 2017, and the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes as of June 30, 2018.

The Rules of the Auditor General (Sections 10.854(1)(e)3., 4., 5., 6., 7.) require disclosure in the management letter of the following matters if not already addressed in the auditors’ report on compliance and internal control over financial reporting: recommendations to improve the School’s
financial management, accounting procedures, and internal controls; violations of laws, regulations, contracts or grant agreements, or abuse that have occurred, or are likely to have occurred, that have an effect on the determination of financial statement amounts that is less than material but more than inconsequential; illegal acts or improper expenditures that would have an immaterial effect on the financial statements; control deficiencies that are not significant deficiencies, including, but not limited to: improper or inadequate accounting procedures; failures to properly record financial transactions; and other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or come to the attention of, the auditor. Out audit disclosed no such matters required to be disclosed.

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 the Board of Directors, management, the Orange County District School Board and the State of Florida Office of the Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Schtter, Tisch, Whittem, Mitchell & Sheilin, LLP

Maitland, Florida
September 19, 2018
Independent Auditor’s Report on Supplementary Information

The Board of Directors
UCP West Orange Charter School
(A Division of United Cerebral Palsy of Central Florida, Inc.)

We have audited and reported separately herein on the financial statements of UCP West Orange Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) as of and for the year ended June 30, 2018.

Our audit was made for the purpose of forming an opinion on the basic financial statements of UCP West Orange Charter School (A Division of United Cerebral Palsy of Central Florida, Inc.) taken as a whole. The supplementary information included in Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as whole.

Maitland, Florida
September 19, 2018
UCP WEST ORANGE CHARTER SCHOOL  
(A Division of United Cerebral Palsy of Central Florida, Inc.)

Statement of Activities by Fund Type  
Year ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>General</th>
<th>Special Revenue</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FTE revenue</td>
<td>$2,260,882</td>
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<td>$2,260,882</td>
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<tr>
<td>Title I Part A</td>
<td>21,838</td>
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<td>21,838</td>
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<tr>
<td>National School Lunch Program</td>
<td>110,822</td>
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<td>110,822</td>
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<tr>
<td>IDEA grant</td>
<td>-</td>
<td>45,339</td>
<td>45,339</td>
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<tr>
<td>Florida's Best and Brightest Scholarship Program</td>
<td>-</td>
<td>7,600</td>
<td>7,600</td>
</tr>
<tr>
<td>Contributions and grants</td>
<td>8,000</td>
<td>-</td>
<td>8,000</td>
</tr>
<tr>
<td>Other revenue</td>
<td>1,011</td>
<td>-</td>
<td>1,011</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td><strong>2,402,553</strong></td>
<td><strong>52,939</strong></td>
<td><strong>2,455,492</strong></td>
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Expenses:  

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<th></th>
<th>General</th>
<th>Special Revenue</th>
<th>Total</th>
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<tbody>
<tr>
<td>Program expenses</td>
<td>1,739,855</td>
<td>52,939</td>
<td>1,792,794</td>
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<td>General and administration</td>
<td>497,026</td>
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<td><strong>Total expenses</strong></td>
<td><strong>2,236,881</strong></td>
<td><strong>52,939</strong></td>
<td><strong>2,289,820</strong></td>
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<tr>
<td>Change in net assets</td>
<td>$165,672</td>
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<td>165,672</td>
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