

Capital Trust Authority, Inc.

Meeting of the Board of Directors

Thursday, May 11, 2023

9:00AM.

315 Fairpoint Drive
Gulf Breeze, FL 32561

Meeting called by: Denis A. McKinnon, III

Type of meeting: Regular

Facilitator: Chris Kemp
Chairman

Note Taker: Connie Beargie
Office Administrator

Attendees: Chris Kemp (Chairman), Gary Michaels (Vice Chairman) Bob Cleveland (Secretary/Treasurer), Deborah Roche (Ass.t Secretary), Harry Wilder (Board Member), Burt Snooks (Board Member), Tom Naile (Board Member), Christy Larkins (Board Member), Bobby Potomski (Board Member) Kareem Spratling (General Counsel), Brooke Gonzalez (General Counsel), Samantha Abell (City Manager), and Denis McKinnon, III (Executive Director).

Please bring: Attached supplements

Agenda

<u>Item:</u>	<u>Description:</u>	<u>Presenter:</u>
1.	Call to Order	Chris Kemp
2.	Approval of Minutes: 4-20-2023	Denis McKinnon, III
3.	Inducement Resolution 07-23 – Kid’s Community College Charter School	Denis McKinnon, III
4.	Discussion – Southeastern University	Denis McKinnon, III
5.	Adjourn	Chris Kemp

**MINUTES OF THE
CAPITAL TRUST AUTHORITY, INC.**

The 9th meeting of the Capital Trust Authority, Inc., Gulf Breeze, Florida, was held at 315 Fairpoint Dr, Gulf Breeze, Florida and on Thursday, April 20, 2023 at 9:00 a.m.

The following Board Members were present: Chris Kemp (Chairman), Gary Michaels (Vice-Chairman), Bob Cleveland (Secretary), Burt Snooks (Board Member), and Tom Naile (Board Member). Also attending was Denis McKinnon (Executive Director), Connie Beargie (Office Administrator), and Samantha Abell (City Manager). Attending via telephone/conference communication was Kareem Spratling (Bond Counsel), Brooke Gonzalez (Bond Counsel).

AGENDA ITEM:

Approval of Minutes: 4/6/2023

DISCUSSION:

No discussion

MOTION/ACTION:

Gary Michaels made a motion to approve the 4/6/23 minutes as presented. Tom Naile seconded the motion. Vote for approval was 5-0.

AGENDA ITEM:

Inducement Resolution 06-23 – Southeastern University

DISCUSSION:

Southeastern University is a 501(c)(3) not for profit private university located in Lakeland, Florida. The university is accredited and provides baccalaureate, master's, and doctorate degrees to their students. The purpose of the bonds is to refinance existing debt.

Denis McKinnon asked Kareem to explain why a conduit bond issuer is allowed to issue bonds on behalf of a Christian university. Kareem explained the recent Florida and US Supreme Court decisions supporting the bond issuance. Kareem Spratling said that the Resolution provides a description of the areas to be included in the financing. Kareem further stated that you will notice that the sanctuary is not included in the financing.

Denis McKinnon stated the primary reason for this refinance is due to their existing variable rate loan maturing and it is tied to the LIBOR index.

Bob Cleveland asked how this financing qualifies as public purpose. Denis McKinnon replied that the schools current financing has been called by their bank and by refinancing their debt we are ensuring the schools future success. In addition, the refinance will allow the school to enter a fixed rate loan and realize savings of over \$1 million annually. Kareem Spratling added that if the refinance does not take place, the school could face foreclosure and that would not be good for the students or the community.

Chris Kemp asked if the 1.4 cost of issuance noted in the Sources and Uses is typical. Denis McKinnon replied that yes, 2% and more is typical. Every participant in this transaction has agreed to reduce fees.

Chris Kemp asked about the fees for this project. Denis McKinnon stated we have reduced our fee for this financing to \$60,000 because schools such as this one can get financing with no fees at their local city or county. The reason they have approached the Authority is because of our reputation for being efficient and fast conduit bond issuer. Also, the local County does not want to use BMO as bond counsel and the school wants to use BMO.

Tom Naile asked if rising insurance rates have been accounted for in the projections. Denis McKinnon stated that the increase has been built into the current budget for the school.

Chris Kemp asked if we can request more information on the reserve funds. Denis McKinnon stated that yes, we will receive updated financial information in the coming weeks.

Gary Michaels says more information is needed about the school's current financials, the outstanding debt, and the school's intent to increase revenue while driving down costs. Gary also explained the school president has publicly expressed discriminatory statements in the past that could have a negative impact on the local community.

MOTION/ACTION:

Bob Cleveland made a motion to approve Resolution 06-23 as presented. Burt Snooks seconded. Vote for approval was 4-1.

AGENDA ITEM:

Pipeline Report

DISCUSSION:

Denis McKinnon presented the updated pipeline report and stated he is expecting at least 2 new applications for the next meeting.

MOTION/ACTION:

No motion required.

No other formal business of the board was taken and the meeting adjourned at approximately 10:10 am.

Minutes submitted by: _____ Connie Beargie, Office Administrator

Approved by: _____ Chris Kemp, Chairman

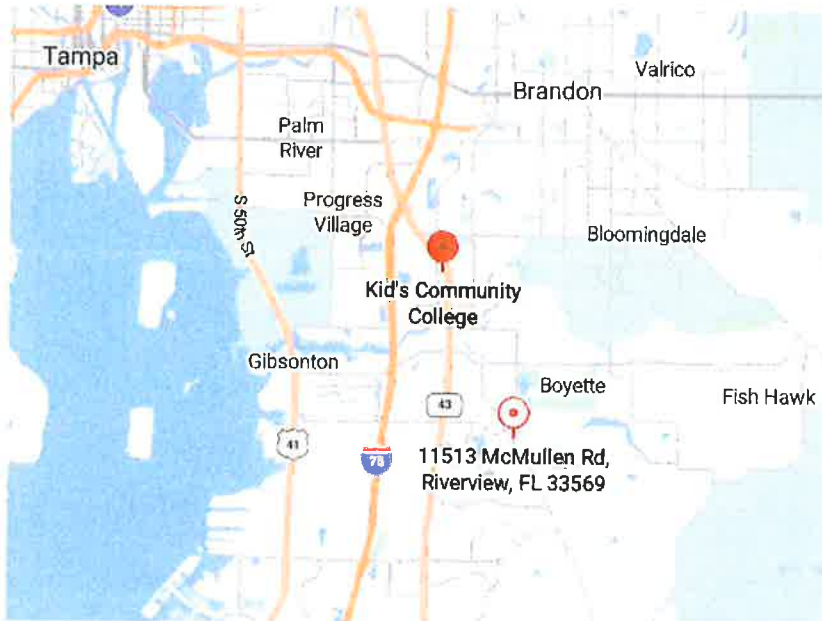
TO: Capital Trust Authority Board of Directors
FROM: Denis McKinnon, III
RE: Kids Community College Charter School
DATE: May 11, 2023

Introduction

Kids Community College Charter School (“KCCCS” or the “Borrower”) has applied to the Capital Trust Authority (the “Authority”) for the issuance of not to exceed \$16,500,000 of tax-exempt bonds to finance the land, acquisition, and equipping of a public charter school in Riverview, FL.

The Borrower

KCCCS began in 2003 as a preschool in Riverview, FL. The preschool has since become a national franchise with 150 associates, 4 facilities and approximately 1,460 students. The Borrower operates 4 charter schools. 2 of the public charter schools will be purchased through this financing. A total of 495 student stations are located on these campuses. The 2 school facilities not being purchased were financed in 2019 by the Wonderful transaction wherein the Capital Trust Agency financed the acquisition of a portfolio of charter schools throughout Florida.



Description of the Project

The issuance of not more than \$16,500,000 in bonds for the Borrower will be used to finance the land, acquisition costs, and development of 2 public charter schools and related fixtures in Riverview, FL. The Borrower currently leases the facilities.

The project will consist of a straight acquisition and equipping of the schools. Currently, no new money is contemplated.

Financing

The purchase price of the 2 buildings is expected to be \$12,200,000. According to the Borrower’s financial advisor, Building Hope, the total cash flow savings through maturity to the Borrower will be \$10,193,620. The total net present value savings and building value at final maturity is \$17,049,755.

Authority staff questioned the school superintendent regarding the schools’ performance. His response is below:

“When looking at the five Riverview high schools within a 3 mile radius of KCC Upper School, three of them are also rated a grade “C” and two (in more affluent areas of Riverview) are a grade “A”. When looking at the six middle schools within a 3-mile radius of Southeast, four are also rated a grade “C”, one is a grade “A” and the other a grade “B” - again those two schools are located in the more affluent areas of Riverview. In summary, Southeast performed as well as Rodgers, Bridgeprep Giunta and Southshore schools, who serve demographics similar to Southeast. KCC Upper School performed as well as Spoto, Sumner and Winthrop High Schools, while boasting an 85% graduation rate compare to 87% for the district as a whole. The last three-year graduation rate average for Hillsborough County was 88.6% compared to 86.8% for KCC Upper School.

These results notwithstanding, neither Southeast or KCC Upper schools are on any District or State required improvement plan. Internally, however, the following improvements are being made for the 2023-24 School Year and beyond:

Two KCC District level positions are being created to ensure improvement and efficacy at the instructional level. Karen Seder will assume the role of Director of Educational Standards and Ternica Blackmon will assume the role of Director of Compliance and Business Continuity. Both roles will be pivotal in ensuring that KCC Schools overall performance moves from good to great. Though these roles won't be official until 2023-24, KCC contracted with TrustED in August 2022 to begin 1:1 administrative training with all KCC Campus Directors, Assistant Campus Directors and Executives to ensure a commitment to excellence, innovation, ownership, trust, cohesion, alignment and efficacy across the enterprise. In addition, KCC District will hire a Human Resource Manager and a Director of Marketing and Engagement to focus on the improvement of the professional experience and enrollment/retention of student families in the entire KCC Cooperative.

At the student level, Kid's Community College® assessments will be compliment by the aforementioned administrative changes to maximize student success. The assessment plan will provide for the systematic collection, interpretation, and use of information about student learning and achievement to improve instruction. To be comprehensive, this level of assessment includes more than just student assessment data. KCC will also demonstrate public accountability by providing evidence of institutional effectiveness.

The Kid's Community College® improvement approach is a proactive, comprehensive assessment program, which addresses institutional quality and curricular cohesiveness. It is designed so that the results of the assessment efforts will contribute to the institution's strategic planning, budgetary decision-making, institutional branding, and improving the quality of student

services. Kid's Community College® uses the results of its improvement assessments to evaluate the effectiveness of its learning system at four levels:

Institutional Level - How well is Kid's Community College® doing as a whole in advancing student learning.

Camps Level - How well are individual Kid's Community College® campuses doing in advancing student learning.

Professor Level - How well are individual Kid's Community College® professors doing in advancing student learning.

Student Level - How well are Kid's Community College® students doing.

How Will We See Improvement?

The typical approach to improvement is to set a large goal, then try to take big leaps in order to accomplish the goal in as little time as possible. While this may sound good in theory, it often ends in burnout, frustration, and failure.

Instead, KCC will improve by slowly and slightly adjusting our normal everyday operations, habits and behaviors where needed. By improving in the small areas that will make the biggest impact.

KCC has the benefit of serving the Riverview community for over 20 years. In that time, it has amassed 14 Best Places to Work Awards, 5 national and 1 international accreditations, been recognized as high-performing by the Florida Department of Education and won 1 innovation and 4 Small Business awards among other accolades. In these two decades, KCC has experienced 4 changes to the State's testing system, 4 District Superintendent changes, 5 SDHC Board election changes and made it successfully through a global pandemic while serving the county's most underserved students."

Recommendation

It is the recommendation of Authority staff that the Board adopt Resolution 07-23, approving the issuance of not to exceed \$16,500,000 on behalf of the Borrower. We look forward to seeing you at our meeting on 5/11.

Kids Community College Charter School

CAPITAL TRUST AUTHORITY ("CTA")

a duly constituted and validly existing separate legal and administrative entity under Section 163.01(7), Florida Statutes, and Chapter 617, Florida Statutes, pursuant to an Interlocal Agreement dated as of June 6, 2022, as may be amended and supplemented from time-to-time, between the City of Gulf Breeze, Florida and the City of Quincy, Florida

BOND FINANCE APPLICATION

Legal name of applicant (as shown on most recent legal organizational documents) (the "Applicant"):

KCCCS Holdings LLC

Senior officers of the Applicant:

(Refer to Exhibit - 3 attachment for a list of all members)

Name: Timothy Kilpatrick **Title:** Managing Member

Name: _____ **Title:** _____

Legal Street Address of the Applicant (headquarters):

11513 McMullen Road District Office Riverview FL 33569

Primary consultant[s] working on behalf of the Applicant:

Name of consultant: Building Hope Services, LLC

Role of consultant: Financial Advisor

Primary contact[s] and title of consultant representatives:

(1) Richard Moreno – President

(2) _____

Telephone numbers:

Applicant 813-841-7822

Consultant: 954-317-1363

Is the Applicant (check one) a ___ corporation, ___ limited liability company partnership?

State of formation: Florida

If Applicant is a Special Purpose Entity (SPE), legal name of member(s) (as shown on most recent legal organizational documents (Articles of Incorporation, Articles of Organization, etc.):

State(s) of formation of member(s):

Is this Applicant a non-profit organization? Yes

(If Yes, please provide evidence of the Applicant's tax determination by the IRS. For SPEs, provide the member's determination letter. If tax exemption designation has been applied for by a newly created non-profit entity, provide copy of IRS Form 1023 (including all attachments). Tax determination information should be attached to this application as

Exhibit 1.)

Attach as **Exhibit 2** to this application Articles of Incorporation or Articles of Organization (as applicable), Bylaws or Operating Agreement (as applicable), a certificate of current status from the state where incorporated.

Attach as **Exhibit 3** a complete list of the corporate officers and directors of the Applicant with an explanation of their corporate responsibilities.

Attach as **Exhibit 4** a summary of the proposed financing in the form attached hereto as Schedule I. Include a description of the project's public purpose, proposed use and mission, location(s) and total anticipated amount to be financed. The content and narrative in this section should be comprehensive and shall include the information shown in Schedule I. If project renderings or recent power point presentations exist to further describe and depict the project, please include.

Attach as **Exhibit 5** a complete listing of consultants currently under contract with the Applicant. Include legal professionals, underwriter(s), financial advisors, CPA's, etc. Include for each firm the name of individual, name of firm, role and location of office assigned to the financing. A proposed distribution list of the financing team will suffice and is preferred.

Attach as **Exhibit 6** current financial information including actual and/or pro-forma schedules of income, expenses, audited financial statements for the past 3 fiscal years of Applicant, and sources and uses of funds (amount for the project should be consistent with the information provided in Exhibit 5, Item b). Include any required reserves and whether capitalized interest will be funded. It is recognized this information is subject to final calculations, but should be a close estimate of the anticipated financing structure. For any equity contributions noted, describe the type i.e. cash, subordinated debt, land contributed, etc.

Attach as **Exhibit 7** any background information helpful in showing the expertise or established record of success by the Applicant or representatives of the Applicant in operating the type of facility being purchased, financed, or refinanced. In addition to project principals, information and credentials of any management firms expected to operate the project should be included.

Please provide 12 hard copies and forward an electronic copy of the above information plus an application fee in the amount of \$4,500 to:

Mr. Denis A. McKinnon, III
Executive Director
Capital Trust Authority
315 Fairpoint Drive
Gulf Breeze, FL 32561
Tel. 850-934-4046
dmckinnon@muniad.com

Acknowledgement Statement:

On behalf of the Application, Richard Moreno as its representative and contact for submittal of this Application, I understand this information is provided as an initial requirement of CTA to consider issuance of conduit bonds to finance or refinance the project described above, I understand the fee being paid is non-refundable and CTA offers no assurance that this Application will be acted upon favorably or that the conduit bonds will be issued. I also understand, an acceptance by CTA to proceed with further due diligence to facilitate a debt structuring as requested by the Applicant may be terminated at any time by CTA. The Applicant authorizes CTA to verify information submitted by or on behalf of the Applicant, obtain further information concerning the credit and standing of the Applicant and its representatives, and obtain other information deemed necessary by CTA or its representatives.

Submitted and signed by:

[PRINT NAME]
[PRINT TITLE]

Date: _____

SCHEDULE I

EXHIBIT 5 PROJECT DESCRIPTION

- a. Will the project include the refinancing of any existing indebtedness? Yes _____ No _____
If yes, provide complete description of the outstanding indebtedness:

Description of indebtedness (name of obligation(s):	
Issued pursuant to (trust indenture, loan agreement, promissory note, etc.):	
Date indebtedness was issued:	
Estimated amount outstanding:	
Exact name of borrower:	
Exact name of trustee and/or lender:	
Lender contact information (primary contact, telephone number and email)	

- b. Will the project include new acquisition and/or improvements? Yes No
If yes, provide an estimated project budget, as follows:

(Refer to Exhibit 6 – KKC Schools -Debt Sizing pdf. for further breakdown)

Cost of acquisition of fee simple interest in land	
Cost of acquisition of leasehold interest in land	\$
Cost of any existing improvements	
Cost of any construction of new facilities	
Cost of any renovation	
Cost of furnishings and fixtures	
Cost of equipment	
Other	
Total	12.2 million

- c. Complete Schedule I to this Exhibit 5 with respect to the project, including portions of the project to be located at different sites, if any.
- d. Is there a required completion date? Yes _____ No _____ If yes: _____
- e. Please describe any existing facilities of the Applicant that will be included as a part of the security for the financing but for which proceeds will not be used, including location:

The following properties will NOT be acquired through this transaction. Facilities will continue to be leased through the Wonders program

Riverview South Lower School
10030 MATHOG RD.
RIVERVIEW, FL 33578

Grades served: 4-12
Enrollment: 380

Southeast International Baccalaureate School
11519 MCMULLEN RD.
RIVERVIEW, FL 33569

Grades served: K-5
Enrollment: 580

- f. Are additional facilities required and contemplated by the Applicant to be addressed in a future financing? Yes ___ No ___ If yes, describe below:

- g. Provide any available market or feasibility studies.

(Refer to Exhibit 7 attachments)

Include:

- Acreage of any real property;
- Number and square footage of each building;
- Nature of the property, if applicable, such as units, classrooms, administrative, recreational, etc.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **MAR 22 2012**

KIDS COMMUNITY COLLEGE MIDDLE
CHARTER SCHOOL INC
C/O TIM KILPATRICK
6152 DELANCEY STATION ST STE 105
RIVERVIEW, FL 33578

Employer Identification Number:
27-1031805
DLN:
17053341343031
Contact Person:
PETER A ORLETT ID# 31436
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
170(b)(1)(A)(ii)
Form 990 Required:
Yes
Effective Date of Exemption:
October 1, 2009
Contribution Deductibility:
Yes
Addendum Applies:
Yes

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

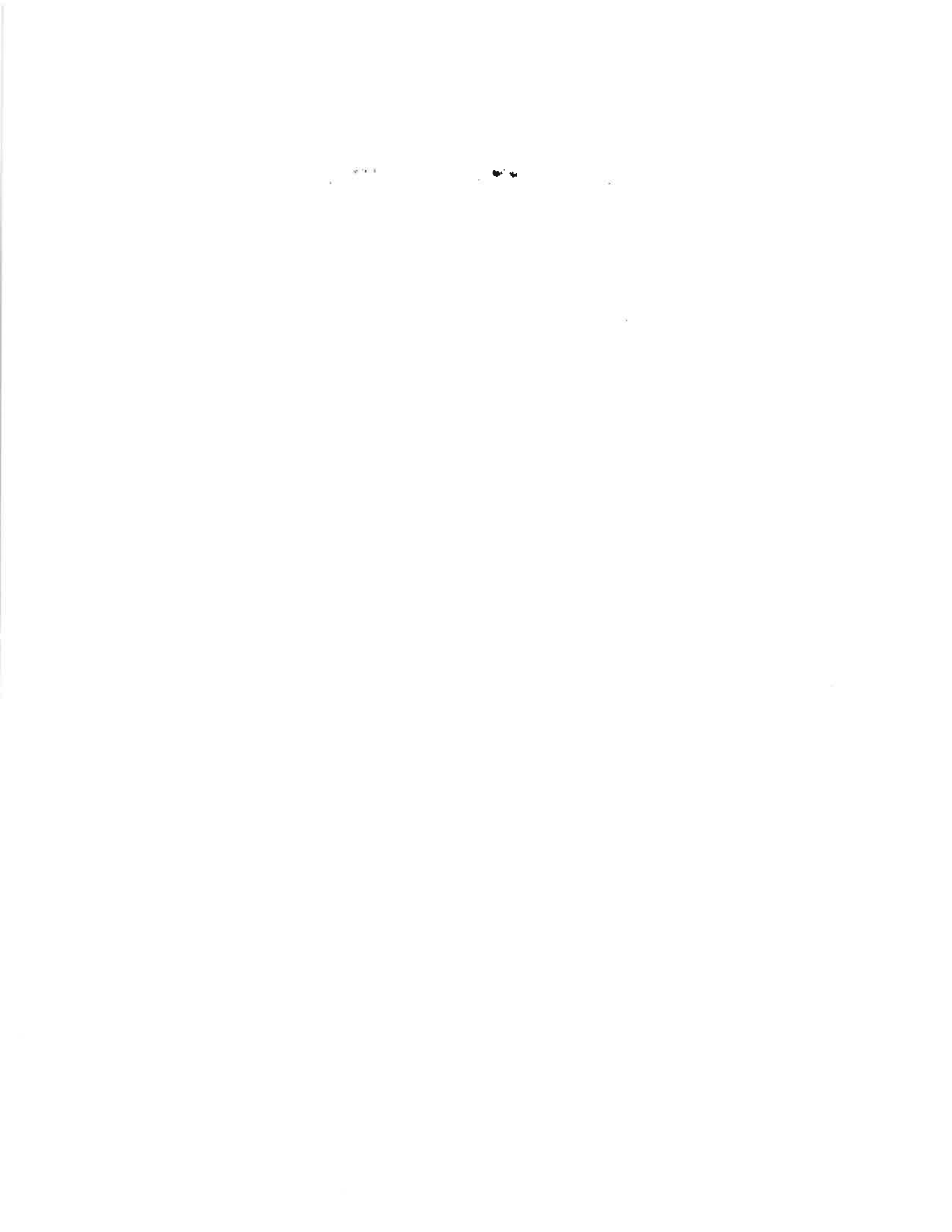
Letter 947 (DO/CG)

KIDS COMMUNITY COLLEGE MIDDLE

Sincerely,


Lois G. Lerner
Director, Exempt Organizations

Enclosure: Publication 4221-PC



KIDS COMMUNITY COLLEGE MIDDLE

ADDENDUM

You are not subject to the specific publishing, reporting and record keeping requirements of Revenue Procedure 75-50, 1975-2 C.B., page 587, as long as you operate a charter school. If your method of operation changes to the extent that your charter is terminated, cancelled or not renewed, you should notify us. You will then be required to comply with Revenue Procedure 75-50.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **APR 21 2016**

KIDS COMMUNITY COLLEGE CHARTER HIGH
SCHOOL INC
C/O TIMOTHY B KILPATRICK SR
11519 MCMULLEN ROAD
RIVERVIEW, FL 33569

Employer Identification Number:
81-1545781
DLN:
17053090369006
Contact Person:
RENEE RAILEY NORTON ID# 31172
Contact Telephone Number:
(877) 829-5500

Accounting Period Ending:
June 30
Public Charity Status:
170(b)(1)(A)(ii)
Form 990/990-EZ/990-N Required:
Yes
Effective Date of Exemption:
August 5, 2015
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

You're not subject to the specific publishing requirements of Revenue Procedure 75-50, 1975-2 C.B., page 587, as long as you operate under a contract with the local government. If your method of operation changes to the extent that your charter is not approved, terminated, cancelled or not renewed, you should notify us. You'll also be required to comply with Revenue Procedure 75-50.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

Letter 947

KIDS COMMUNITY COLLEGE CHARTER HIGH

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey I. Cooper". The signature is stylized with a large, sweeping initial "J" and a long horizontal stroke at the end.

Jeffrey I. Cooper
Director, Exempt Organizations
Rulings and Agreements

**Electronic Articles of Organization
For
Florida Limited Liability Company**

L23000170560
FILED 8:00 AM
April 05, 2023
Sec. Of State
slsingleton

Article I

The name of the Limited Liability Company is:

KCCCS HOLDINGS LLC

Article II

The street address of the principal office of the Limited Liability Company is:

11513 MCMULLEN ROAD
DISTRICT OFFICE
RIVERVIEW, FL. US 33569

The mailing address of the Limited Liability Company is:

11513 MCMULLEN ROAD
DISTRICT OFFICE
RIVERVIEW, FL. US 33569

Article III

Other provisions, if any:

THE CORPORATION IS ORGANIZED AND SHALL BE OPERATED EXCLUSIVELY AS A PUBLIC CHARTER SCHOOL IN ACCORDANCE WITH FL STATUTES, SECTIONS 1002.33(2)(A)(B) AND MAY ENGAGE IN ANY LAWFUL ACTIVITIES IN FURTHERANCE OF SUCH PURPOSES

Article IV

The name and Florida street address of the registered agent is:

KID'S COMMUNITY COLLEGE CHARTER SCHOOL INC
10030 MATHOG ROAD
RIVERVIEW, FL. 33578

Having been named as registered agent and to accept service of process for the above stated limited liability company at the place designated in this certificate, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.

Registered Agent Signature: TIMOTHY KILPATRICK

Article V

The name and address of person(s) authorized to manage LLC:

Title: MBR
KID'S COMMUNITY COLLEGE CHARTER SCHOOL INC
10030 MATHOG ROAD
RIVERVIEW, FL. 33578 US

L23000170560
FILED 8:00 AM
April 05, 2023
Sec. Of State
s singleton

Article VI

The effective date for this Limited Liability Company shall be:

04/05/2023

Signature of member or an authorized representative

Electronic Signature: TIMOTHY KILPATRICK

I am the member or authorized representative submitting these Articles of Organization and affirm that the facts stated herein are true. I am aware that false information submitted in a document to the Department of State constitutes a third degree felony as provided for in s.817.155, F.S. I understand the requirement to file an annual report between January 1st and May 1st in the calendar year following formation of the LLC and every year thereafter to maintain "active" status.



KID'S COMMUNITY COLLEGE CHARTER SCHOOLS
"Dedicated to the well-being and educational success of EVERY child."

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC. BYLAWS

ARTICLE I DEFINITIONS

When used in these Bylaws, the terms set forth in this Article shall have the following meaning:

"Corporation" shall mean KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC., d/b/a KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH, a Florida not-for-profit corporation with 501(c)(3) status as acknowledged by the Internal Revenue Service.

"Board" shall mean the Governing Board of the Corporation.

"Chair" shall mean the Chairperson of the Governing Board.

"Charter" shall mean the charter agreement between the School and the Hillsborough County School District's School Board as the Sponsor and the Governing Board.

ARTICLE II MISSION

The Mission of Kid's Community College Riverview South Charter School, is "dedicated to the well-being and educational success of EVERY child."

ARTICLE III PURPOSE

- Section 1.** The Corporation is organized and shall be operated exclusively as a public charter school in accordance Section 1002.33, Florida Statutes known as the Florida Charter School Law and may engage in any lawful activities in furtherance of such purposes.
- Section 2.** The Corporation is designed to improve student learning and academic achievement with the use of innovative learning methods in compliance with Section 1002.33, Florida Statutes.
- Section 3.** The Corporation shall be non-sectarian in its programs, admissions policies, employment practices, and operations and will admit students without regard for sex, race, color, creed, religion, or ethnic or national origin in the same manner as other public schools in Florida.

Section 4. The Corporation shall have no members. The Board shall have all powers and duties to conduct the activities of the Corporation.

Section 5. All members of the Board shall be devoted to the mission and purpose of the Corporation and shall represent the best interest of the Corporation and its stakeholders.

ARTICLE IV BOARD OF DIRECTORS

Section 1. General Powers: The business and affairs of the Corporation shall be governed by the Kid's Community College⁸ South Charter School Governing Board of Directors. Board Members have a legally enforceable fiduciary duty to their beneficiaries who are the students. Each act of the Board shall be to enhance the student experience.

Section 2. Number and Term: The number of members of the Governing Board of Directors of the Corporation shall be a minimum of three (3). The Governing Board of Directors shall be elected at the annual meeting of members and the term of office shall be three (3) years.

Section 3. Qualifications. The Governing Board should have the credibility and respect of the School community and community at large. The Board should also reflect the community's diversity. The Board must bring expertise to the governance of the School. Preference and recruitment should be focused on having at least one board member in the following areas: education, finance, law, and/or business. Board Members should have earned degrees at the bachelor's level or higher or the appropriate combination of education and experience. Board Members must not hold a salaried position within the School.

Section 4. Compensation. Governing Board Members shall not receive payment for serving on the Board. Board Members may be reimbursed for out-of-pocket expenses incurred on Board-approved business. Expenses shall be itemized, documented and approved by the Board at the next regularly scheduled meeting.

Section 5. Resignation or Removal. A Governing Board Member may resign by submitting a letter of resignation to the Board President. The Board President shall call for a vote of Board Members on the removal of a Board Member for failure to attend Board meetings and/or participate according to their respective duties as an officer, committee chairperson, or other designated appointee. By a two-thirds vote of the remaining Board Members, any officer or agent elected or appointed by the Board may be removed by the Board whenever in its judgment the best interest of the Corporation would be served.

Section 6. Vacancies: Any vacancy occurring on the Governing Board may be filled by the affirmative vote of a majority of the remaining Members of the Board, though less than a quorum is present. A board member selected in this manner may serve in a valid capacity only until the next annual meeting, at which time an election will be held to fill the unexpired term of office.

ARTICLE V BOARD OF DIRECTORS POWERS AND DUTIES

The Corporation is organized and shall be operated exclusively as a public charter school in accordance with the §1002.33(2), Florida Statutes to meet the statutorily defined purpose of

charter schools and may engage in any lawful activities in furtherance of such purposes. The Governing Board's role will be to set policy, provide oversight, and to communicate the vision and mission of the School to community members. The Governing Board shall also ensure the following:

1. Provide parents with sufficient information on whether their child is reading at grade level and whether the child gains at least a year's worth of learning for every year spent in the charter school.
2. Maintain the inclusive nature of the public school system by serving all students as prescribed by law.
3. Set and meet high standards of student academic success and achievement while providing parents flexibility to choose among diverse educational opportunities within the state's public school system.
4. Reflect the benefits of a compatible, dynamic, diverse community.
5. Demonstrate academic success and financial efficiency by combining responsibility with accountability – the school district and parents will view Kid's Community College[®] Charter School as an academic, administrative, and financially viable educational choice to send their children within the public school system.
6. Provide an innovative and rigorous standards-based curriculum tailored specifically to develop each student's individual learning potential.
7. Provide a curriculum that allows for a strong system of foundational learning, enabling future success in upper primary, middle, and high school – negating the need for remediation.
8. Prepare students to be life-long learners through an enjoyment of reading using scientific, research-based methodologies that are complementary and consistent with Florida State Standards.
9. Use a continuous progress program that combines traditional academics with performance education.
10. Provide parents with sufficient information on their child's progress through compliance with state statutes and the Hillsborough County Public Schools policies in reading through timely assessments and reporting.
11. Improve student learning and academic achievement.
12. Increase learning opportunities for all students, with special emphasis on low-performing students and reading.
13. Create new professional opportunities for teachers, including ownership of the learning program at the school site.
14. Encourage the use of innovative and creative learning methods.
15. Require the measurement of learning outcomes.
16. To obtain charitable funds and grants to be used for the purpose of furthering education programs including community programs that enrich education and training opportunities for disadvantaged persons.
17. To subcontract for and employ persons, firms or corporations to assist in the delivery of instructional and educational services.
18. To own, maintain and improve, and to buy, sell, convey, assign, mortgage, lease (as Landlord or Tenant) or otherwise grant or acquire interests in any real or personal

property for the purpose of providing benefit to the students and in furtherance of any of the purposes of the school.

19. To borrow money and issue evidences of indebtedness in furtherance of any or all of the objects of its purpose; to secure the same by mortgage, pledge or other lien;
20. To enforce the provisions of these Bylaws and such Rules and Regulations of the School as may hereafter be adopted;
21. In general, to enter into any kind of activity approved by the Governing Board.
22. To exercise all powers necessary, incidental or convenient to the administration of said School and to the accomplishment of any of the purposes thereof.
23. Appoint a representative to facilitate parental involvement, provide access to information, assist parents and others with questions and concerns.

Notwithstanding any other provision of these articles, this Corporation shall not carry on any activities not permitted by an organization exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue law.

No part of the net earnings of the Corporation shall inure to the benefit of any Director or Officer(s) of the Corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation affecting one or more of its purposes), and no Director or Officer(s) of the Corporation, or any private individual shall be entitled to share in the distribution of any of the corporate assets upon dissolution of the Corporation.

Upon dissolution of the Corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, or corresponding section of any future Federal tax code, or shall be distributed to the Federal, state or local government for a public purpose. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction, in the county in which the principal office of the organization is then located, exclusively for such purposes.

ARTICLE VI **OFFICERS**

Section 1. Designations. The officers of this corporation shall be a president, vice president, treasurer and secretary. The Campus Director of the Charter School shall not be a Board member, but shall act in an advisory role to the Governing Board and may assist the Board Chairman in preparing the Board meeting agenda. Such other officers, committees and advisors, as may be deemed necessary, may be elected or appointed by the Governing Board.

Section 2. Elections. The officers of the Corporation to be elected by the Governing Board shall be elected at the annual meeting of the Board. If the election of officers is not held at such meeting, such election shall be held as soon thereafter as is convenient. Each officer shall begin his or her term at the next meeting following elections. Board Members to be appointed as officers must demonstrate a commitment to the roles and responsibilities of the offices in which they serve. Officers must serve in their elected capacity for a minimum of two terms.

Section 3. Duties of Officers. Duties of each officer shall be in accordance with these Bylaws and any other applicable governing documents, rules, and regulations.

President: The president shall preside at all meetings of the Governing Board and, in general, shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board from time to time.

Vice President: In the absence of the president, or in the event of inability or refusal to act, the vice-president shall perform the duties of the president, and when so acting, shall have all the powers of, and be subject to all the restrictions upon, the president. The vice president shall perform such other duties as from time to time may be assigned by the president or by the Governing Board.

Secretary: The secretary shall keep the minutes of the meetings of the Governing Board in one or more books provided for that purpose; see that all notices are given in accordance with the provisions with these Bylaws and as required by law; the custodian of the corporate record; keep a register of the post office addresses of all members; and, in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned by the president or by the Board.

Treasurer: The treasurer shall oversee the record of all funds, assets, donations and securities received by the corporation and ensure that receipts are given for moneys due and payable to the corporation as required by the Governing Board and ensure that all such money is deposited in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these Bylaws; and, in general, perform all of the duties incident to the office of treasurer and such other duties as from time to time may be assigned by the president or the Board.

Section 4. Vacancies: A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Governing Board for the unexpired portion of the term.

ARTICLE VI **BOARD MEETINGS**

Section 1. Regular Meeting. The Board shall hold at least two (2) meetings annually, and at such times and places as the Board deems appropriate as provided by law. Board members shall attend all scheduled meetings. The Board President shall be responsible for maintaining record of board member attendance. The Board President shall also notice Board members of the need for a vote to remove Board members for failure to attend Board meetings.

Section 2. Annual Meeting. The annual meeting of the members for the election of the directors and for consideration of the officers' reports and the transaction of any other business pertaining to the affairs of the corporation shall be held May of each year at whatever time and

place may be designated by the Governing Board or as soon thereafter as the Board may deem appropriate.

Section 3. Special Meetings. Special meetings may be scheduled and held at the discretion of the Board at a designated time, date and location. A call of a special meeting will be in writing or by actual notice, with certification of the notice to be entered by the Board's secretary into the minutes of the special meeting.

Section 4. Rules of Order. Rules at all meetings shall be those prescribed by Robert's Rules of Order.

Section 5. Notice of Meeting. Notice of all meetings shall be in compliance with Florida's Sunshine Law. Notice of the meeting shall be given within five (5) calendar days of the meeting, unless otherwise provided by statute. An agenda may also be published prior to the meeting, if available. The notice requirement for meetings shall be satisfied by posting such notices in a prominent place at the School or by publication via electronic means such as email or by phone call.

Section 6. Quorum. A majority of the number of Governing Board members fixed by these Bylaws shall constitute a quorum for the transaction of business at any meeting of the Board.

Section 7. Board Decisions. The act of the majority of the Governing Board present at a meeting at which a quorum is present shall be the act of the Board.

Section 8. Nomination of Directors. A Director may be elected or appointed by a vote of fifty-one (51%) or more of the Officers; however, an amendment changing the qualifications or the voting rights of the Governing Board shall require the unanimous consent of all members.

Section 9. Committees. The Governing Board may establish committees for either general or special purposes to act for such time and in such manner as the Board shall determine.

Committee chairpersons shall be chosen by a majority vote of the Governing Board. Such chairpersons shall serve for a term not to extend beyond the next annual meeting. Committee chairpersons may be reappointed by a majority vote of the Board.

Committee chairpersons shall report on their activities at the pleasure of the Governing Board. The secretary or president shall inform the committee chairperson at least one week in advance of the desired report that a report has been requested by the Board. Committee chairperson shall also report to the board membership at the annual meeting, as requested by the president. Committee members shall be chosen by the committee chairpersons and shall serve at the pleasure of the individual chairperson, but for a term not to exceed that of the chairperson by whom the committee person was chosen. Committee members shall be responsible to the committee chairperson. The committee chairperson shall designate a committee member as their assistant, to serve under the above stated conditions.

Committee chairpersons and committee members may attend Board meetings at the pleasure of the board. However, committee chairpersons shall have no voting powers.

ARTICLE VII ADMINISTRATION

The Governing Board shall be ultimately responsible for the operation, regulations, control and oversight of the School and shall have the power and authority to perform all acts and functions not inconsistent with state and federal law, the Bylaws, and the Charters for each School. The Board envisions a small and efficient district staff for support with an effort to place as much responsibility and decision making for each campus as possible with the Campus Directors at the School level.

The Board shall have the authority to employ and compensate district staff administrators who shall serve at the pleasure of the Board. District staff may be responsible for the overall day-to-day operation within the Corporation in accordance with policies and procedures established by the Board. Staff designated by the Governing Board may also identify and appoint School administrators for each School subject to Governing Board approval.

Section 1. Contracts and Grant Funding. The Governing Board may authorize any Charter School administrator or executive level District staff member to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. To meet specific requirements of any grant agencies for purposes of funding the Charter School administrator or executive District Staff member is authorized to modify policies and procedures to adhere to the funding requirements of the granting agencies. The Governing Board shall be made aware of each transaction and a record of any changes pursuant to a request for grant funding should be maintained.

Section 2. Checks, Drafts, or Orders. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation and in such manner as shall from time to time be determined by resolution of the Governing Board.

Section 3. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Governing Board may select.

Section 4. Gifts. The Governing Board may accept on behalf of the Corporation any contribution, gift, bequest, or devise, in money or in kind, for the general purpose or for any special purposes of the corporation.

Section 5. Waiver Of Notice. Whenever any notice is required to be given under the provisions of these Bylaws or under the provisions of the Articles of Incorporation or under the provisions of law, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 6. Insurance. The Governing Board may authorize the Corporation to pay or cause to be paid by insurance or otherwise, any judgment or fine rendered or levied against a present or former Board Member, officer, employee, or agent of the Corporation in an action brought

against such person to impose a liability or penalty for an act or omission alleged to have been committed by such person while a Board Member, officer, employee, or agent of the Corporation, provided that the Board shall determine in good faith that such person acted in good faith and without willful misconduct or gross negligence for a purpose which he reasonably believed to be in the best interest of the Corporation. Payments authorized include amounts paid and expenses incurred in satisfaction of any liability or penalty or in settling any potential or threatened action. EPLI and DIO insurance coverage must be maintained.

Section 7. Indemnification. As per the Florida Not for Profit Corporations Act, Florida Statutes, Chapter 617 (the Act):

(1) An officer or director of a nonprofit organization recognized under s. 501(c)(3) or s. 501(c)(4) or s. 501(c)(6) of the Internal Revenue Code of 1986, as amended, or of an agricultural or a horticultural organization recognized under s. 501(c)(5), of the Internal Revenue Code of 1986, as amended, is not personally liable for monetary damages to any person for any statement, vote, decision, or failure to take an action, regarding organizational management or policy by an officer or director, unless:

(a) The officer or director breached or failed to perform his or her duties as an officer or director; and (b) The officer's or director's breach of, or failure to perform, his or her duties constitutes:

i. A violation of the criminal law, unless the officer or director had reasonable cause to believe his or her conduct was lawful or had no reasonable cause to believe his or her conduct was unlawful. A judgment or other final adjudication against an officer or director in any criminal proceeding for violation of the criminal law estops that officer or director from contesting the fact that his or her breach, or failure to perform, constitutes a violation of the criminal law, but does not estop the officer or director from establishing that he or she had reasonable cause to believe that his or her conduct was lawful or had no reasonable cause to believe that his or her conduct was unlawful;

ii. A transaction from which the officer or director derived an improper personal benefit, directly or indirectly; or

iii. Recklessness or an act or omission that was committed in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety, or property.

(2) For the purposes of this section, the terms of this provision are as defined by Florida Statutes, Chapter 617.

Section 8. Fiscal Year. The fiscal year of the Corporation shall begin July 1st and end on June 30th.

Section 9. Annual Reports and Audits. All state required annual financial reports and audits shall be provided pursuant to the Charter Contracts. Audits shall be conducted by a Certified Public Accountant in compliance with Florida Statutes, §1002.33, and all applicable state and federal laws governing non-profit, tax-exempt Corporations. All reports shall be submitted to the Board for approval.

Section 10. Amendments. These Bylaws may be amended, repealed, and/or new Bylaws may be adopted by a majority of the Charter School Governing Board present at any regular meeting, or at any special meeting, if at least five (5) days written notice is given of the intention to amend, repeal, or adopt new Bylaws at such meetings; provided, that the notice of the meeting shall set forth the proposed amendment and purpose thereof, and that a majority of those members in attendance may approve said amendment.

CERTIFICATION

I HEREBY CERTIFY that these Bylaws constitute the amended and restated Bylaws for the Corporation, which were duly adopted by the unanimous Governing Board of Kid's Community College Charter School, Inc.

DATED this 28 day of June, 2017.



Kid's Community College Charter School, Inc.
Governing Board

State of Florida

Department of State

I certify from the records of this office that KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC. is a corporation organized under the laws of the State of Florida, filed on February 28, 2005, effective March 1, 2005.


The document number of this corporation is N05000002073.

I further certify that said corporation has paid all fees due this office through December 31, 2023, that its most recent annual report/uniform business report was filed on April 5, 2023, and that its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Fifth day of April, 2023*




Secretary of State

Tracking Number: 8891396509CC

To authenticate this certificate, visit the following site, enter this number, and then follow the instructions displayed.

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State of Florida

Department of State

I certify from the records of this office that KID'S COMMUNITY COLLEGE CHARTER HIGH SCHOOL, INC. is a corporation organized under the laws of the State of Florida, filed on August 5, 2015, effective August 3, 2015.

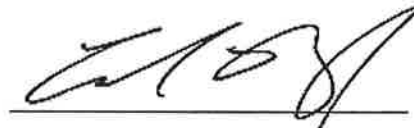
The document number of this corporation is N15000007689.

I further certify that said corporation has paid all fees due this office through December 31, 2023, that its most recent annual report/uniform business report was filed on April 5, 2023, and that its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Fifth day of April, 2023*




Secretary of State

Tracking Number: 9206318186CC

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State of Florida

Department of State

I certify from the records of this office that KID'S COMMUNITY COLLEGE SOUTHEAST MIDDLE CHARTER SCHOOL, INC. is a corporation organized under the laws of the State of Florida, filed on August 5, 2015, effective August 3, 2015.

The document number of this corporation is N15000007688.

I further certify that said corporation has paid all fees due this office through December 31, 2023, that its most recent annual report/uniform business report was filed on April 5, 2023, and that its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Fifth day of April, 2023*




Secretary of State

Tracking Number: 9154373255CC

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Shirley S. Bhat

Board Chair/President

Mrs. Bhat has an extensive academic and community service background that spans over nineteen years. She holds Masters Degrees in Psychology and Criminal Justice (earning Summa Cum Laude and President's List honors), has attended law school and is currently pursuing a Masters of Art in Marriage and Family Counseling. As a community activist, she has served her community through involvement with the chambers of commerce, justice programs, crisis centers, National Honor Societies, Rotary Club, Women's club, the National Organization for Human Services and the Florida Counsel Against Sexual Violence.

She holds additional certifications in HIPAA privacy security and research training, advocacy core training, suicide prevention, collaborative institutional training, board member education, student leadership, education for advocacy, accounting and as a Certified Nursing Assistant.

In addition to being energetic with excellent customer service skills that allow her to connect with the community in various settings, she is a motivated leader with an exceptional history and expertise in communicating with diverse populations in a constructive, creative and professional manner.

DR. Richard Rivas

Vice Chair/Vice President

Dr. Rivas is a leading innovator in Health Care Education and Administration with extensive experience educating providers in regulatory compliance, research management, and leadership development. He holds a BA in Biology/Pre-Medicine with a minor in Spanish/Hispanic Literature from Middlebury College, a Masters of Science in Biomedical Science from Barry University, and a Doctorate in Organizational Leadership from A.T. Still University College of Health Sciences.

His passion to serve the community includes leading the Men's Ministry at The Crossing Church South Shore Campus, the Faith Community Nursing Ministry with BayCare, and Medical Missions with Faith in Practice in Guatemala. Dr. Rivas also serves as a Guardian Ad Litem PAL in Hillsborough County.

Robert P. Blount III

Secretary

Mr. Blount is an experienced, versatile, hands-on Executive with a proven track record in strategic planning, marketing and business operations - combined management experience in for-profit and non-profit corporations. He has earned reputation for being an analytical thinker with excellent written and verbal communications skills. He holds a Bachelor of Science degree in Agricultural Business with a minor in Business Economics and has participated in both the Strategic Perspectives in Nonprofit Management program with the Harvard Business School and Leadership Development Program Management Institute at Eckerd College.

He, along with the Hillsborough County Department of Human Services and the United States Attorney's Office Middle District of Florida, founded in Hillsborough Ex-Offender Re-Entry Network (HERN) which promotes public safety by increasing awareness about the needs of ex-offenders returning in Hillsborough County.

Under Robert's leadership, Abe Brown Ministries worked together with community partners to establish Children in Hillsborough of Incarcerated Parents (CHIPS). CHIPS is committed to connecting resources and systems of support to meet the needs of children in Hillsborough County whose parents are incarcerated with a vision of eliminating generational incarceration. He also serves as Director of Ready4work-Hillsborough - launching the first replication of the nationally-acclaimed Ready4Work program in Hillsborough County, providing case management, life and job skills training, life-coaching/mentoring, and job placement assistance to citizens returning to the community after incarceration in Florida's prisons.

Paul Brockett

Treasurer

As disciple in Jesus Christ, his passion to serve the community begins with leading his family at home and in leadership in the Men's Ministry at The Crossing Church Southshore Campus. He holds a Bachelor of Science degree in Accounting from Florida State University. He is a dependable and personable accounting professional with over eighteen years of accounting

experience within multiple industries, currently holding a position as Director of Sales Analytics with his current employer. Utilizing these skills, with integrity and humility, he intends to influence the mountain of education, contributing to the success of the school programs at each campus through a common set of standards and expectations. He is dedicated to the well-being and educational success of every child.

Kenneth R. Scarborough

Mr. Scarborough has over twenty-seven years of administrative and management experience. Has has a BS in Business Administration Management and a Masters of Public Health in Health Services Administration from the University of South Carolina. He also holds a Masters of Divinity in Youth and Family from Denver Seminary.

His extensive work experience includes Manhattan Psychiatric Center (NY), the NYC Department of Correction. Neighborhood Ministries, Save Our Youth and the Center for Action Research on Urban Schools and Effective Leadership at the University of South Florida. He consults in management, strategic planning, community capacity building, and mentoring and served for more than a decade as the Male Involvement Coordinator and Board Liaisons for REACHUP, inc. He also serves as liaison for other community based organizations.

Governing Board Responsibilities

Serving on a public, not-for-profit charter school board is a position of public trust and fiduciary responsibility. It's an excellent way to have a substantial, and ongoing, impact on a school and in the community. With this in mind, the Kid's Community College® (KCC) Governing Boards are independently responsible for ensuring the quality of the school program at each campus, ensuring competent stewardship of public funds, overseeing the school's fulfillment of its public obligations and meeting all terms of its charter.

In fulfillment of these duties, the KCC Governing Boards develop policies that constitute some of the most important decisions that the Kid's Community College® charter schools will make. Each school's Board is liable for its own policies in a court of law and ensuring staff members are clear about how and what they're supposed to implement. The KCC Governing Boards create a common set of standards and expectations for each Kid's Community College® charter school so that similar policies don't have to be reinvented over and over again.

KCC charter schools are locally governed and do not employ the use of Educational Management Organizations, Charter Management Companies or other for-profit educational management companies. Unlike traditional school districts, KCC charter schools are separate non-profit 501c3 entities, each with its own Governing Board. Some Board members may serve on the Boards of more than one school, but each school typically has Board members from the local school and community. This balance allows for both a local and global view that encourages input and collaboration from all stakeholders.

The KCC Governing Board members believe that every child deserves to attend an excellent school and that every student is a unique individual with unique needs, capabilities, and desires. Their objective is to ensure that all students will be given every possible opportunity to develop their individual intellectual curiosity, physical and mental well-being, moral values, self-esteem, artistic appreciation and expression, interpersonal skills and academic abilities.



Kid's Community College® Charter Schools
Superintendent Job Description

JOB DESCRIPTION

The Superintendent shall be the chief administrative officer for the Kid's Community College central office (District). The position is responsible for the effective operation of the Kid's Community College® District; for the general administration of all shared resources as assigned by the Governing Board, business or other operations of the District; and for advising and making recommendations to the Board with respect to such activities.

Essential Duties & Responsibilities include but are not limited to:

1. Primary Activities

The Superintendent shall possess the following powers and be charged with the following duties:

- A. To be the chief executive officer of the District, with the right to speak on all matters before the Board, but not to vote
- B. To enforce all provisions of law and all rules and regulations relating to the support and management of the schools and other educational, social and recreational activities under the direction of the Board.

2. Responsibilities

- A. Keep the Board informed of the condition of the Kid's Community College® educational system; assure effective communication between the Board and KCC campuses. Keep the Board advised on school matters.
- B. Contribute to the agenda for Board meetings, in consultation with the Chairman of the Board. Prepare and submit recommendations to the Board relative to all matters requiring board action, placing before the Board such necessary and helpful facts, information, and reports as are needed to insure the making of informed decisions.
- C. Submit to the Board a clear and detailed explanation of any proposed procedure which would involve either departure from established policy or the expenditure of substantial sums.
- D. Develop and recommend to the Board objectives of the educational system; see to the development of internal objectives which support those of the Board.
- E. Develop and recommend to the Board long-range plans consistent with population trends, cultural needs, and the appropriate use of facilities, and see to the development of long-range plans which are consistent with Board objectives.
- F. See to the development of specific administrative procedures and programs to implement the intent established by Board policies, directives and formal actions.

- G. See to the uniform execution of all decisions of the Board.
- H. See that sound plans of organization, educational programs and services are developed and maintained for the Board.
- I. Ensure adequate records for the school system, including systems to support the accurate reporting of financial accounts, business and property records, personnel records, student population and scholastic records.
- J. Collaborate on news releases and/or other items of public interest emanating from the District which pertain to education matters, policies, procedures, school related incidents or events. Approve media interviews of this nature with Public Relations personnel.
- K. Provide for the optimum use of the staff of the District. See that the District is staffed with competent people who are delegated authority commensurate with their responsibilities and in accordance with the Board approved budget and campus personnel resource plans.
- L. See that appropriate professional development opportunities are afforded to all personnel in the District and to attend such regular and occasional meetings as are necessary to carry out the educational programs of the District.
- M. See to the development throughout the District of high standards of performance in educational achievement, public responsibility, and operating efficiency.
- N. See that the development, authorization, and the maintenance of the budgetary procedure is properly administered.
- O. See that all funds, physical assets, and other property of the District are appropriately safeguarded and administered.
- P. File, or cause to be filed, all reports, requests and appropriations as required by various governing bodies and/or Board policies.
- Q. Establish and maintain liaison with community groups which are interested or involved in the educational programs of the District.
- R. Establish and maintain liaison with the LEA, State Education Department, colleges and universities, and the U.S. Department of Education.
- S. Act on own discretion in cases where action is necessary on any matter not covered by Board policy or directive. Report such action to the Board as soon as practicable and recommend policy in order to provide guidance in the future.

Primary Relationships

The superintendent observes and conducts the following relationships:

- A. Governing Board

- 1) As chief executive officer, be accountable to the Board for the administration of the Kid's Community College® District and for the interpretation and fulfillment of the aforesaid functions, primary activities and responsibilities.
- 2) Attend, or have a representative attend, all meetings of the Board.
- 3) Represent the District as the chief executive officer in dealings with other school systems, professional organizations, business firms, agencies of government and the general public.
- 4) Report directly to the Board.
- 5) Act as reference agent for problems brought to the Board.
- 6) Work with the Board to develop appropriate programs and policies, upon either the recommendation of the schools, superintendent or the initiative of the Board.

B. Administrators

- 1) Directly oversee the work of other central office personnel.
- 2) Hold regular meetings with Campus Directors, Coordinators and all other administrators to discuss progress and educational problems facing the District.

C. Others

- 1) Work with advisors, including auditors, architects, attorneys, consultants and contractors.
- 2) Hold such meetings with other employees as is necessary for the discussion of matters concerning the improvements and welfare of the schools.
- 3) Represent the District when necessary before the public, and maintain, through cooperative leadership, both within and without the District of Kid's Community College®, such a program of public relations as may keep the public informed as to the activities, needs and successes of the District.
- 4) Receive and review a copy of all complaints, comments, concerns and criticisms regarding the operation of the District from the public, employees of the District, students and other parties.

This list of essential functions is not intended to be exhaustive. Kid's Community College® reserves the right to revise this job description as needed to comply with actual job requirements.

REQUIRED QUALIFICATIONS

Previous experience as a CEO, school administrator or educational entrepreneur. Bachelor's degree in discipline relating to the job requirements. Extensive administrative experience, primarily in executive level roles.

KNOWLEDGE OF:

District and State laws and procedures affecting instruction and know how to execute programs that will improve teaching and learning. Business startups, financials and financing, best practice implementation, team building techniques and charter school law.

Articulating a vision for children's education and weaving that vision into the mission of the Kid's Community College® schools; organizing support for that vision through strategic planning, shared decision making, board member involvement and use of key instructional strategies. Constantly evaluating and assessing Kid's Community College® programs and practices.

PHYSICAL DEMANDS AND WORKING CONDITIONS

The physical requirements indicated below are examples of the physical aspects that this position must perform in carrying out the essential functions of the position.

Physical Demands: Walk, look downward, turn neck (up to continuously) sit, bend, (frequently); stand, stoop, squat, reach, push, pull, (Occasionally; kneel, crawl. Climb (infrequently); grasp/manipulate materials & supplies (continuously); lift items to 10 pounds (frequently), carry to 10 pounds (occasionally), lift/carry to 40 pounds (infrequently).

Working Conditions: Primary environment: ambient room temperatures, lighting and traditional office equipment as found in a typical office environment. May occasionally require exposure to: Indoor classrooms, exposure to: student noise and music, odors of food and science projects, possible communicable diseases or unruly students. Outdoor schoolyard and grounds, exposure to; temperatures, dust, pesticides and smoke (seasonally).

Acknowledged: _____

_____ employee initials

**Resume of
Timothy B. Kilpatrick, Sr.**
Superintendent, KCC Charter Schools

SUMMARY

Hands-on, Senior Level Executive with over 30 years experience providing strategic, business, analytical, financial, and operating consulting and leadership to start-ups, turnarounds, mergers, high-growth ventures and major regional companies. Reputation for effective interpersonal, written communication and oral presentation skills. Proven abilities in organizing management workflow and utilizing a proactive approach to problem solving. Works closely and effectively with all levels of management, customers and vendors to meet organizational priorities and goals. Demonstrated commitment to leadership/teamwork through positive contributions in boosting employee morale, streamlining systems, and improving company-wide processes and productivity.

Extensive experience in school development, IT and early childhood education user training, system integration and implementation, project management, building and managing teams, providing technical expertise, leadership and strategic direction across various lines of business. Skilled at developing and implementing ERP, CRM, Sales, Web and database and reporting technologies to improve processes and services. Visionary who synthesizes facts, events and concepts to develop realistic short and long-range plans. Successful in balancing cost and quality with development and delivery timelines.

Experience and Qualifications:

- Strategic Planning and Development
- Early Childhood Educational Business Policy and Procedure Design and Development
- Efficiency and Performance Improvement
- Profit and Loss Management
- Human Resource Affairs and Teaming
- Business and Systems Analyst
- Grant, Proposal and Presentation Expert
- Charter School Startup and Operations
- Corporate Finance, Treasury and Accounting
- Departmental and Organizational Startup, Design and Development
- Multi-Site Operations Management
- Information Systems and Technologies
- Project Management
- Have held Sr. Consultant, Director, VP, President, CEO and Chairman appointments

PROFESSIONAL EXPERIENCE

Kid's Community College
Superintendent

2013 - Present

Chief Administrative Officer for the Kid's Community College central office (District). The position is responsible for the effective operation of the Kid's Community College® District; for the general administration of all shared resources as assigned by the Governing Board, business or other operations of the District; and for advising and making recommendations to the Board with respect to such activities. Kid's Community College has four campuses in central Florida serving more than 1,300 students and over 130 associates. Secured over 6M in startup funding and 9M in operational funding annually.

Kid's Community College - Riverview South
Campus Director

2011 - 2013

Under the supervision of the Governing Board, responsible for establishing a positive school culture, community relationships and high levels of student achievement. This included, but was not limited to developing and managing a 348 student, 35 associate, elementary school campus. Developing, managing, and conducting student, faculty and school evaluations for review by the Board of Directors. Evaluation of progress related to financial, student, faculty and school goals. School was designated as High-Performing by the State of Florida during my tenure in this role. Achieved 100% enrollment each year. Identified as Best Places to Work each year by the Tampa Bay Times and Tampa Bay Business Journal. Won two Small Business awards, an Innovation in Business award and Best Parochial School award.

The Committee for Academic Excellence, Inc.
ERF Executive Director

2006 - 2011

Responsible for the executive level oversight, management, performance, compliance, strategic and technological direction of two Department of Education ERF 5M in awards serving over 350 students, 30 employees, and 12 early childhood centers over two, three-year period project awards. Successfully wrote grants for funding, implemented interventions and exceeded program goals each year. Lead team through all aspects of compliance including annual

**Resume of
Timothy B. Kilpatrick, Sr.**
Superintendent, KCC Charter Schools

audits, 3 DOE program visits, 2 desk monitorings, 1 ERF presentation at ERF conference and all GPRA and Annual Reporting Requirements.

Kid's Community College® Franchises, LLC
President, CEO

2002 - Present

Responsible for the executive level management, performance, marketing, strategic and technological direction and financials of a 300 student, 52 employee, early childhood educational franchise system – overseeing 4 early childhood, elementary and middle school campuses. Successfully positioned company for NAC, NAEYC and AdvancED national accreditation, international franchising and a public charter school offering grades K-8. Grew organization from 1 to 5 campuses.

Position Highlights: Developed startup, expansion and strategic business plans, educational and performance balanced scorecard measurements, marketing plan, staff recruitment plan, personnel and customer handbooks, campus policy and procedures, franchise circular and legal agreements. Break-even attained in month 5, profitability in month 7. Client satisfaction rating of 98.2%, personnel satisfaction rating of 98.6% and a sustained enrollment of 115%.

Develop framework used for all information technologies employed: Developed web presence for profit and non-profit sectors, providing intra and extranet student family access to academic, assessment and developmental data. Developed all administrative, student, family and financial reports utilizing SQL, ODBC connectivity, Crystal Reports, MS Office, IQ and Visual Basic. Implemented wireless network infrastructure for seamless system access throughout campus. Identified business and customer requirements, evaluated office management, reporting, security, regulatory and in-service training needs against best practices in selection of application and hardware systems. Developed Individual Development and Educational Plan (IDEP) process to identify individual learning modalities and training requirements while increasing human capital intelligence. Developed the KCC Balanced Scorecard to continually monitor and measure performance in four critical success business perspectives – student, financial, training/development and instructional/administrative.

Authored creation of the Campus Parent Advisory (CPA) Committee to promote open communication and foster process improvement among student families, teachers, administration and ownership. CPA activities have resulted in a 2.3% net operating expense reduction.

Architect and Chairman of the Committee for Academic Excellence and architect of the ONE³ community outreach initiative, a non-profit professional consortium of educators, doctors, legal professionals, businesses, parents and community-based organizations dedicated to strengthening communities through higher levels of educational achievement, character development, professional collaboration and family involvement.

Developed and instituted ABC recognition program for staff, which reinforces the company mission statement, goals, quality commitment, professional development and employee intellectual improvement.

Created functional requirements and overall specifications for Community Technology Center program to educate the community on effective uses of technology and business strategies.

Authored Charter School design and application for Hillsborough County School Board.

Formation Technologies, LLC – Riverview, FL
President, CEO/CIO
President

2002 - Present

Application of system analysis techniques and procedures including consulting with educational users and district clients to determine hardware/software or system functional specifications, write charter applications and CSP grants. Coordination and implementation of system and business processes in an orderly and professional manner. Computer education and user training. Developed and maintain relations with various clients in the local business community. Explain and market services to prospective clients. Promote services through conventions, public relations, trade shows, etc. School District and Florida Department of Education Vendor.

Gourmet Award Foods, Southeast – Plant City, FL
President, CEO/CIO

1993 - 2002

Regional VP of Information Technology

Sr. Information Technology Executive responsible for the financial performance, technical direction, strategic positioning and operational support of three data centers within Southeastern Region of Tree of Life, Inc. - a \$2 billion, 4,000

**Resume of
Timothy B. Kilpatrick, Sr.**
Superintendent, KCC Charter Schools

employee international marketing and distribution company. Managed an annual budget of \$2.6 million and a 17 member, cross-functional IT team. Hired as Senior Programmer Analyst and received progressively responsible promotions to senior level executive within two years.

Position Highlights: Orchestrated the design, development and deployment of the PICS200R sales force automation project (Cover feature of IBM's Distribution Digest, summer 1997). ROI (\$1.2 million) realized in 11 months. Developed training plan, technical documentation, policy and procedures for entire sales and support staff – elevating route sales personnel ordering, technology and process competencies while drastically improving the order entry process cycle. Regularly promoted, trained and developed office and warehouse personnel to “super user”, programming, operations and support IT roles.

Effectively negotiated and restructured vendor leases and maintenance contracts to meet business needs resulting in an annualized savings of \$212K per division.

Implemented comprehensive disaster recovery plan that resulted in a 99.97% system availability rate and was adopted as a model for all U.S. and international TOL companies.

Implemented networking schemes and architectures to allow for maximum throughput and unparalleled accessibility, scalability and manageability - remote system access was improved from a 10 point dial-up mode, to providing global access for all employees using a combination of web, VPN and proprietary access points. EDI and B2B systems were developed which radically improved supply chain efficiency, financial impact and customer relationships.

Appointment as one of four core team members of B.E.S.T. ERP Project – a company wide initiative to identify, evaluate and implement application, industry, inter-company, departmental and user best practices throughout all lines of business. Managed \$32M best of breed ERP implementation (JDE OneWorld, PkMS, E3, Extol EDI, Manugistics and EAI Middleware) that replaced disparate legacy systems in 16 divisions.

Individually responsible for developing and providing business environment surveys, exposure assessments, impact analysis, solution and implementation plan for Year 2K challenge.

Demonstrated high quality, results-driven, prompt and professional customer service and support to instill confidence in technical advice and directions.

Provided recommendations concerning business policy, resource allocation, and strategic planning activities to improve bottom-line financial performance.

Instituted JEDI system which allowed B2B, B2C, web, proprietary and inter-company EDI transactions through a single portal.

Bausch & Lomb Pharmaceuticals - Tampa, FL

1990 - 1993

Project Leader/Sr. Programmer Analyst

Responsible for the design, support and maintenance of all Sales Analysis, Financial and data reporting systems and management of related IT projects for the pharmaceutical division of a \$1.8B eye Health Company during startup and restructuring phases. Sole Project Leader for all Technology driven business solutions.

Position Highlights: Converted core business systems from proprietary Progress database to JDE in an AS/400 and RS/6000 environment. Project Lead on all IT related system conversion and implementation projects. Assignment as lead technical advisor for new system development in the areas of warehouse and distribution, manufacturing, customer service, sales, purchasing and finance.

Responsible for training one analyst, two Jr. Programmers and one Network Administrator. Received organizational recognition for exceeding goals and objectives in system design, development and implementation.

Arundel Systems and Consultants - Tampa, FL

1988 - 1990

Systems Analyst/Programmer – Sr. Consultant

Worked with clients evaluate and solve business process and technical problems. Evaluated existing systems and/or user needs to analyze, design, recommend, and implement system changes.

**Resume of
Timothy B. Kilpatrick, Sr.**
Superintendent, KCC Charter Schools

Position Highlights: 1 year assignment as Sr. Programmer Analyst/Senior Consultant for IBM Logistics Laboratory, Charlotte, NC.

IBM Business Partner/Consultant for such clients as Nintendo of America, William-Sonoma and Toyota Motors, Inc.

EDUCATION, AWARDS AND AFFILIATIONS

- B.S. Management Information Systems, University of Tampa, Tampa, FL (1990)
- A.S. Computer Programming, Prospect Jr. College, Hollywood, FL (1986)
- Dale Carnegie Leadership Training for Managers
- Balanced Scorecard Performance Management System – Applied Theory, Development and Application
- MS Project 98 Introduction and Advanced Components
- IBM Project Management Fundamentals
- PkMS Warehouse Management System, Analysis and Design
- Member of the Brandon Chamber of Commerce Women and Minority Owned Business Council
- Tree of Life Annual Executive Management Series
 - Listen Up Leader – Promoting Listening and Assessment Skills for Executives
 - Aim High – Exceeding Customer Expectations in Daily Operations
 - The Power of Focus – Achieving Business and Financial Objectives through Effective Planning
 - Effective CEO – Developing Traits for Executive Level Success
 - We are Family – Creating the Foundation for Success Through Teamwork
- Board of Trustee Member, 1st Baptist Church of College Hill
- Small Minority Business Man of the Year, Minority Economic Business Development Council, 2007
- Small Minority Business Man of the Year Finalist, Greater Brandon Chamber of Commerce, 2007
- Tampa Bay Business Journal Best Places to Work Finalist – Kid's Community College® 2005
- Best Places to Work 9 years (2006-1015) - Tampa Bay Business Journal
- Tampa Bay Times Top Places to Work 2014-15
- AdvancED Accredited Membership (Kid's Community College)
- NAF Accreditation (Kid's Community College HS)
- International Baccalaureate PYP and MYP Accreditation (Kid's Community College SE and SEM)



JOB TITLE:	Professional Standards and Compliance Administrator	DEPARTMENT:	Legal and Compliance
LOCATION:	DISTRICT	EXEMPTION STATUS:	Exempt

DESCRIPTION

Kid's Community College strives to ensure all of its employees maintain high professional standards. The Professional Standards and Compliance Administrator will coordinate all professional training and maintain a professional development system to meet requirements for professional preparation and education competence, ensure Board of Directors governance training, and ensure organizational development and KCCYUniversity Professional Development Programs. This position will also support KCC's organizational compliance program by conducting research, compliance reviews and investigations under the direction of the Legal and Compliance Director.

ESSENTIAL JOBS FUNCTIONS:

Training

- Create and maintain a positive and professional learning environment
- Must be a leader that sets the standard and expectations through example in his/her conduct, work ethic, integrity and character
- Able to deliver, project and motivate trainees through effective training methodologies both in group and individual classroom dynamics
- Manage the design, delivery and continuous improvement of KCCYUniversity and other training programs as well as on-going learning opportunities across the organization, in support of the organization's needs
- Develops course outlines and course content for all KCCYUniversity related training
- Develops an online course catalog for all KCCYUniversity courses
- Utilize a variety of the training methodologies, techniques, concepts, learning tools, and practices to ensure maximum effectiveness of training programs
- Conduct specific training needs assessments to support the design, development and delivery of corporate training programs and strategies
- Monitor and measure effectiveness of all training programs
- Partner with individual departments to outline deliverables, expectations and risks, to include specific training needs for staff
- Proactively work with the Management team to identify and resolve issues
- Create high quality deliverables within project budget and policy deadlines
- Actively monitor progressive disciplinary process for employees not able to meet or maintain standards of excellence that may require additional training and development
- Manage training budget effectively, if applicable
- Performs other related duties as assigned or requested
- Meet as needed with HR and Legal and Compliance Director to review performance indicators
- Participate in talent search, job fairs and retention efforts.

Compliance Support

- Perform compliance reviews by auditing programs, policies and procedures to ensure professional standards are met
- Conduct research and ensure application of legal requirements to organization
- Conduct investigations initiated by Board of Directors
- Provide support to Legal and Compliance Director, including research, litigation support, investigations, and other legal support as assigned

QUALIFICATIONS:

- Training experience – proficient in training methodologies, curriculum development and soft skills (communication skills, critical thinking, time management, team building, etc.)
- Minimum 3 years' experience as a trainer; and experience in the hospitality industry, or travel industry, or as a customer service specialist; preferably in a supervisory or management position
- Bachelor's degree in Adult Education, or related field, OR any appropriate combination of education and experience
- Must have a "big" picture focus in both departmental and company strategy
- Demonstrated ability to successfully develop and deliver training programs utilizing skills in instructional design, program design & development, and training methodologies
- High energy, enthusiastic, motivational training style
- Excellent creative and conceptual thinking abilities
- Strong communication skills, both verbal and written
- Working knowledge of MS Office, MS Windows, Mac OS Pages and Numbers knowledge a plus and other visual aids technology
- Strong history of executing the vision of the organization
- Strong organizational, planning, project management, problem resolution, communication, presentation, facilitation, and influencing skills required
- Strong people management and leadership skills
- Superior organizational skills, attention to detail/level of quality, communication (written and verbal), and guest service skills
- Coursework or degree in Law strongly preferred

PHYSICAL DEMANDS AND WORKING CONDITIONS

Working conditions are normal for an office environment – some light lifting may be required. This role routinely uses standard office equipment such as computers, phones, photocopiers, filing cabinets and fax machines. Able to work a flexible schedule including weekends, holidays and evenings to accommodate training, monitoring and supervisor coverage

I understand that acceptance of an offer of employment does not create a contractual obligation upon KCC Employees, LLC and its affiliates to continue to employ me in the future. I understand that any dispute concerning employment with KCC Employees, LLC and its affiliates must be submitted to arbitration under the arbitration provisions of the associate manual.

Employee Name	Employee Signature	Date
Manager Name	Manager Signature	Date
Human Resource	Human Resources Signature	Date

The above information on this description has been designed to indicate the general nature and level of work performed by an employee in this classification. It is not to be interpreted as a comprehensive inventory, or all duties, responsibilities, and qualifications of employees assigned to this job. Management has the right to add to, revise, or delete information in this description. Reasonable accommodations will be made to enable qualified individuals with disabilities to perform the essential functions of this position.



JOB TITLE:	Professional Standards and Compliance Administrator	DEPARTMENT:	Legal and Compliance
LOCATION:	DISTRICT	EXEMPTION STATUS:	Exempt

DESCRIPTION

Kid's Community College strives to ensure all of its employees maintain high professional standards. The Professional Standards and Compliance Administrator will coordinate all professional training and maintain a professional development system to meet requirements for professional preparation and education competence, ensure Board of Directors governance training, and ensure organizational development and KCCYOUiversity Professional Development Programs. This position will also support KCC's organizational compliance program by conducting research, compliance reviews and investigations under the direction of the Legal and Compliance Director.

ESSENTIAL JOBS FUNCTIONS:

Training

- Create and maintain a positive and professional learning environment
- Must be a leader that sets the standard and expectations through example in his/her conduct, work ethic, integrity and character
- Able to deliver, project and motivate trainees through effective training methodologies both in group and individual classroom dynamics
- Manage the design, delivery and continuous improvement of KCCYOUiversity and other training programs as well as on-going learning opportunities across the organization, in support of the organization's needs
- Develops course outlines and course content for all KCCYOUiversity related training
- Develops an online course catalog for all KCCYOUiversity courses
- Utilize a variety of the training methodologies, techniques, concepts, learning tools, and practices to ensure maximum effectiveness of training programs
- Conduct specific training needs assessments to support the design, development and delivery of corporate training programs and strategies
- Monitor and measure effectiveness of all training programs
- Partner with individual departments to outline deliverables, expectations and risks, to include specific training needs for staff
- Proactively work with the Management team to identify and resolve issues
- Create high quality deliverables within project budget and policy deadlines
- Actively monitor progressive disciplinary process for employees not able to meet or maintain standards of excellence that may require additional training and development
- Manage training budget effectively, if applicable
- Performs other related duties as assigned or requested
- Meet as needed with HR and Legal and Compliance Director to review performance indicators
- Participate in talent search, job fairs and retention efforts.

Compliance Support

- Perform compliance reviews by auditing programs, policies and procedures to ensure professional standards are met
- Conduct research and ensure application of legal requirements to organization
- Conduct investigations initiated by Board of Directors
- Provide support to Legal and Compliance Director, including research, litigation support, investigations, and other legal support as assigned

QUALIFICATIONS:

- Training experience – proficient in training methodologies, curriculum development and soft skills (communication skills, critical thinking, time management, team building, etc.)
- Minimum 3 years' experience as a trainer; and experience in the hospitality industry, or travel industry, or as a customer service specialist; preferably in a supervisory or management position
- Bachelor's degree in Adult Education, or related field, OR any appropriate combination of education and experience
- Must have a "big" picture focus in both departmental and company strategy
- Demonstrated ability to successfully develop and deliver training programs utilizing skills in instructional design, program design & development, and training methodologies
- High energy, enthusiastic, motivational training style
- Excellent creative and conceptual thinking abilities
- Strong communication skills, both verbal and written
- Working knowledge of MS Office, MS Windows, Mac OS Pages and Numbers knowledge a plus and other visual aids technology
- Strong history of executing the vision of the organization
- Strong organizational, planning, project management, problem resolution, communication, presentation, facilitation, and influencing skills required
- Strong people management and leadership skills
- Superior organizational skills, attention to detail/level of quality, communication (written and verbal), and guest service skills
- Coursework or degree in Law strongly preferred

PHYSICAL DEMANDS AND WORKING CONDITIONS

Working conditions are normal for an office environment – some light lifting may be required. This role routinely uses standard office equipment such as computers, phones, photocopiers, filing cabinets and fax machines. Able to work a flexible schedule including weekends, holidays and evenings to accommodate training, monitoring and supervisor coverage

I understand that acceptance of an offer of employment does not create a contractual obligation upon KCC Employees, LLC and its affiliates to continue to employ me in the future. I understand that any dispute concerning employment with KCC Employees, LLC and its affiliates must be submitted to arbitration under the arbitration provisions of the associate manual.

Employee Name	Employee Signature	Date
Manager Name	Manager Signature	Date
Human Resource	Human Resources Signature	Date

The above information on this description has been designed to indicate the general nature and level of work performed by an employee in this classification. It is not to be interpreted as a comprehensive inventory, or all duties, responsibilities, and qualifications of employees assigned to this job. Management has the right to add to, revise, or delete information in this description. Reasonable accommodations will be made to enable qualified individuals with disabilities to perform the essential functions of this position.

Certifications
**Florida Circuit Civil
Mediator**

Education
**Atlanta's John Marshall
Law School**
Juris Doctor
(1999)

**University of West
Georgia**
Bachelor of Science
Criminal Justice
(1996)

Volunteer Experience
**Kid's Community
College Charter School
Governing Board
Member/Chair**
(2013 - 2016)

**New Freedom Christian
Center Board Trustee**
(1999 - 2007)

LinkedIn Profile
[https://
www.linkedin.com/in/
ternica-
blackmon-84a76b13/](https://www.linkedin.com/in/ternica-blackmon-84a76b13/)

PROFILE

Organizational compliance support, development and training management professional with seventeen years experience within nonprofit and for-profit corporations.

EXPERIENCE

Professional Standards and Compliance Administrator

Kid's Community College Charter Schools, Riverview, FL

September 2016 - Present

Primary responsibility for regulatory compliance program administered through conducting research, compliance audits and investigations as a part of the Legal and Compliance team. Coordinate and maintain a professional development system for K-12 education professionals. Establish and conduct training programs for career advancement, ethics and to assist education professionals in meeting certification requirements. Serve as the liaison between corporate officers and governing board.

Licensing & Compliance Manager

Rialto Capital Management (Quantum Servicing)

November 2011 - August 2016

Responsible for day to day management and oversight of the Licensing and Compliance Department and Loan Administration Correspondence.

Licensing/Compliance Specialist (November 2012- January 2015): Ensured compliance with all federal and state licensing changes, updates and revisions through the National Mortgage Licensing System, and other Federal and State resources. Coordinated responses for federal and state required quarterly and annual reports, and state examinations. Ensured all required mortgage bonds were obtained, maintained and renewed, as necessary. Worked closely with outside counsel to ensure overall department success and compliance.

Loan Administration Correspondent (November 2011-November 2012): Drafted responses to all regulatory, executive and borrower, initiated complaints pursuant to RESPA guidelines. Provided accurate and timely response to all credit bureau disputes both written and E-Oscar generated.

Tracked and reported complaints and requests utilizing systems and workflow tools. Coordinated and leveraged other departments to compile an accurate, fact based, response.

Academic Program Director of Legal Studies

Firestarter Award Recipient (2011)

Corinthian Colleges, Lakeland, Florida

July 2009 - November 2011

Directed all academic activities for over 200 students within the Criminal Justice and Paralegal degree programs. Was integral in student retention initiatives, increased graduation rates and increased revenue. Provided academic advising and counseling services; registered students for required classes, addressed concerns, and generated critical tracking audit sheets to ensure students were on track for graduation. Maintained departmental file for ACICS accreditation; participated in annual internal audit process. Interacted with all departments campus-wide; evaluated and reviewed curriculum and textbooks.

Adjunct Professor, Legal Studies

Corinthian Colleges, Lakeland, Florida

2009

Taught courses in Wills, Trust & Probate and Contracts and Family Law Education.



**Kid's Community College®
Job Description**

Job Description: Campus Director
Campus Location: Hillsborough County
Reports To: Governing Board
FLSA Status: Exempt

JOB SUMMARY/PURPOSE:

Under the supervision of the Governing Board, be responsible for establishing a positive school culture, community relationships and high levels of student achievement. This includes, but is not limited to, developing and managing a high school campus. Develop, manage, and conduct student, faculty and school evaluation for review by the Board of Directors. Evaluation of progress related to financial, student, faculty and school goals.

ESSENTIAL DUTIES & RESPONSIBILITIES INCLUDE (but are not limited to):

- Endorse and uphold the vision, mission and objectives of the organization
- Responsibilities include facilitating curriculum development and integrating the Kid's Community College® IDEP process, MIDAS Profile and Multiple Intelligences at the beginning of the academic year
- Professor selection, supervision and evaluation
- Facilitate, encourage and direct parent involvement and student recruitment
- Supporting professor's ongoing professional development
- Managing school discipline and supporting school-wide programs
- Managing school program and facilities within budget
- Work with Finance Director to develop annual operating budget
- Overseeing and orchestrating student assessment
- Monitoring, tracking and improving student and school achievement and performance
- Facilitating shared decision-making processes
- Fostering a continuous differentiated learning environment for students at all times
- Attend School District meetings as required
- Ensure maximum FTE revenue and attend FTE Counts
- Conduct initial family meetings and ongoing meetings with student families as needed
- Attend all board meetings and school functions
- Ensure campus is in strict compliance with District and that all required reports, data, testings and other criteria are completed on time
- Manage procurement process for curriculum materials, classroom equipment and supplies, office supplies and miscellaneous supplies
- Ability to prioritize and complete multiple tasks
- Demonstrate accurate judgment in the day-to-day operations of a High School and public interactions

- Manage campus staff, measure performance of staff and the day-to-day operations of a High School
- Adhere to Local, State and Federal funding programs and filing and reporting procedures
- Adhere to Federal, State and County teaching and achievement requirements
- Must communicate effectively at all levels verbally and written
- Computer literate in Windows environment, Microsoft Office appropriate to the position
- Maintain a high-energy, positive attitude and an entrepreneurial spirit
- Must display ethical conduct at all times
- Create and maintain a safe and healthy environment for students, professors (teachers) and families
- Adhere to reporting on a weekly, monthly, quarterly and annual basis
- Develop and work with Campus Parent Advisory Board to aid school in meeting its financial and community goals while encouraging a high level of parental involvement.

This list of essential functions is not intended to be exhaustive. Kid's Community College® reserves the right to revise this job description as needed to comply with actual job requirements.

REQUIRED QUALIFICATIONS

- Minimum of a bachelor's degree with emphasis in education; Masters degree or ED Leadership degree preferred
- Valid Florida Teaching Certificate; Reading Endorsement and ESE Preferred;
- Understanding of academic, social, and behavioral needs and characteristics of students
- Excellent written and verbal communication skills.
- A talent for communicating with young children and encouraging academic achievement is essential.
- Ability to individualize instruction, especially for above level students.

KNOWLEDGE OF:

- Principles, theories, methods, techniques, and strategies pertaining to teaching and instruction;
- Educational curriculum and instructional goals and objectives, and educational trends and research findings;
- Behavior management and behavior shaping strategies, techniques and methods, and conflict resolution procedures;
- Socio-economic and cultural background differences of the school population.
- Howard Gardner's Multiple Intelligence Theory
- Differentiated instructional techniques

PHYSICAL DEMANDS AND WORKING CONDITIONS

The physical requirements indicated below are examples of the physical aspects that this position must perform in carrying out the essential functions of the position.

Physical Demands: Walk, look downward, turn neck (up to continuously) sit, bend, (frequently); stand, stoop, squat, reach, push, pull, (Occasionally; kneel, crawl. Climb

(infrequently); grasp/manipulate materials & supplies (continuously); lift items to 10 pounds (frequently), carry to 10 pounds (occasionally), lift/carry to 40 pounds (infrequently) (occasionally for PE and Industrial Arts teachers) use seeing, hearing and speaking (continuous, in class).

Working Conditions: Indoor classrooms, exposure to: student noise and music, odors of food and science projects, possible communicable diseases or unruly students. Outdoor schoolyard and grounds, exposure to; temperatures, dust, pesticides and smoke (seasonally). Reasonable accommodation may be made to enable a person with a disability to perform the essential functions of the job.

Employee Name (Please print): _____

Employee Signature: _____ Date: _____

(Revised 04/13)

KAREN SEDER

11607 Grange Stead Ln, Riverview, FL 33569 | (813) 714-6423 | kseder44@gmail.com

Professional Summary

Motivated and high-energy, analytically minded, technically savvy professional with extensive educational leadership experience. 18 years of experience in Florida Charter schools including school leadership and responsibilities in area leadership beyond the school setting. 6 additional years in government industry focused on financials, financial systems and manipulating data for reporting purposes.

Skills

- Data Analytics
- Teamwork / Collaboration
- Critical Thinking and Analysis
- Leadership
- Interpersonal communication
- Self-direction
- Scheduling
- Customer Service

Work History

Campus Director

2/2005 to Current

Kid's Community College Riverview South – Riverview, Florida

- Managed a multi-million-dollar budget and K-8 school of 50+ staff members and 600 students
- Maintained enrollment at 95% or more
- Navigated and influenced legislative policy in education
- Oversaw the build of a 40,000+ square foot facility
- Managed the National School Lunch Program for multiple organizations
- COGNIA Accreditation since 2010

Volunteer

12/1999 to 2005

various settings – Riverview, Florida

- volunteered in various organizations that benefitted children

Finance Specialist

11/1996 to 11/1999

Lockheed Martin – Orlando, Florida

- Analysis of manhours and cost

- Development of performance metrics and preparation of related reports.
- Provide guidance to control account managers
- Analyze variances and develop corrective action plans
- Track parts movement through systems and ensure appropriate costs transfer
- Other ad-hoc cost and performance analyses

Financial Management Analyst

5/1993 to 11/1996

Rockwell International – Cape Canaveral, Florida

- Budgets baseline management and reporting
- Works with Estimates on Completion (EOC) analysis and reporting
- Develops resource forecasts and/or Estimates at Completion (EACs) for control accounts, budgets, functions or pools; financial EACs for contracts or programs.
- Initiates analysis of: resource forecasts and/or control account EACs; financial EACs. Compiles data from several sources and develops performance reports.
- Initiates variance analyses and provides understanding of operational and financial performance to management.
- Develops, reviews, analyzes and maintains cost and/or schedule performance measurement baselines, including earned value, and variance analyses and communicates cost and/or schedule trends.

Education

Educational Specialist in Educational Leadership

2012

University of West Florida - Pensacola, FL

Master of Science – Computer Resources and Information Systems Management

1995

Webster University – St. Louis Missouri

Bachelor of Science - Psychology, Minor in Business

1992

University of Central Florida - Orlando, FL

Proposed Financing Summary

Kids Community College® began in 2003 as a single preschool serving 70 students in the Lake Saint Charles community of Riverview, FL. In the two decade since, the educational institution has expanded to offer a national preschool franchise and a K-12 Charter School system with 4 facilities and 150 associates serving approximately 1,460 public school students.

The charter school system holds two charter contracts with the School Board of Hillsborough County, which represents a consolidation of the four contracts it held through 2021. The charter contracts are held by KCC Riverview South, which serves K-12, and Riverview Southeast IB, which serves K-8. The borrower for this transaction (KCCCS Holdings, LLC) will be a limited liability company, the sole member of which will be KCC Riverview South.

The project consists of the acquisition of two facilities, which are located at 10550 Johanna Avenue and 11513 McMullen Road, as further described below, for approximately \$12.3 million. A total of 495 students stations at these two facilities. The Borrower has no intentions to finance any capital improvements or renovations at this time.

Riverview South Upper School
10550 JOHANNA AVE.
RIVERVIEW, FL 33578
Grades served: K-3
Enrollment: 275

Property will be acquired through this transaction.

Riverview South Lower School
10030 MATHOG RD.
RIVERVIEW, FL 33578
Grades served: 4-12
Enrollment: 380

Property will NOT be acquired through this transaction. Facility will continue to be leased through the Wonders program.

Southeast International Baccalaureate School
11519 MCMULLEN RD.
RIVERVIEW, FL 33569
Grades served: K-5
Enrollment: 580

Property will NOT be acquired through this transaction. Facility will continue to be leased through the Wonders program.

Southeast International Baccalaureate School
11513 MCMULLEN RD.
RIVERVIEW, FL 33569
Grades served: 6-8
Enrollment: 220

Property will be acquired through this transaction.

Based on its lottery that was held on April 3, 2023, the organization has decided to expand its Riverview South K-12 lower school (K-3) offering and to not serve grades 9-12 next year, limiting the Riverview South K12 campuses to serve only grades K-8 for the 2023-24 School Year.

Kids Community Charter School

SUMMARY CHART

Scenario	Purchase Price	NPV of Lease Payments	NPV of Bond Net Debt Service	Total Cash Flow Savings through Final Maturity	Total NPV Savings + Building Value
1 Non-Investment Grade	\$12,200,000	\$23,840,934	\$19,291,179	\$10,193,620	\$17,049,755

Assumptions

Interest Rate Scale: BB Rated

Amortization: 35 Years

Final Maturity:

In year 35 (2057), the purchase price of \$12,200,000 is assumed in the total net present value savings calculation, due to the fact that at final maturity the bond will be paid in full and will be an asset on the school's balance sheet. In the lease structure, annual lease payments will continue after 2057 and there will be no asset on the school's balance sheet.

DISTRIBUTION LIST

\$13,000,000

(KID'S COMMUNITY COLLEGE SCHOOLS PROJECT)
EDUCATIONAL FACILITY REVENUE BONDS, SERIES 2023

Issuer

Capital Trust Authority
315 Fairpoint Drive
Gulf Breeze, Florida 32561

Denis McKinnon, III
Executive Director
Phone: (850) 934-4045
Email: dmckinnon@muniad.com

School / Borrower

KCC Schools
11513 McMullen Road
Riverview, FL 33569

Tim Kilpatrick
Superintendent
Phone: (813) 699-4600 x411
Email: tkilpatrick@kidscc.org

Borrower's Counsel

Tripp Scott
110 SE Sixth Street, Suite 1500
Fort Lauderdale, FL 33301

Jeffery S. Wood
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**KID'S COMMUNITY COLLEGE
CHARTER SCHOOL, INC. D/B/A
KID'S COMMUNITY COLLEGE
RIVERVIEW SOUTH**

A Charter School and Component Unit of the
District School Board of Hillsborough County, Florida

INDEPENDENT AUDITOR'S REPORT

for the fiscal year ended JUNE 30, 2020

King & Walker, CPAs, PL

Certified Public Accountants

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**KID’S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID’S COMMUNITY COLLEGE RIVERVIEW SOUTH**

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Independent Auditor's Report

To the Board of Directors Kid's Community College Charter School, Inc.
d/b/a Kid's Community College Riverview South
a Charter School and Component Unit of the
District School Board of Hillsborough County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Kid's Community College Charter School, Inc. d/b/a Kid's Community College Riverview South ("School"), a charter school and component unit of the District School Board of Hillsborough County, Florida, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental 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 from 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 School'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 School'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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School, as of June 30, 2020, and the respective changes in financial position thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedule, and Note to Required Supplementary Information, as shown in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historic context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2020 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering School's, internal control over financial reporting and compliance.

Respectfully submitted,



September 25, 2020
Tampa, Florida

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida
MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

The Management's Discussion and Analysis (MD&A) section of the annual financial report of the Kid's Community College Charter School, Inc. d/b/a Kid's Community College Riverview South ("School") provides an overview of the School's activities for the fiscal year ended June 30, 2020.

Because the information contained in the MD&A is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with the School's financial statements and notes to financial statements, as listed in the table of contents.

FINANCIAL HIGHLIGHTS

- For the fiscal year ended June 30, 2020, the School's revenues exceeded expenses as shown on the School's Statement of Activities by \$411,831.
- As shown on the Statement of Net Position, the School reported an unrestricted net position balance of \$782,048.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements consist of three components:

- ✓ Government-wide financial statements
- ✓ Fund financial statements
- ✓ Notes to financial statements

Government-Wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the School's overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net position and a statement of activities that are designed to provide consolidated financial information about the governmental activities of the School presented on the accrual basis of accounting. The statement of net position provides information about the government's financial position, its assets and liabilities, using an economic resources measurement focus. The difference between the assets and liabilities, the net position, is a measure of the financial health of the School. The statement of activities presents information about the change in the School's net position and the results of operations, during the fiscal year. An increase or decrease in net position is an indication of whether the School's financial health is improving or deteriorating. To assess the overall financial position of the School, one needs to consider additional non-financial factors such as changes in the School student base funding level.

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida
MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

Fund Financial Statements

Fund financial statements are one of the components of the basic financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements provide more detailed information about the School's financial activities, focusing on its most significant funds rather than fund types. This is in contrast to the entity-wide perspective contained in the government-wide financial statements.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize a spendable financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. The financial resources measurement focus allows the governmental fund financial statements to provide information on near-term inflows and outflows of spendable resources as well as balances of spendable resources available at the end of the fiscal year.

The governmental fund financial statements provide a detailed short-term view that may be used to evaluate the School's near-term financing requirements. This short-term view is useful when compared to the long-term view presented as governmental activities in the government-wide financial statements. To facilitate this comparison, both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation of governmental fund to governmental activities.

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the School's most significant funds. The School operates three funds; a General Fund, a Special Revenue Fund, and a Capital Projects Fund. For reporting purposes, the General Fund is considered a major fund. All other governmental funds are non-major and are presented in the aggregate.

The School adopts an annual budget for its governmental funds. A budgetary comparison schedule, as required, has been provided for the General Fund to demonstrate compliance with the budget.

Notes to Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida
MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of the School's current year and prior year net position:

	Net Position, End of Year		
	<u>Governmental Activities</u>		
	<u>6-30-19</u>	<u>6-30-20</u>	<u>Increase (Decrease)</u>
ASSETS			
Current and Other Assets	\$ 388,071	\$ 984,175	\$ 596,104
Capital Assets, net	39,276	23,565	(15,711)
Total Assets	<u>427,347</u>	<u>1,007,740</u>	<u>580,393</u>
LIABILITIES			
Current Liabilities	35,565	52,127	16,562
Long-Term Liabilities	-	150,000	150,000
Total Liabilities	<u>35,565</u>	<u>202,127</u>	<u>166,562</u>
NET POSITION			
Net Investment Capital Assets	39,276	23,565	(15,711)
Unrestricted	354,506	782,048	427,542
Total Net Position	<u>\$ 393,782</u>	<u>\$ 805,613</u>	<u>\$ 411,831</u>

The current assets of the School primarily consists of cash & cash equivalents (91%). Liabilities consist of accounts payable and a long-term note payable. Total net position amounted to \$805,613 as of June 30, 2020 of which \$782,048 is unrestricted.

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida
MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

The following is a summary of the School's change in net position for the current year and prior year:

Operating Results for the Year

	Governmental Activities		
	6-30-19	6-30-20	Increase (Decrease)
Revenues:			
Federal Through State and Local	\$ 311,208	\$ 182,634	\$ (128,574)
State Sources	4,083,736	4,285,219	201,483
Local and Other	524,368	585,571	61,203
Total Revenues	4,919,312	5,053,424	134,112
Expenses:			
Instruction	1,665,891	1,954,710	288,819
Instructional Media	663	-	(663)
Instructional & Curriculum Development	3,084	1,237	(1,847)
Instructional Staff Training	3,620	10,680	7,060
Board of Education	55,700	29,931	(25,769)
General Administration	83,423	84,643	1,220
School Administration	1,218,979	958,422	(260,557)
Facilities Acq. & Construction	901,101	914,705	13,604
Fiscal Services	20,250	33,178	12,928
Food Services	528,321	260,190	(268,131)
Operation of Plant	270,093	340,417	70,324
Community Service	91,945	37,769	(54,176)
Unallocated Depreciation	15,711	15,711	-
Total Expenses	4,858,781	4,641,593	(217,188)
Increase in Net Position	\$ 60,531	\$ 411,831	\$ 351,300

The largest revenue source for the School is the State of Florida (85%). Revenues from State sources for current operations are primarily received through the Florida Education Finance Program (FEFP) funding formula funds.

The largest portion of expenses occurred in the instructional services functions which accounted for 43% of total expenses, school administration function 21% and the functions related to the operation of the School facility which accounted for 27% of total expenses.

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida
MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

FINANCIAL ANALYSIS OF THE SCHOOL'S FUNDS

Governmental Funds

As the School completed the year, its governmental funds reported a combined fund balance of \$882,048.

BUDGETARY HIGHLIGHTS

The General Fund budget for the fiscal year ended June 30, 2020, was developed based on the School's anticipated revenues and expenditures and the expected student population for the school year. Refer to the budgetary comparison schedule for additional information.

CAPITAL ASSETS

The School's investment in capital assets for its governmental activities as of June 30, 2020, amounts to \$23,565 (net of accumulated depreciation). This investment in capital assets includes furniture, fixtures, and equipment, motor vehicles and leasehold improvements. Additional information regarding the School's capital assets can be found in the notes to the financial statements.

DEBT ADMINISTRATION

In the 2019-20 fiscal year, the School entered into a promissory note payable for \$150,000 through the COVID-19 SBA Economic Injury Disaster Loan Program. The remaining balance as of June 30, 2020, of \$150,000 is payable in annual principal and interest payments through June 30, 2050. Additional information regarding the School's long-term debt is located in the notes to the financial statements.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the School's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Campus Director, Kid's Community College Charter School, Inc. d/b/a Kid's Community College Riverview South 10300 Mathog Road, Riverview, FL 33578.

**KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

STATEMENT OF NET POSITION

June 30, 2020

<u>ASSETS</u>	<u>Governmental Activities</u>
Cash & Cash Equivalents	\$ 892,300
Accounts Receivable, Net	41,875
Loan Receivable	50,000
Capital Assets:	
Leasehold Improvements, Net	13,293
Furniture, Fixtures, and Equipment, Net	10,272
Total Capital Assets	<u>23,565</u>
TOTAL ASSETS	<u><u>1,007,740</u></u>
 <u>LIABILITIES</u> 	
Accounts Payable	52,127
Long Term Note Payable:	
Portion Due After One Year	<u>150,000</u>
TOTAL LIABILITIES	<u><u>202,127</u></u>
 <u>NET POSITION</u> 	
Net Investment in Capital Assets	23,565
Unrestricted	<u>782,048</u>
TOTAL NET POSITION	<u><u>\$ 805,613</u></u>

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

**KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

**STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2020**

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position Governmental Activities
Governmental Activities:					
Instruction	\$ 1,954,710	\$ -	\$ -	\$ -	\$ (1,954,710)
Instructional & Curriculum Development	1,237				(1,237)
Instructional Staff Training	10,680				(10,680)
Board of Education	29,931				(29,931)
General Administration	84,643				(84,643)
School Administration	958,422				(958,422)
Facilities Acquisition & Construction	914,705			288,588	(626,117)
Fiscal Services	33,178				(33,178)
Food Services	260,190	70,713	182,634		(6,843)
Operation of Plant	340,417				(340,417)
Community Service	37,769	101,267			63,498
Unallocated Depreciation	15,711				(15,711)
Total Governmental Activities	\$ 4,641,593	\$ 171,980	\$ 182,634	\$ 288,588	(3,998,391)
General Revenues:					
State Sources					3,996,631
Local and Other					413,591
Total General Revenues					4,410,222
Change in Net Position					411,831
Net Position - July 1, 2019					393,782
Net Position - June 30, 2020					\$ 805,613

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

**KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2020

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash & Cash Equivalents	\$ 892,300	\$ -	\$ 892,300
Accounts Receivable, Net	41,875		41,875
Total Assets	<u>\$ 934,175</u>	<u>\$ -</u>	<u>\$ 934,175</u>
LIABILITIES			
Accounts Payable	\$ 52,127	\$ -	\$ 52,127
Total Liabilities	<u>52,127</u>	<u>-</u>	<u>52,127</u>
FUND BALANCES			
Nonspendable Unassigned	<u>882,048</u>		<u>882,048</u>
Total Fund Balances	<u>882,048</u>	<u>-</u>	<u>882,048</u>
Total Liabilities and Fund Balances	<u>\$ 934,175</u>	<u>\$ -</u>	<u>\$ 934,175</u>

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

**KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
*June 30, 2020***

Total Fund Balances - Governmental Funds	\$	882,048
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore, are not reported as assets in governmental funds.		23,565
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Governmental funds report long-term debt and long term receivable transactions as revenues or expenditures whereas these are not reported in the statement of activities.		50,000
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of a note payable.		<u>(150,000)</u>
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Total Net Position - Governmental Activities	\$	<u>805,613</u>
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The accompanying notes to financial statements are an integral part of this statement.

**KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2020**

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues			
Intergovernmental:			
Federal Through State and Local	\$ -	\$ 182,634	\$ 182,634
State Sources	3,996,631	288,588	4,285,219
Local and Other	514,858	70,713	585,571
Total Revenues	<u>4,511,489</u>	<u>541,935</u>	<u>5,053,424</u>
Expenditures			
Current - Education:			
Instruction	1,954,710		1,954,710
Instruction & Curriculum Development	1,237		1,237
Instructional Staff Training	10,680		10,680
Board of Education	29,931		29,931
General Administration	84,643		84,643
School Administration	958,422		958,422
Facilities Acquisition & Construction	626,117	288,588	914,705
Fiscal Services	33,178		33,178
Food Services		260,190	260,190
Operation of Plant	340,417		340,417
Community Service	37,769		37,769
Total Expenditures	<u>4,077,104</u>	<u>548,778</u>	<u>4,625,882</u>
Excess of Revenues Over/(Under)			
Expenditures	<u>434,385</u>	<u>(6,843)</u>	<u>427,542</u>
Other Financing Sources (Uses):			
Debt Proceeds	150,000	-	150,000
Transfers In/(Out)	(6,843)	6,843	-
Total Other Financing Sources (Uses)	<u>143,157</u>	<u>6,843</u>	<u>150,000</u>
Net Change in Fund Balances	<u>577,542</u>	<u>-</u>	<u>577,542</u>
Fund Balances, July 1, 2019	304,506	-	304,506
Fund Balances, June 30, 2020	<u>\$ 882,048</u>	<u>\$ -</u>	<u>\$ 882,048</u>

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

**KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
*For the Fiscal Year Ended June 30, 2020***

Net Change in Fund Balances - Governmental Funds	\$	577,542
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Capital outlays are reported in governmental funds 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 of depreciation expense (\$15,711) in excess of capital outlays (\$0) in the current period.</p>		
		(15,711)
<p>Long-term debt proceeds are reported as other financing sources in Governmental Funds and as long-term liabilities in the statement of net position.</p>		
		(150,000)
		411,831
Change in Net Position - Governmental Activities	\$	411,831

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

NOTES TO FINANCIAL STATEMENTS
June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

➤ **Reporting Entity**

Kid's Community College Charter School, Inc. d/b/a Kid's Community College Riverview South ("School") is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act. In previous years, Kid's Community College Charter School, Inc. operated an elementary school. In 2015-16, the elementary and the middle school previously operated by Kid's Community College Middle School, Inc., were combined into a single charter school. The governing body of the School is the not-for-profit corporation Board of Directors, which is comprised of not less than three members.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the District School Board of Hillsborough County, Florida, ("District"). The School's charter is in effective to June 30, 2025. 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 this 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. In the event of termination of the charter, the District shall assume operation of the School. The School is considered a component unit of the District; therefore, for financial reporting purposes, the School is required to follow generally accepted accounting principles applicable to state and local governmental units.

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

➤ **Basis of Presentation**

Government-wide Financial Statements - Government-wide financial statements, including the statement of net position and the statement of activities, present information about the School as a whole.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the

NOTES TO FINANCIAL STATEMENTS
June 30, 2020

School's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School.

Fund Financial Statements - Fund financial statements report detailed information about the School in the governmental funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The School's major governmental fund is as follows:

- General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.

All other governmental funds are non-major and are presented in the aggregate.

➤ **Basis of Accounting**

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

The government-wide financial statements are prepared using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School considers revenues to be available if they are collected within 30 days of the end of the current fiscal

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

➤ **Cash Deposits**

Cash deposits consist of demand deposits with financial institutions. Deposits on hand at financial institutions are insured by the Federal Deposit Insurance Company up to \$250,000. The accounts routinely exceed the federally insured limit of \$250,000.

➤ **Capital Assets**

Expenditures for capital assets acquired or constructed for general School purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the School as those costing more than \$750. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at fair value at the date of donation.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture, Fixtures and Equipment	5 years
Motor Vehicles	5 years
Leasehold Improvements	10 years

Current-year information relative to changes in capital assets is described in a subsequent note.

➤ **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial

NOTES TO FINANCIAL STATEMENTS
June 30, 2020

statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until then. The School does not have any items that qualify for reporting in this category.

➤ **Net Position and Fund Balance Classification**

Government-wide Financial Statements

Net Position are classified and reported in three components:

- Net Investment in Capital Assets – consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any borrowings that are attributed to the acquisition or improvement of those assets.
- Restricted Net Position – consists of net position with constraints placed on their use either by external groups such as creditors, contributors, or laws or regulations of other governments.
- Unrestricted Net Position – all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Fund Financial Statements

GASB Codification Section 1800.142, *Fund Balance Reporting and Governmental Fund Type Definitions*, defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be reported within one of the following fund balance categories:

- Nonspendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned). All nonspendable fund balances at year end relate to assets that are in nonspendable form.
- Restricted – fund balance that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.
- Committed – fund balance that can be used only for the specific purposes determined by a formal action of the School’s Board of Governance.
- Assigned – fund balance that is intended to be used by the School’s management for specific purposes but does not meet the criteria to be classified as restricted or committed.

NOTES TO FINANCIAL STATEMENTS
June 30, 2020

- Unassigned – fund balance that is the residual amount for the School's general fund and includes all spendable amounts not contained in the other classifications.

➤ **Order of Fund Balance Spending Policy**

The School's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. First, nonspendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including nonspendable amounts). Any remaining fund balance amounts for the non-general funds are to be classified as restricted fund balance. It is possible for the non-general funds to be classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when nonspendable amounts plus the amount of restricted fund balances for specific purposes exceed the positive fund balance for non-general fund.

➤ **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 1002.33(17), Florida Statutes, the School reports the number of full-time equivalent students and related data to the District.

Under provisions of Section 1011.62, Florida Statutes, the District reports the number of full-time equivalent students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program (FEFP). Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students (FTE) reported by the School during designated full-time equivalent student survey periods. The Department may also adjust subsequent fiscal period allocations based upon an audit of the School's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made. The District receives a 5% administrative fee from the School, which is reflected in the accompanying statement of activities and statement of revenues, expenditures and change in fund balances – governmental funds.

The basic amount of funding through the FEFP under Section 1011.62 is the product of the (1) unweighted FTE, multiplied by (2) the cost factor for each program, multiplied by (3) the base student allocation established by the legislature. Additional funds for exceptional students who do not have a matrix of services are provided through the guaranteed allocation designated in Section 1011.62(1)(e)2., Florida Statutes. For the fiscal year ended June 30, 2020, the

NOTES TO FINANCIAL STATEMENTS
June 30, 2020

School reported 572.10 unweighted FTE and 598.7894 weighted FTE. Weighted funding represents approximately 4% of total FEFP funding.

FEFP funding may also be adjusted as a result of subsequent FTE audits conducted by the Florida Auditor General pursuant to Section 1010.305, Florida Statutes, and Rule 6A-1.0453, Florida Administrative Code (FAC). Schools are required to maintain the following documentation for three years or until the completion of an FTE audit:

- Attendance and membership documentation (Rule 6A-1.044, FAC).
- Teacher certificates and other certification documentation (Rule 6A-1.0503, FAC).
- Documentation for instructors teaching out-of-field (Rule 6A-1.0503, FAC).
- Procedural safeguards for weighted programs (Rule 6A-6.03411, FAC).
- Evaluation and planning documents for weighted programs (Section 1010.305, Florida Statutes, and Rule 6A-6.03411, FAC).

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

The School follows the policy of applying restricted resources prior to applying unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available. A schedule of revenue sources for the current year is presented in a subsequent note.

➤ **Income Taxes**

The School is exempt from Federal tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the accompanying financial statements. Additionally, no uncertain tax positions have been made requiring disclosure in the related notes to financial statements. The School's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

➤ **Use of Estimates**

In preparing the financial statements in conformity with generally accepted accounting principles in the United States (GAAP) management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the statement of net position and affect revenues and expenditures for the period presented. Actual results could differ from those estimates.

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

NOTES TO FINANCIAL STATEMENTS
June 30, 2020

➤ **Subsequent Events**

Management has evaluated all events subsequent to the balance sheet date and through the report date, which is the date these financial statements were available to be issued. Management is currently evaluating the impact of the COVID-19 pandemic on the industry and has concluded that while it is reasonably possible that the virus could have a negative effect on the School's financial position, results of its operations and/or cash flows, the specific impact is not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

2. CASH DEPOSITS

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the School's deposits may not be returned to the School. The School does not have a custodial credit risk policy. Deposits on hand at financial institutions are insured by the Federal Deposit Insurance Company (FDIC) up to \$250,000. As of June 30, 2020, the School was exposed to custodial credit risk. One of the School's bank accounts exceeded the FDIC insurance limit by \$504,193.

3. LOAN RECEIVABLE – RELATED PARTY

The School signed a promissory note to lend \$50,000 to Kid's Community College Charter High School, a related party through common control. The promissory note bears no interest and is due in August 2024.

4. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities:				
Leasehold Improvements	\$ 152,429	\$ -	\$ -	\$ 152,429
Furniture, Fixtures and Equipment	92,402			92,402
Motor Vehicles	9,734			9,734
Total Capital Assets Being Depreciated	<u>254,565</u>	<u>-</u>	<u>-</u>	<u>254,565</u>
Less Accumulated Depreciation for:				
Leasehold Improvements	(130,275)	(8,862)		(139,137)
Furniture, Fixtures and Equipment	(75,280)	(6,849)		(82,129)
Motor Vehicles	(9,734)			(9,734)
Total Accumulated Depreciation	<u>(215,289)</u>	<u>(15,711)</u>	<u>-</u>	<u>(231,000)</u>
Governmental Activities Capital Assets, net	<u>\$ 39,276</u>	<u>\$ (15,711)</u>	<u>\$ -</u>	<u>\$ 23,565</u>

All depreciation expense was shown as unallocated on the Statement of Activities.

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

NOTES TO FINANCIAL STATEMENTS
June 30, 2020

5. NOTE PAYABLE

Note payable consisted of the following:

<u>Note Payable:</u>	<u>Balance at 6-30-20</u>
Small Business Administration	
\$150,000; COVID-19 SBA Economic Injury Disaster Loan. Note dated June 7, 2020; matures on June 7, 2050; interest of 2.75% per annum. Principal and interest payments begin July 2021. In the event of default, the SBA may require immediate payment of all amounts owed under this note, file suit and obtain judgement, or take possession of any collateral (all tangible and intangible personal property as described in the note agreement).	\$ 150,000
Total Note Payable	\$ 150,000

Amounts payable for this note payable follows:

Fiscal Year Ending June 30	Total	Principal	Interest
2021	\$ 4,238	\$ -	\$ 4,238
2022	7,692	3,497	4,195
2023	7,692	3,595	4,097
2024	7,692	3,695	3,997
2025	7,692	3,798	3,894
2026-30	38,460	20,636	17,824
2031-35	38,460	23,673	14,787
2036-40	38,460	27,160	11,300
2041-45	38,460	31,157	7,303
2046-50	35,504	32,789	2,715
Total	\$ 224,350	\$ 150,000	\$ 74,350

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

6. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the School's State revenue:

Source	Amount
Florida Education Finance Program	\$ 2,581,608
Class Size Reduction	638,038
Charter School Capital Outlay	288,588
Discretionary Local Effort	201,911
Supplementary Academic Instruction	133,644
Discretionary Millage	104,650
ESE Guaranteed Allocation	99,961
School Recognition Funds	56,642
FL Best & Brightest	54,263
Instructional Materials	44,828
Safe Schools	28,803
Reading Instruction	23,580
Mental Health Assistance	13,977
Teachers Classroom Assistance Program	10,535
Miscellaneous State	2,600
Digital Classroom Allocation	1,033
Discretionary Lottery	558
Total State Revenue	\$ 4,285,219

As provided in the charter school contract the District has charged the School an administrative fee on FEFP revenue of \$84,643.

7. INTERFUND TRANSFERS

The General Fund transferred \$6,843 to the Special Revenue Fund to provide financial support for the School's food service program. These amounts of interfund transfers are netted together and not reported in the statement of activities.

8. FUNDING AND CREDIT RISK CONCENTRATIONS

The School receives substantially all of its support and revenue from federal, state and local funding sources, passed through the District, in the form of performance and budget based contracts. Continuing operation of the School is greatly dependent upon the continued support of these governmental agencies.

NOTES TO FINANCIAL STATEMENTS
June 30, 2020

9. FACILITY LEASE

The School entered into a 20 year noncancelable operating lease for its educational facility beginning September 1, 2012, through August 31, 2032. The lease requires monthly payments and includes annual increases or decreases in accordance with the agreement through August 2032 based on FTE increases or decreases. Monthly rental changes are effective after year three of the lease agreement. In accordance with the agreement, the School is responsible for all operating charges and insurance and is to maintain the premises at its own expense. Rental expenditures under this lease agreement for the fiscal year amounted to \$910,332.

The following is a schedule by years of future minimum rental payments required under the facility lease with remaining noncancelable lease terms in excess of one year:

<u>Fiscal Year Ending June 30:</u>	<u>Minimum Lease Payments</u>
2021	\$ 795,000
2022	795,000
2023	795,000
2024	795,000
2025	795,000
2026-2030	3,975,000
2031-2033	1,656,250
Total	<u>\$ 9,606,250</u>

10. RISK MANAGEMENT PROGRAMS

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the School carries commercial insurance. There have been no significant reductions in insurance coverage and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

11. PENSION PLAN

The School participated in a defined contribution Savings Incentive Match Plan for Employees (SIMPLE) retirement plan. The School contributed a 3% maximum match for participating employees. Contributions are directed to individual employee's accounts, and the individual employees allocate contributions and account balances among various available investment choices, therefore, the School has no liability for the administration or payments of benefits of the plan, and accordingly, the present value of the related benefits is not reflected in these financial statements. The rate of contribution is set annually by the School's Board of Directors.

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

NOTES TO FINANCIAL STATEMENTS
June 30, 2020

12. COMMITMENTS AND CONTINGENT LIABILITIES

The School participates in state grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies, therefore, to the extent that the School has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivables at June 30, 2020, may be impaired.

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

13. LEGAL MATTERS

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

**KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND - (UNAUDITED)
For the Fiscal Year Ended June 30, 2020**

	General Fund			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental:				
State Sources	\$ 3,936,756	\$ 3,996,631	\$ 3,996,631	\$ -
Local and Other	370,689	514,858	514,858	-
Total Revenues	<u>4,307,445</u>	<u>4,511,489</u>	<u>4,511,489</u>	<u>-</u>
Expenditures:				
Current - Education:				
Instruction	2,033,924	1,954,710	1,954,710	-
Student Support Services	114,700	-	-	-
Instructional Media	795	-	-	-
Instruction & Curriculum Development	83,240	1,237	1,237	-
Instructional Staff Training	7,250	10,680	10,680	-
Instructional Related Technology	15,500	-	-	-
Board of Education	77,626	29,931	29,931	-
General Administration	84,844	84,643	84,643	-
School Administration	762,311	958,422	958,422	-
Facilities Acquisition & Construction	627,475	626,117	626,117	-
Fiscal Services	9,000	33,178	33,178	-
Operation of Plant	284,294	340,417	340,417	-
Community Service	-	37,769	37,769	-
Total Expenditures	<u>4,100,959</u>	<u>4,077,104</u>	<u>4,077,104</u>	<u>-</u>
Excess of Revenues Over (Under)				
Expenditures	<u>206,486</u>	<u>434,385</u>	<u>434,385</u>	<u>-</u>
Other Financing Sources (Uses):				
Debt Proceeds	-	150,000	150,000	-
Transfers In/(Out)	(69,937)	(6,843)	(6,843)	-
Total Other Financing Sources (Uses)	<u>(69,937)</u>	<u>143,157</u>	<u>143,157</u>	<u>-</u>
Net Change in Fund Balance	136,549	577,542	577,542	-
Fund Balance, July 1, 2019	304,506	304,506	304,506	-
Fund Balance, June 30, 2020	<u>\$ 441,055</u>	<u>\$ 882,048</u>	<u>\$ 882,048</u>	<u>\$ -</u>

See Independent Auditor's Report.

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2020

1. BUDGETARY BASIS OF ACCOUNTING

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries and benefits, purchased services, materials and supplies and capital outlay) within each activity (e.g., instruction, pupil personnel services and school administration). Budgets may be amended by resolution at any Board meeting prior to the date for the annual report.

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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 Kid's Community College Charter School, Inc.
d/b/a Kid's Community College Riverview South
a Charter School and Component Unit of the
District School Board of Hillsborough County, Florida

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Kid's Community College Charter School, Inc. d/b/a Kid's Community College Riverview South ("School"), a charter school and component unit of the District School Board of Hillsborough County, Florida, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated September 25, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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, in internal control, such that there is a reasonable possibility that a material misstatement of the School's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

A handwritten signature in black ink that reads "King & Walker, CPAs". The signature is written in a cursive style.

September 25, 2020
Tampa, Florida

Members:
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Government Audit Quality Center

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**Management Letter as Required by Rules of the Florida Auditor General,
Chapter 10.850, Florida Statutes, *Charter School Audits***

To the Board of Directors Kid's Community College Charter School, Inc.
d/b/a Kid's Community College Riverview South
a Charter School and Component Unit of the
District School Board of Hillsborough County, Florida

Report on the Financial Statements

We have audited the financial statements of the Kid's Community College Charter School, Inc. d/b/a Kid's Community College Riverview South ("School"), a Charter School and Component Unit of the District School Board of Hillsborough County, Florida, as of and for the fiscal year ended June 30, 2020, and have issued our report thereon dated September 25, 2020.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.850, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports and schedule, which are dated September 25, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no prior audit findings or recommendations.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Kid's Community College Riverview South, 296626.

Financial Condition and Management

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Transparency

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

Additional Matters

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Directors, applicable management, and District School Board of Hillsborough County, Florida and is not intended to be and should not be used by anyone other than these specified parties

Respectfully submitted,



September 25, 2020
Tampa, Florida

**KID'S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

A Charter School and Component Unit of the
District School Board of Hillsborough County, Florida

INDEPENDENT AUDITOR'S REPORT

for the fiscal year ended JUNE 30, 2020

King & Walker, CPAs, PL

Certified Public Accountants

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**KID’S COMMUNITY COLLEGE SOUTHEAST MIDDLE
CHARTER SCHOOL, INC.**

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Members:
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Independent Auditor's Report

To the Board of Directors Kid's Community College Southeast Middle Charter School, Inc.
a Charter School and Component Unit of the
District School Board of Hillsborough County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Kid's Community College Southeast Middle Charter School, Inc. ("School"), a charter school and component unit of the District School Board of Hillsborough County, Florida, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental 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 from 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 School'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 School'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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School, as of June 30, 2020, and the respective changes in financial position thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedule and the Note to Supplementary Information, as shown in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historic context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2020 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Respectfully submitted,

Handwritten signature in black ink that reads "King & Walker, CPAs". The signature is written in a cursive style.

September 25, 2020
Tampa, Florida

**KID’S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

a Charter School and Component Unit of the District School Board of Hillsborough County, Florida

MANAGEMENT’S DISCUSSION AND ANALYSIS - (Unaudited)

The Management’s Discussion and Analysis (MD&A) section of the annual financial report of the Kid’s Community College Southeast Middle Charter School, Inc. (“School”) provides an overview of the School’s activities for the fiscal year ended June 30, 2020.

Because the information contained in the MD&A is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with the School’s financial statements and notes to financial statements, as listed in the table of contents.

FINANCIAL HIGHLIGHTS

- For the fiscal year ended June 30, 2020, the School’s expenses exceeded revenues as shown on the School’s statement of activities by \$29,565.
- As shown on the balance sheet – governmental funds, the School reported an unassigned fund balance of \$206,691.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements consist of three components:

- ✓ Government-wide financial statements
- ✓ Fund financial statements
- ✓ Notes to financial statements

Government-Wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the School’s overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net position and a statement of activities that are designed to provide consolidated financial information about the governmental activities of the School presented on the accrual basis of accounting. The statement of net position provides information about the government’s financial position, its assets and liabilities, using an economic resources measurement focus. The difference between the assets and liabilities, the net position, is a measure of the financial health of the School. The statement of activities presents information about the change in the School’s net position and the results of operations, during the fiscal year. An increase or decrease in net position is an indication of whether the School’s financial health is improving or deteriorating. To assess the overall financial position of the School, one needs to consider additional non-financial factors such as changes in the School student base funding level.

**KID'S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

a Charter School and Component Unit of the District School Board of Hillsborough County, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

Fund Financial Statements

Fund financial statements are one of the components of the basic financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements provide more detailed information about the School's financial activities, focusing on its most significant funds rather than fund types. This is in contrast to the entity-wide perspective contained in the government-wide financial statements.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize a spendable financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. The financial resources measurement focus allows the governmental fund financial statements to provide information on near-term inflows and outflows of spendable resources as well as balances of spendable resources available at the end of the fiscal year.

The governmental fund financial statements provide a detailed short-term view that may be used to evaluate the School's near-term financing requirements. This short-term view is useful when compared to the long-term view presented as governmental activities in the government-wide financial statements. To facilitate this comparison, both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation of governmental fund to governmental activities.

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the School's most significant funds. The School operates the following funds; a General Fund to account for its general operations and internal account activities, a Capital Projects Fund to account for financial resources that are restricted, committed or assigned to expenditures for capital outlays, and a Special Revenue Fund to account for Federal grant programs and food services. For reporting purposes, the General Fund is considered a major fund. Data from the other governmental funds are combined into a single aggregate presentation.

The School adopts an annual budget for its governmental funds. A budgetary comparison schedule, as required, has been provided for the General Fund to demonstrate compliance with the budget.

Notes to Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

**KID'S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

a Charter School and Component Unit of the District School Board of Hillsborough County, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of the School's current year and prior year net position:

	Net Position, End of Year		
	<u>Governmental Activities</u>		
	<u>6-30-19</u>	<u>6-30-20</u>	<u>Increase (Decrease)</u>
ASSETS			
Current and Other Assets	\$ 147,778	\$ 289,528	\$ 141,750
Capital Assets, net	<u>73,267</u>	<u>52,333</u>	<u>(20,934)</u>
Total Assets	<u>221,045</u>	<u>341,861</u>	<u>120,816</u>
LIABILITIES			
Current Liabilities	57,570	57,951	381
Long Term Liabilities	<u>75,000</u>	<u>225,000</u>	<u>150,000</u>
Total Liabilities	<u>132,570</u>	<u>282,951</u>	<u>150,381</u>
NET POSITION			
Net Investment in Capital Assets	73,267	52,333	(20,934)
Unrestricted	<u>15,208</u>	<u>6,577</u>	<u>(8,631)</u>
Total Net Position	<u>\$ 88,475</u>	<u>\$ 58,910</u>	<u>\$ (29,565)</u>

Assets consist primarily of cash and cash equivalents and furniture, fixtures, and equipment net of accumulated depreciation. Liabilities consist of accounts payable, a loan payable, and a long-term note payable. The School reported a total net position balance of \$58,910.

**KID'S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

a Charter School and Component Unit of the District School Board of Hillsborough County, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

The following is a summary of the School's change in net position for the current year and prior year:

	Operating Results for the Year		
	<u>Governmental Activities</u>		
	<u>6-30-19</u>	<u>6-30-20</u>	<u>Increase (Decrease)</u>
Revenues:			
Federal Through State and Local	\$ 238,692	\$ 35,422	\$ (203,270)
State Sources	1,331,905	1,463,061	131,156
Local and Other	116,508	187,949	71,441
Total Revenues	<u>1,687,105</u>	<u>1,686,432</u>	<u>(673)</u>
Expenses:			
Instruction	628,900	767,081	138,181
Instructional Staff Training	11,385	209	(11,176)
Board of Education	20,328	3,420	(16,908)
General Administration	61,224	77,627	16,403
School Administration	365,483	354,461	(11,022)
Facilities Acquisition & Construction	218,770	292,509	73,739
Fiscal Services	3,415	10,913	7,498
Food Services	127,709	64,864	(62,845)
Operation of Plant	85,854	106,820	20,966
Community Services	76,682	16,296	(60,386)
Interest	-	863	863
Unallocated Depreciation	20,934	20,934	-
Total Expenses	<u>1,620,684</u>	<u>1,715,997</u>	<u>95,313</u>
Increase/(Decrease) in Net Position	<u>\$ 66,421</u>	<u>\$ (29,565)</u>	<u>\$ (95,986)</u>

The largest revenue sources for the School are the State of Florida (87%). Revenues from State sources for current operations are primarily received through the Florida Education Finance Program (FEFP) funding formula funds. The increase in State revenue is tied directly to the increase in FTE in 2019-20. The decrease in Federal revenue is due to the ending of the Implementation grant.

The largest portion of expenses occurred in the instructional services functions and school administration function, which accounted for 45% and 21% of total expenses, respectively.

**KID'S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

a Charter School and Component Unit of the District School Board of Hillsborough County, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

FINANCIAL ANALYSIS OF THE SCHOOL'S FUNDS

Governmental Funds

As the School completed the year, its governmental funds reported a combined fund balance of \$231,577.

CAPITAL ASSETS

The School's capital assets for its governmental activities as of June 30, 2020, amounts to \$52,333 (net of accumulated depreciation). This investment in capital assets includes furniture, fixtures, and equipment. Additional information regarding the School's capital assets can be found in the Notes to the financial statements.

DEBT ADMINISTRATION

The School has a loan outstanding from prior years of \$75,000. In the 2019-20 fiscal year, the School entered into a promissory note payable for \$150,000 through the COVID-19 SBA Economic Injury Disaster Loan Program. The remaining balance as of June 30, 2020, of \$150,000 is payable in annual principal and interest payments through June 30, 2050. Additional information regarding the School's long-term debt is located in the notes to the financial statements.

BUDGETARY HIGHLIGHTS

The General Fund budget for the fiscal year ended June 30, 2020, was developed based on the School's anticipated revenues and expenditures and the expected student population for the school year. Over the course of the year, the school revised its General Fund budget. Refer to the Budgetary Comparison Schedule for additional information.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the School's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Campus Director, Kid's Community College Southeast Middle Charter School, Inc., 11513 McMullen Road, Riverview, FL 33569.

**KID'S COMMUNITY COLLEGE SOUTHEAST MIDDLE
CHARTER SCHOOL, INC.**

**A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

STATEMENT OF NET POSITION

June 30, 2020

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash & Cash Equivalents	\$ 238,807
Accounts Receivable	25,835
Prepaid Expenses	24,886
Capital Assets:	
Furniture, Fixtures, and Equipment, Net	52,333
Total Capital Assets	<u>52,333</u>
TOTAL ASSETS	<u>341,861</u>
<u>LIABILITIES</u>	
Accounts Payable	12,951
Loan Payable	45,000
Long Term Notes Payable:	
Portion Due After One Year	<u>225,000</u>
TOTAL LIABILITIES	<u>282,951</u>
<u>NET POSITION</u>	
Net Investment in Capital Assets	52,333
Unrestricted	6,577
TOTAL NET POSITION	<u>\$ 58,910</u>

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

KID'S COMMUNITY COLLEGE SOUTHEAST MIDDLE CHARTER SCHOOL, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2020

	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position Governmental Activities
Governmental Activities:					
Instruction	\$ 767,081	-	\$	-	\$ (767,081)
Instructional Staff Training	209				(209)
Board of Education	3,420				(3,420)
General Administration	77,627				(77,627)
School Administration	354,461				(354,461)
Facilities Acquisition & Construction	292,509			115,171	(177,338)
Fiscal Services	10,913				(10,913)
Food Services	64,864	15,334	35,422		(14,108)
Operation of Plant	106,820				(106,820)
Community Services	16,296	25,084			8,788
Interest	863				(863)
Unallocated Depreciation	20,934				(20,934)
Total Governmental Activities	\$ 1,715,997	\$ 40,418	\$ 35,422	\$ 115,171	(1,524,986)
General Revenues:					
State Sources					1,347,890
Local and Other					147,531
Total General Revenues					1,495,421
Change in Net Position					(29,565)
Net Position - July 1, 2019					88,475
Net Position - June 30, 2020					\$ 58,910

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

**KID'S COMMUNITY COLLEGE SOUTHEAST MIDDLE
CHARTER SCHOOL INC.**
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2020

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash & Cash Equivalents	\$ 238,807	\$ -	\$ 238,807
Accounts Receivable	25,835	-	25,835
Prepaid Expenses	24,886	-	24,886
Total Assets	\$ 289,528	\$ -	\$ 289,528
LIABILITIES			
Accounts Payable	\$ 12,951	\$ -	\$ 12,951
Loan Payable	45,000	-	\$ 45,000
Total Liabilities	57,951	-	57,951
FUND BALANCES			
Nonspendable	24,886	-	24,886
Unassigned	206,691	-	206,691
Total Fund Balances	231,577	-	231,577
Total Liabilities and Fund Balances	\$ 289,528	\$ -	\$ 289,528

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

**KID'S COMMUNITY COLLEGE SOUTHEAST MIDDLE
CHARTER SCHOOL, INC.**
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION**
June 30, 2020

Total Fund Balances - Governmental Funds	\$ 231,577
Amounts reported for governmental activities in the statement of net position are different because:	
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of a notes payable.	(225,000)
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore, are not reported as assets in governmental funds.	<u>52,333</u>
Total Net Position - Governmental Activities	<u><u>\$ 58,910</u></u>

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

**KID'S COMMUNITY COLLEGE SOUTHEAST MIDDLE
CHARTERS SCHOOL, INC.**
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

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

For the Fiscal Year Ended June 30, 2020

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues			
Intergovernmental:			
Federal Through State and Local	\$ -	\$ 35,422	\$ 35,422
State Sources	1,347,890	115,171	1,463,061
Local and Other	<u>172,615</u>	<u>15,334</u>	<u>187,949</u>
Total Revenues	<u>1,520,505</u>	<u>165,927</u>	<u>1,686,432</u>
Expenditures			
Current - Education:			
Instruction	767,081		767,081
Instructional Staff Training	209		209
Board of Education	3,420		3,420
General Administration	77,627		77,627
School Administration	354,461		354,461
Facilities Acquisition & Construction	177,338	115,171	292,509
Fiscal Services	10,913		10,913
Food Services		64,864	64,864
Operation of Plant	106,820		106,820
Community Services	16,296		16,296
Debt Service:			
Interest	863		863
Total Expenditures	<u>1,515,028</u>	<u>180,035</u>	<u>1,695,063</u>
Excess/(Deficiency) of Revenues			
Over Expenditures	<u>5,477</u>	<u>(14,108)</u>	<u>(8,631)</u>
Other Financing Sources (Uses):			
Loan Proceeds	150,000		150,000
Transfers In/(Out)	<u>(14,108)</u>	<u>14,108</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>135,892</u>	<u>14,108</u>	<u>150,000</u>
Net Change in Fund Balances	141,369	-	141,369
Fund Balances, July 1, 2019	90,208	-	90,208
Fund Balances, June 30, 2020	<u>\$ 231,577</u>	<u>\$ -</u>	<u>\$ 231,577</u>

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

**KID'S COMMUNITY COLLEGE SOUTHEAST MIDDLE CHARTER
SCHOOL, INC.**

**A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

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

For the Fiscal Year Ended June 30, 2020

Net Change in Fund Balances - Governmental Funds **\$ 141,369**

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

Capital outlays are reported in governmental funds 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 of depreciation expense (\$20,934) in excess of
capital outlays (\$0) in the current period. (20,934)

Long-term debt proceeds are reported as other financing sources
in Governmental Funds and as long-term liabilities in the
statement of net position. (150,000)

Change in Net Position - Governmental Activities **\$ (29,565)**

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

**KID'S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

**NOTES TO FINANCIAL STATEMENTS
June 30, 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

➤ **Reporting Entity**

The Kid's Community College Southeast Middle Charter School, Inc. ("School") is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act. The governing body of the School is the not-for-profit corporation Board of Directors, which is comprised of not less than three members.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the District School Board of Hillsborough County, Florida, ("District"). The current charter is effective until June 30, 2022, and is subject to annual review and may be renewed by mutual 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 this 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. In the event of termination of the charter, the District shall assume operation of the School. The School is considered a component unit of the District; therefore, for financial reporting purposes, the School is required to follow generally accepted accounting principles applicable to state and local governmental units.

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

➤ **Basis of Presentation**

Government-wide Financial Statements - Government-wide financial statements, including the statement of net position and the statement of activities, present information about the School as a whole.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the School's governmental activities. Direct expenses are those that are specifically

**KID'S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

associated with a service, program, or department and are thereby clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School.

Fund Financial Statements - Fund financial statements report detailed information about the School in the governmental funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The School's major governmental fund is as follows:

- General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.

Financial data from the remaining governmental funds are presented in the aggregate.

➤ **Basis of Accounting**

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

The government-wide financial statements are prepared using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School considers revenues to be available if they are collected within 30 days of the end of the current fiscal

**KID'S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

➤ **Deposits and Investments**

Cash deposits consist of demand deposits with financial institutions. Deposits on hand at financial institutions are insured by the Federal Deposit Insurance Company up to \$250,000.

➤ **Capital Assets**

Expenditures for capital assets acquired or constructed for general School purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the School as those costing more than \$1,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at fair value at the date of donation.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture, Fixtures and Equipment	5 years

➤ **Long-Term Liabilities**

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net position.

In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due.

Changes in long-term liabilities for the current year are reported in a subsequent note.

**KID’S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

➤ **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until then. The School does not have any items that qualify for reporting in this category.

➤ **Net Position and Fund Balance Classification**

Government-wide Financial Statements

Net Position are classified and reported in three components:

- Net Investment in Capital Assets – consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any borrowings that are attributed to the acquisition or improvement of those assets.
- Restricted Net Position – consists of net position with constraints placed on their use either by external groups such as creditors, contributors, or laws or regulations of other governments.
- Unrestricted Net Position – all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Fund Financial Statements

GASB Codification Section 1800.142, *Fund Balance Reporting and Governmental Fund Type Definitions*, defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be reported within one of the following fund balance categories:

- Nonspendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned). All nonspendable fund balances at year end relate to assets that are in nonspendable form.

**KID'S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

- Restricted – fund balance that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.
- Committed – fund balance that can be used only for the specific purposes determined by a formal action of the School's Board of Governance.
- Assigned – fund balance that is intended to be used by the School's management for specific purposes but does not meet the criteria to be classified as restricted or committed.
- Unassigned – fund balance that is the residual amount for the School's general fund and includes all spendable amounts not contained in the other classifications.

➤ **Order of Fund Balance Spending Policy**

The School's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. First, nonspendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including nonspendable amounts). Any remaining fund balance amounts for the non-general funds are to be classified as restricted fund balance. It is possible for the non-general funds to be classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when nonspendable amounts plus the amount of restricted fund balances for specific purposes exceed the positive fund balance for non-general fund.

➤ **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 1002.33(17), Florida Statutes, the School reports the number of full-time equivalent students and related data to the District.

Under provisions of Section 1011.62, Florida Statutes, the District reports the number of full-time equivalent students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program (FEFP). Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students (FTE) reported by the School during designated full-time equivalent student survey periods. The Department may also adjust subsequent fiscal period allocations based upon an audit of the School's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made. The District receives a 5% administrative fee from the School, which is reflected in the accompanying statement of activities and

**KID’S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

**NOTES TO FINANCIAL STATEMENTS
June 30, 2020**

statement of revenues, expenditures and change in fund balances – governmental funds.

The basic amount of funding through the FEFP under Section 1011.62 is the product of the (1) unweighted FTE, multiplied by (2) the cost factor for each program, multiplied by (3) the base student allocation established by the legislature. Additional funds for exceptional students who do not have a matrix of services are provided through the guaranteed allocation designated in Section 1011.62(1)(e)2., Florida Statutes. For the fiscal year ended June 30, 2020, the School reported 209.91 unweighted FTE and 211.3272 weighted FTE. Weighted funding represents approximately 1% of total FEFP funding.

FEFP funding may also be adjusted as a result of subsequent FTE audits conducted by the Florida Auditor General pursuant to Section 1010.305, Florida Statutes, and Rule 6A-1.0453, Florida Administrative Code (FAC). Schools are required to maintain the following documentation for three years or until the completion of an FTE audit:

- Attendance and membership documentation (Rule 6A-1.044, FAC).
- Teacher certificates and other certification documentation (Rule 6A-1.0503, FAC).
- Documentation for instructors teaching out-of-field (Rule 6A-1.0503, FAC).
- Procedural safeguards for weighted programs (Rule 6A-6.03411, FAC).
- Evaluation and planning documents for weighted programs (Section 1010.305, Florida Statutes, and Rule 6A-6.03411, FAC).

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

The School follows the policy of applying restricted resources prior to applying unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available.

➤ **Income Taxes**

The School is exempt from Federal tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the accompanying financial statements. Additionally, no uncertain tax positions have been made requiring disclosure in the related notes to financial statements. The School’s income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

**KID'S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

**NOTES TO FINANCIAL STATEMENTS
June 30, 2020**

➤ **Use of Estimates**

In preparing the financial statements in conformity with generally accepted accounting principles in the United States (GAAP) management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the statement of net position and affect revenues and expenditures for the period presented. Actual results could differ from those estimates.

➤ **Subsequent Events**

Management has evaluated all events subsequent to the balance sheet date and through the report date, which is the date these financial statements were available to be issued. Management is currently evaluating the impact of the COVID-19 pandemic on the industry and has concluded that while it is reasonably possible that the virus could have a negative effect on the School's financial position, results of its operations and/or cash flows, the specific impact is not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

2. CASH DEPOSITS

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the School's deposits may not be returned to the School. The School does not have a custodial credit risk policy. Deposits on hand at financial institutions are insured by the Federal Deposit Insurance Company (FDIC) up to \$250,000. As of June 30, 2020, the School not exposed to custodial credit risk.

3. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below:

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Governmental Activities:</u>				
Furniture, Fixtures and Equipment	\$ 104,668	\$ -	\$ -	\$ 104,668
Total Capital Assets Being Depreciated	<u>104,668</u>	<u>-</u>	<u>-</u>	<u>104,668</u>
Less Accumulated Depreciation for:				
Furniture, Fixtures and Equipment	(31,401)	(20,934)	-	(52,335)
Total Accumulated Depreciation	<u>(31,401)</u>	<u>(20,934)</u>	<u>-</u>	<u>(52,335)</u>
Governmental Activities Capital Assets, net	<u>\$ 73,267</u>	<u>\$ (20,934)</u>	<u>\$ -</u>	<u>\$ 52,333</u>

All depreciation expense was shown as unallocated on the Statement of Activities.

**KID'S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

**NOTES TO FINANCIAL STATEMENTS
June 30, 2020**

4. LINE OF CREDIT

The School received an advance from a line of credit with Grow Asset management in the 2018-19 fiscal year of \$45,000. The line of credit bears an interest rate of 8% per year. No principal payments have been made on this loan and is outstanding as of June 30, 2020.

5. NOTES PAYABLE

Notes payable consisted of the following:

<u>Notes Payable:</u>	<u>Balance at 6-30-20</u>
<u>KCC Southeast County Elementary Charter - Related Party</u>	
Promissory Note dated August 2017, bearing an interest rate of 0% per annum maturing August 2024.	\$ 75,000
<u>Small Business Administration</u>	
\$150,000; COVID-19 SBA Economic Injury Disaster Loan. Note dated June 7, 2020; matures on June 7, 2050; interest of 2.75% per annum. Principal and interest payments begin July 2021. In the event of default, the SBA may require immediate payment of all amounts owed under this note, file suit and obtain judgement, or take possession of any collateral (all tangible and intangible personal property as described in the note agreement).	150,000
Total Notes Payable	\$ 225,000

Amounts payable for notes payable follows:

Fiscal Year Ending June 30	Total	Principal	Interest
2021	\$ 4,238	\$ -	\$ 4,238
2022	7,692	3,497	4,195
2023	7,692	3,595	4,097
2024	7,692	3,695	3,997
2025	82,692	78,798	3,894
2026-30	38,460	20,636	17,824
2031-35	38,460	23,673	14,787
2036-40	38,460	27,160	11,300
2041-45	38,460	31,157	7,303
2046-50	35,504	32,789	2,715
Total	\$ 299,350	\$ 225,000	\$ 74,350

**KID'S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

**NOTES TO FINANCIAL STATEMENTS
June 30, 2020**

6. CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

	Beginning Balance	Additions	Deductions	Ending Balance	Due in One Year
GOVERNMENTAL ACTIVITIES:					
Notes Payable	\$ 75,000	\$ 150,000	\$ -	\$ 225,000	\$ -
Total Governmental Activities	<u>\$ 75,000</u>	<u>\$ 150,000</u>	<u>\$ -</u>	<u>\$ 225,000</u>	<u>\$ -</u>

7. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the School's State revenue:

Source	Amount
Florida Education Finance Program	\$ 913,294
Class Size Reduction	189,448
Charter School Capital Outlay	115,171
Discretionary Local Effort	71,225
Supplementary Academic Instruction	49,022
Discretionary Millage	38,386
ESE Guaranteed Allocation	33,270
Instructional Materials	16,443
Safe School	10,565
FL Best & Brightest	10,410
Reading Instruction	8,318
Mental Health Assistance	5,127
Teachers' Supply Assistance Program	1,806
Digital Classroom Allocation	379
Discretionary Lottery	197
Total State Revenue	<u>\$ 1,463,061</u>

As provided in the charter school contract, the District has charged the School an administrative fee of \$77,627.

8. INTERFUND TRANSFERS

The General Fund transferred \$14,108 to the Special Revenue Fund to provide financial support for the School's food service program. The amounts of interfund transfers are netted together and not reported in the statement of activities.

**KID'S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

9. FACILITY LEASE

The School entered into a 20 year noncancelable operating lease for its educational facility beginning August 1, 2017, through August 31, 2037. The lease requires monthly payments and includes annual increases in accordance with the agreement through August 2037. In accordance with the agreement, the School is responsible for all operating charges and insurance and is to maintain the premises at its own expense. Rental expenditures under this lease agreement for the fiscal year amounted to \$218,770.

The following is a schedule by years of future minimum rental payments required under the operating lease with remaining noncancelable lease terms in excess of one year:

Fiscal Year Ending June 30:	Minimum Lease Payments
2021	\$ 290,225
2022	296,030
2023	301,950
2024	307,989
2025	314,149
2026-2030	1,667,540
2031-2035	1,841,099
2036-2037	1,195,406
Total	\$ 6,214,388

10. PENSION PLAN

The School participated in a defined contribution Savings Incentive Match Plan for Employees (SIMPLE) retirement plan. The School contributed a 3% maximum match for participating employees. Contributions are directed to individual employee's accounts, and the individual employees allocate contributions and account balances among various available investment choices, therefore, the School has no liability for the administration or payments of benefits of the plan, and accordingly, the present value of the related benefits is not reflected in these financial statements. The rate of contribution is set annually by the School's Board of Directors.

11. RISK MANAGEMENT PROGRAMS

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the School carries commercial insurance. There have been no significant reductions in insurance coverage and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

**KID'S COMMUNITY COLLEGE SOUTHEAST
MIDDLE CHARTER SCHOOL, INC.**

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

**NOTES TO FINANCIAL STATEMENTS
June 30, 2020**

12. RELATED PARTY TRANSACTIONS

The School signed a promissory note for \$75,000 in the 2017-18 fiscal year with Kid's Community College Southeast County Elementary Charter, both related parties through common control. The promissory note bears no interest and is due in full in six years.

13. FUNDING AND CREDIT RISK CONCENTRATIONS

The School receives substantially all of its support and revenue from federal, state and local funding sources, passed through the District, in the form of performance and budget-based contracts. Continuing operation of the School is greatly dependent upon the continued support of these governmental agencies.

14. COMMITMENTS AND CONTINGENT LIABILITIES

The School participates in state grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies, therefore, to the extent that the School has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivables at June 30, 2020, may be impaired.

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

15. FUNDING AND CREDIT RISK CONCENTRATIONS

The School receives substantially all of its support and revenue from federal, state and local funding sources, passed through the District, in the form of performance and budget based contracts. Continuing operation of the School is greatly dependent upon the continued support of these governmental agencies.

16. LEGAL MATTERS

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

**KID'S COMMUNITY COLLEGE SOUTHEAST MIDDLE
CHARTER SCHOOL, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND - (UNAUDITED)
For the Fiscal Year Ended June 30, 2020**

	General Fund			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental:				
State Sources	1,424,528	1,347,890	1,347,890	-
Local and Other	169,378	172,615	172,615	-
Total Revenues	<u>1,593,906</u>	<u>1,520,505</u>	<u>1,520,505</u>	-
Expenditures:				
Current - Education:				
Instruction	989,334	767,081	767,081	-
Student Personnel Services	20,445	-	-	-
Instructional Media	250	-	-	-
Instructional Staff Training	3,500	209	209	-
Instruction-Related Technology	10,200	-	-	-
Board of Education	9,437	3,420	3,420	-
General Administration	71,405	77,627	77,627	-
School Administration	109,951	354,461	354,461	-
Facilities Acquisition & Construction	173,915	177,338	177,338	-
Fiscal Services	13,900	10,913	10,913	-
Operation of Plant	114,537	106,820	106,820	-
Community Services	5,000	16,296	16,296	-
Debt Service:				
Interest		863	863	-
Total Expenditures	<u>1,521,874</u>	<u>1,515,028</u>	<u>1,515,028</u>	-
Excess (Deficiency) of Revenues Over Expenditures	<u>72,032</u>	<u>5,477</u>	<u>5,477</u>	-
Other Financing Sources (Uses):				
Loan Proceeds	-	150,000	150,000	-
Transfers In/(Out)		(14,108)	(14,108)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>135,892</u>	<u>135,892</u>	-
Net Change in Fund Balance	72,032	141,369	141,369	-
Fund Balance, July 1, 2019	90,208	90,208	90,208	-
Fund Balance, June 30, 2020	<u>\$ 162,240</u>	<u>\$ 231,577</u>	<u>\$ 231,577</u>	<u>\$ -</u>

See Independent Auditor's Report.

**KID'S COMMUNITY COLLEGE ELEMENTARY
CHARTER SCHOOL SOUTHEAST COUNTY, INC.**

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2020

1. BUDGETARY BASIS OF ACCOUNTING

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries and benefits, purchased services, materials and supplies and capital outlay) within each activity (e.g., instruction, pupil personnel services and school administration). Budgets may be amended by resolution at any Board meeting prior to the date for the annual report.

Members:
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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 Kid's Community College Southeast Middle Charter School, Inc.
a Charter School and Component Unit of the
District School Board of Hillsborough County, Florida

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Kid's Community College Southeast Middle Charter School, Inc. ("School"), a charter school and component unit of the District School Board of Hillsborough County, Florida, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated September 25, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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, in internal control, such that there is a reasonable possibility that a material misstatement of the School's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

A handwritten signature in black ink that reads "King & Walker, CPAs". The signature is written in a cursive, flowing style.

September 25, 2020
Tampa, Florida

Members:
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Government Audit Quality Center

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**Management Letter as Required by Rules of the Florida Auditor General,
Chapter 10.850, Florida Statutes, *Charter School Audits***

To the Board of Directors Kid's Community College Southeast Middle Charter School, Inc.
a Charter School and Component Unit of the
District School Board of Hillsborough County, Florida

Report on the Financial Statements

We have audited the financial statements of the Kid's Community College Southeast Middle Charter School, Inc. ("School"), a Charter School and Component Unit of the District School Board of Hillsborough County, Florida, as of and for the fiscal year ended June 30, 2020, and have issued our report thereon dated September 25, 2020.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.850, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports and schedule, which are dated September 25, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no prior audit findings or recommendations.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Kid's Community College Southeast Middle Charter School, 297821.

Financial Condition and Management

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Transparency

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

Additional Matters

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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

Purpose of this Letter

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

Respectfully submitted,

King & Walker, CPAs

September 25, 2020
Tampa, Florida

**KID'S COMMUNITY COLLEGE
CHARTER SCHOOL, INC. D/B/A
KID'S COMMUNITY COLLEGE
RIVERVIEW SOUTH**

A Charter School and Component Unit of the
District School Board of Hillsborough County, Florida

INDEPENDENT AUDITOR'S REPORT

for the fiscal year ended JUNE 30, 2021

King & Walker, CPAs, PL

Certified Public Accountants

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**KID’S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID’S COMMUNITY COLLEGE RIVERVIEW SOUTH**

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Members:
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Independent Auditor's Report

To the Board of Directors Kid's Community College Charter School, Inc.
d/b/a Kid's Community College Riverview South
a Charter School and Component Unit of the
District School Board of Hillsborough County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Kid's Community College Charter School, Inc. d/b/a Kid's Community College Riverview South ("School"), a charter school and component unit of the District School Board of Hillsborough County, Florida, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental 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 from 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 School'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 School'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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School, as of June 30, 2021, and the respective changes in financial position thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedule, and Note to Required Supplementary Information, as shown in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historic context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 3, 2021 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering School's, internal control over financial reporting and compliance.

Respectfully submitted,

King & Walker, CPAs

September 3, 2021
Tampa, Florida

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida
MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

The Management's Discussion and Analysis (MD&A) section of the annual financial report of the Kid's Community College Charter School, Inc. d/b/a Kid's Community College Riverview South ("School") provides an overview of the School's activities for the fiscal year ended June 30, 2021.

Because the information contained in the MD&A is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with the School's financial statements and notes to financial statements, as listed in the table of contents.

FINANCIAL HIGHLIGHTS

- For the fiscal year ended June 30, 2021, the School's revenues exceeded expenses as shown on the School's Statement of Activities by \$243,525.
- As shown on the Statement of Net Position, the School reported an unrestricted net position balance of \$1,035,461.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements consist of three components:

- ✓ Government-wide financial statements
- ✓ Fund financial statements
- ✓ Notes to financial statements

Government-Wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the School's overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net position and a statement of activities that are designed to provide consolidated financial information about the governmental activities of the School presented on the accrual basis of accounting. The statement of net position provides information about the government's financial position, its assets and liabilities, using an economic resources measurement focus. The difference between the assets and liabilities, the net position, is a measure of the financial health of the School. The statement of activities presents information about the change in the School's net position and the results of operations, during the fiscal year. An increase or decrease in net position is an indication of whether the School's financial health is improving or deteriorating. To assess the overall financial position of the School, one needs to consider additional non-financial factors such as changes in the School student base funding level.

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida
MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

Fund Financial Statements

Fund financial statements are one of the components of the basic financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements provide more detailed information about the School's financial activities, focusing on its most significant funds rather than fund types. This is in contrast to the entity-wide perspective contained in the government-wide financial statements.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize a spendable financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. The financial resources measurement focus allows the governmental fund financial statements to provide information on near-term inflows and outflows of spendable resources as well as balances of spendable resources available at the end of the fiscal year.

The governmental fund financial statements provide a detailed short-term view that may be used to evaluate the School's near-term financing requirements. This short-term view is useful when compared to the long-term view presented as governmental activities in the government-wide financial statements. To facilitate this comparison, both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation of governmental fund to governmental activities.

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the School's most significant funds. The School operates three funds; a General Fund, a Special Revenue Fund, and a Capital Projects Fund. For reporting purposes, the General Fund is considered a major fund. All other governmental funds are non-major and are presented in the aggregate.

The School adopts an annual budget for its governmental funds. A budgetary comparison schedule, as required, has been provided for the General Fund to demonstrate compliance with the budget.

Notes to Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida
MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of the School's current year and prior year net position:

	Net Position, End of Year		
	<u>Governmental Activities</u>		<u>Increase (Decrease)</u>
	<u>6-30-20</u>	<u>6-30-21</u>	
ASSETS			
Current and Other Assets	\$ 984,175	\$ 1,275,777	\$ 291,602
Capital Assets, Net	<u>23,565</u>	<u>13,677</u>	<u>(9,888)</u>
Total Assets	<u>1,007,740</u>	<u>1,289,454</u>	<u>281,714</u>
LIABILITIES			
Current Liabilities	52,127	90,316	38,189
Noncurrent Liabilities	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Total Liabilities	<u>202,127</u>	<u>240,316</u>	<u>38,189</u>
NET POSITION			
Net Investment in Capital Assets	23,565	13,677	(9,888)
Unrestricted	<u>782,048</u>	<u>1,035,461</u>	<u>253,413</u>
Total Net Position	<u>\$ 805,613</u>	<u>\$ 1,049,138</u>	<u>\$ 243,525</u>

The current assets of the School primarily consist of cash & cash equivalents (95%) of total current assets. Liabilities consist of accounts payable, deferred revenue, and a long-term note payable. Total net position amounted to \$1,049,138 as of June 30, 2021, of which \$1,035,461 is unrestricted.

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida
MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

The following is a summary of the School's change in net position for the current year and prior year:

	Operating Results for the Year		
	<u>Governmental Activities</u>		
	<u>6-30-20</u>	<u>6-30-21</u>	<u>Increase (Decrease)</u>
Revenues:			
Federal Through State and Local	\$ 182,634	\$ 307,915	\$ 125,281
State	4,285,219	4,339,005	53,786
Local and Other	585,571	373,058	(212,513)
Total Revenues	<u>5,053,424</u>	<u>5,019,978</u>	<u>(33,446)</u>
Expenses:			
Instruction	1,954,710	2,228,767	274,057
Instructional Media	-	205	205
Instruction & Curriculum Development	1,237	-	(1,237)
Instructional Staff Training	10,680	119	(10,561)
Instructional Related Technology	-	5,359	5,359
Board	29,931	38,748	8,817
General Administration	84,643	137,055	52,412
School Administration	958,422	837,832	(120,590)
Facilities Acquisition & Construction	914,705	926,664	11,959
Fiscal Services	33,178	40,494	7,316
Food Services	260,190	293,852	33,662
Operation of Plant	340,417	223,305	(117,112)
Community Service	37,769	27,179	(10,590)
Unallocated Depreciation	15,711	16,874	1,163
Total Expenses	<u>4,641,593</u>	<u>4,776,453</u>	<u>134,860</u>
Increase/(Decrease) in Net Position	<u>\$ 411,831</u>	<u>\$ 243,525</u>	<u>\$ (168,306)</u>

The largest revenue source for the School is the State of Florida (86%). Revenues from State sources for current operations are primarily received through the Florida Education Finance Program (FEFP) funding formula funds.

The largest portion of expenses occurred in the instructional services functions which accounted for 47% of total expenses and the functions related to the operation of the School facility which accounted for 24% of total expenses.

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida
MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

FINANCIAL ANALYSIS OF THE SCHOOL'S FUNDS

Governmental Funds

As the School completed the year, its governmental funds reported a combined fund balance of \$1,185,461.

BUDGETARY HIGHLIGHTS

The General Fund budget for the fiscal year ended June 30, 2021, was developed based on the School's anticipated revenues and expenditures and the expected student population for the school year. Refer to the budgetary comparison schedule for additional information.

CAPITAL ASSETS

The School's investment in capital assets for its governmental activities as of June 30, 2021, amounts to \$13,677 (net of accumulated depreciation). This investment in capital assets includes furniture, fixtures, and equipment, motor vehicles and leasehold improvements. Additional information regarding the School's capital assets can be found in the notes to the financial statements.

DEBT ADMINISTRATION

In the 2019-20 fiscal year, the School entered into a promissory note payable for \$150,000 through the COVID-19 SBA Economic Injury Disaster Loan Program. The remaining balance as of June 30, 2021, of \$150,000 is payable in annual principal and interest payments through June 30, 2050. Additional information regarding the School's long-term debt is located in the notes to the financial statements.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the School's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Campus Director, Kid's Community College Charter School, Inc. d/b/a Kid's Community College Riverview South 10300 Mathog Road, Riverview, FL 33578.

**KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

STATEMENT OF NET POSITION

June 30, 2021

	Government Activities
ASSETS	
Cash & Cash Equivalents	\$ 1,217,671
Due From Other Agencies	42,000
Accounts Receivable	16,106
Capital Assets:	
Leasehold Improvements, Net	4,432
Furniture, Fixtures, and Equipment, Net	9,245
Total Capital Assets	13,677
TOTAL ASSETS	1,289,454
LIABILITIES	
Accounts Payable	35,707
Deferred Revenue	54,609
Noncurrent Liabilities:	
Due Within One Year:	
Note Payable	3,497
Due After One Year:	
Note Payable	146,503
TOTAL LIABILITIES	240,316
NET POSITION	
Net Investment in Capital Assets	13,677
Unrestricted	1,035,461
TOTAL NET POSITION	\$ 1,049,138

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

**KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

**STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2021**

	Expenses	Program Revenues			Net (Expenses) Revenue and Changes Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 2,228,767	\$ -	\$ 11,030	\$ -	\$ (2,217,737)
Instructional Media	205		-		(205)
Instructional Staff Training	119		-		(119)
Instructional Related Technology	5,359		-		(5,359)
Board	38,748		-		(38,748)
General Administration	137,055		-		(137,055)
School Administration	837,832		-		(837,832)
Facilities Acquisition & Construction	926,664		-	296,287	(630,377)
Fiscal Services	40,494		-		(40,494)
Food Services	293,852	5,845	296,885		8,878
Operation of Plant	223,305		-		(223,305)
Community Service	27,179	55,902	-		28,723
Unallocated Depreciation	16,874		-		(16,874)
Total Governmental Activities	\$ 4,776,453	\$ 61,747	\$ 307,915	\$ 296,287	(4,110,504)
General Revenue					
State Sources					4,042,718
Local and Other					311,311
Total General Revenues					4,354,029
Change in Net Position					243,525
Net Position - July 1, 2020					805,613
Net Position - June 30, 2021					\$ 1,049,138

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

**KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2021

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash & Cash Equivalents	\$ 1,217,671	\$ -	\$ 1,217,671
Due From Other Agencies	42,000	-	42,000
Accounts Receivable	16,106	-	16,106
Total Assets	<u>\$ 1,275,777</u>	<u>\$ -</u>	<u>\$ 1,275,777</u>
LIABILITIES			
Accounts Payable	\$ 35,707	\$ -	\$ 35,707
Deferred Revenue	54,609	-	54,609
Total Liabilities	<u>90,316</u>	<u>-</u>	<u>90,316</u>
FUND BALANCES			
Unassigned	<u>1,185,461</u>	<u>-</u>	<u>1,185,461</u>
Total Fund Balances	<u>1,185,461</u>	<u>-</u>	<u>1,185,461</u>
Total Liabilities and Fund Balances	<u>\$ 1,275,777</u>	<u>\$ -</u>	<u>\$ 1,275,777</u>

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

**KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

June 30, 2021

Total Fund Balances - Governmental Funds		\$ 1,185,461
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore, are not reported as assets in governmental funds.		13,677
Long-term liabilities are not due and payable in the current period and therefore, are not reported as liabilities in the governmental funds.		
Note Payable	(150,000)	(150,000)
Total Net Position - Governmental Activities		\$ 1,049,138

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

**KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

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

For the Fiscal Year Ended June 30, 2021

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues			
Intergovernmental:			
Federal Through State and Local	\$ -	\$ 307,915	\$ 307,915
State	4,042,718	296,287	4,339,005
Local and Other	367,213	5,845	373,058
Total Revenues	4,409,931	610,047	5,019,978
Expenditures			
Current - Education:			
Instruction	2,217,737	11,030	2,228,767
Instructional Media	205	-	205
Instructional Staff Training	119	-	119
Instructional Related Technology	5,359	-	5,359
Board	38,748	-	38,748
General Administration	87,055	-	87,055
School Administration	837,832	-	837,832
Facilities Acquisition & Construction	630,377	296,287	926,664
Fiscal Services	40,494	-	40,494
Food Services	-	293,852	293,852
Operation of Plant	223,305	-	223,305
Community Service	27,179	-	27,179
Fixed Capital Outlay:			
Other Capital Outlay	6,986	-	6,986
Total Expenditures	4,115,396	601,169	4,716,565
Excess/(Deficiency) of Revenues			
Over Expenditures	294,535	8,878	303,413
Other Financing Sources (Uses):			
Transfers In/(Out)	8,878	(8,878)	-
Total Other Financing Sources (Uses)	8,878	(8,878)	-
Net Change in Fund Balances	303,413	-	303,413
Fund Balances, July 1, 2020	882,048	-	882,048
Fund Balances, June 30, 2021	\$ 1,185,461	\$ -	\$ 1,185,461

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

**KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2021**

Net Change in Fund Balances - Governmental Funds \$ 303,413

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital Outlays	6,986	
Depreciation Expense	<u>(16,874)</u>	(9,888)

Expenses associated with the write-off of long-term receivables in the statement of activities do not require the use of current financial resources are not reported in the governmental funds.

(50,000)

Change in Net Position - Governmental Activities \$ 243,525

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

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

➤ **Reporting Entity**

Kid's Community College Charter School, Inc. d/b/a Kid's Community College Riverview South ("School") is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act. In previous years, Kid's Community College Charter School, Inc. operated an elementary school. In 2015-16, the elementary and the middle school previously operated by Kid's Community College Middle School, Inc., were combined into a single charter school. The governing body of the School is the not-for-profit corporation Board of Directors, which is comprised of not less than three members.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the District School Board of Hillsborough County, Florida, ("District"). The School's charter is in effective to June 30, 2026. 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 this 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. In the event of termination of the charter, the District shall assume operation of the School. The School is considered a component unit of the District; therefore, for financial reporting purposes, the School is required to follow generally accepted accounting principles applicable to state and local governmental units.

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

➤ **Basis of Presentation**

Government-wide Financial Statements - Government-wide financial statements, including the statement of net position and the statement of activities, present information about the School as a whole.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

School's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School.

Fund Financial Statements - Fund financial statements report detailed information about the School in the governmental funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The School's major governmental fund is as follows:

- General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.

All other governmental funds are non-major and are presented in the aggregate.

➤ **Basis of Accounting**

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

The government-wide financial statements are prepared using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School considers revenues to be available if they are collected within 30 days of the end of the current fiscal

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A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

➤ **Cash Deposits**

Cash deposits consist of demand deposits with financial institutions. Deposits on hand at financial institutions are insured by the Federal Deposit Insurance Company up to \$250,000. The accounts routinely exceed the federally insured limit of \$250,000.

➤ **Capital Assets**

Expenditures for capital assets acquired or constructed for general School purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the School as those costing more than \$750. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at fair value at the date of donation.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture, Fixtures and Equipment	5 years
Motor Vehicles	5 years
Leasehold Improvements	10 years

Current-year information relative to changes in capital assets is described in a subsequent note.

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

➤ **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until then. The School does not have any items that qualify for reporting in this category.

➤ **Net Position and Fund Balance Classification**

Government-wide Financial Statements

Net Position are classified and reported in three components:

- Net Investment in Capital Assets – consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any borrowings that are attributed to the acquisition or improvement of those assets.
- Restricted Net Position – consists of net position with constraints placed on their use either by external groups such as creditors, contributors, or laws or regulations of other governments.
- Unrestricted Net Position – all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Fund Financial Statements

GASB Codification Section 1800.142, *Fund Balance Reporting and Governmental Fund Type Definitions*, defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be reported within one of the following fund balance categories:

- Nonspendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned). All nonspendable fund balances at year end relate to assets that are in nonspendable form.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

- Restricted – fund balance that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.
- Committed – fund balance that can be used only for the specific purposes determined by a formal action of the School's Board of Governance.
- Assigned – fund balance that is intended to be used by the School's management for specific purposes but does not meet the criteria to be classified as restricted or committed.
- Unassigned – fund balance that is the residual amount for the School's general fund and includes all spendable amounts not contained in the other classifications.

➤ **Order of Fund Balance Spending Policy**

The School's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. First, nonspendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including nonspendable amounts). Any remaining fund balance amounts for the non-general funds are to be classified as restricted fund balance. It is possible for the non-general funds to be classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when nonspendable amounts plus the amount of restricted fund balances for specific purposes exceed the positive fund balance for non-general fund.

➤ **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 1002.33(17), Florida Statutes, the School reports the number of full-time equivalent students and related data to the District.

Under provisions of Section 1011.62, Florida Statutes, the District reports the number of full-time equivalent students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program (FEFP). Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students (FTE) reported by the School during designated full-time equivalent student survey periods. The Department may also adjust subsequent fiscal period allocations based upon an audit of the School's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made. The District receives a 5% administrative fee from the School, which is reflected in the accompanying statement of activities and

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June 30, 2021

statement of revenues, expenditures and change in fund balances – governmental funds.

The basic amount of funding through the FEFP under Section 1011.62 is the product of the (1) unweighted FTE, multiplied by (2) the cost factor for each program, multiplied by (3) the base student allocation established by the legislature. Additional funds for exceptional students who do not have a matrix of services are provided through the guaranteed allocation designated in Section 1011.62(1)(e)2., Florida Statutes. For the fiscal year ended June 30, 2021, the School reported 580 unweighted FTE and 608.432 weighted FTE. Weighted funding represents approximately 3% of total FEFP funding.

FEFP funding may also be adjusted as a result of subsequent FTE audits conducted by the Florida Auditor General pursuant to Section 1010.305, Florida Statutes, and Rule 6A-1.0453, Florida Administrative Code (FAC). Schools are required to maintain the following documentation for three years or until the completion of an FTE audit:

- Attendance and membership documentation (Rule 6A-1.044, FAC).
- Teacher certificates and other certification documentation (Rule 6A-1.0503, FAC).
- Documentation for instructors teaching out-of-field (Rule 6A-1.0503, FAC).
- Procedural safeguards for weighted programs (Rule 6A-6.03411, FAC).
- Evaluation and planning documents for weighted programs (Section 1010.305, Florida Statutes, and Rule 6A-6.03411, FAC).

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

The School follows the policy of applying restricted resources prior to applying unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available. A schedule of revenue sources for the current year is presented in a subsequent note.

➤ **Income Taxes**

The School is exempt from Federal tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the accompanying financial statements. Additionally, no uncertain tax positions have been made requiring disclosure in the related notes to financial statements. The School's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

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NOTES TO FINANCIAL STATEMENTS
June 30, 2021

➤ **Use of Estimates**

In preparing the financial statements in conformity with generally accepted accounting principles in the United States (GAAP) management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the statement of net position and affect revenues and expenditures for the period presented. Actual results could differ from those estimates.

➤ **Subsequent Events**

Management has evaluated all events subsequent to the balance sheet date and through the report date, which is the date these financial statements were available to be issued. Effective on July 1, 2021, the District approved the merger of the School with Kid's Community College Charter High School to June 30, 2026. The new school will be called Kid's Community College Riverview South K-12.

Management determined there are no other subsequent events which require disclosure.

2. CASH DEPOSITS

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the School's deposits may not be returned to the School. The School does not have a custodial credit risk policy. Deposits on hand at financial institutions are insured by the Federal Deposit Insurance Company (FDIC) up to \$250,000. As of June 30, 2021, the School was exposed to custodial credit risk. One of the School's bank accounts exceeded the FDIC insurance limit by \$901,250.

3. LOAN RECEIVABLE – RELATED PARTY

The School signed a promissory note to lend \$50,000 to Kid's Community College Charter High School, a related party through common control, in the 2017-18 fiscal year. The note was approved by the School's Board to be forgiven in February 2021, as the two Schools are combining effective July 1, 2021. An expense was recorded in the general administrative function on the statement of activities to reflect this transaction.

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June 30, 2021

4. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below:

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Governmental Activities:</u>				
Leasehold Improvements	\$ 152,429	\$ -	\$ -	\$ 152,429
Furniture, Fixtures and Equipment	92,402	6,986	-	99,388
Motor Vehicles	9,734	-	(9,734)	-
Total Capital Assets	<u>254,565</u>	<u>6,986</u>	<u>(9,734)</u>	<u>251,817</u>
Less Accumulated Depreciation for:				
Leasehold Improvements	(139,136)	(8,861)	-	(147,997)
Furniture, Fixtures and Equipment	(82,130)	(8,013)	-	(90,143)
Motor Vehicles	(9,734)	-	9,734	-
Total Accumulated Depreciation	<u>(231,000)</u>	<u>(16,874)</u>	<u>9,734</u>	<u>(238,140)</u>
Governmental Activities Capital Assets, net	<u>\$ 23,565</u>	<u>\$ (9,888)</u>	<u>\$ -</u>	<u>\$ 13,677</u>

All depreciation expense was shown as unallocated on the Statement of Activities.

5. NOTE PAYABLE

Note payable consisted of the following:

	Balance at 6-30-21
<u>Small Business Administration</u>	
\$150,000; COVID-19 SBA Economic Injury Disaster Loan. Note dated June 7, 2020; matures on June 7, 2050; interest of 2.75% per annum. Principal and interest payments begin July 2021. In the event of default, the SBA may require immediate payment of all amounts owed under this note, file suit and obtain judgement, or take possession of any collateral (all tangible and intangible personal property as described in the note agreement).	150,000
Total Notes Payable	<u>\$ 150,000</u>

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NOTES TO FINANCIAL STATEMENTS
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Amounts payable for this note payable follows:

Fiscal Year Ending June 30	Total	Principal	Interest
2022	\$ 7,692	\$ 3,497	\$ 4,195
2023	7,692	3,595	4,097
2024	7,692	3,695	3,997
2025	7,692	3,798	3,894
2026	7,692	3,904	3,788
2027-2031	38,460	21,211	17,249
2032-2036	38,460	24,333	14,127
2037-2041	38,460	27,916	10,544
2042-2046	38,460	32,025	6,435
2047-2051	27,814	26,026	1,788
Total	\$ 220,114	\$ 150,000	\$ 70,114

6. CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

	Beginning Balance	Additions	Deductions	Ending Balance	Due in One Year
GOVERNMENTAL ACTIVITIES:					
Note Payable	\$ 150,000	\$ -	\$ -	\$ 150,000	\$ 3,497
Total Governmental Activities	\$ 150,000	\$ -	\$ -	\$ 150,000	\$ 3,497

7. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the School's State revenue:

Source	Amount
Florida Education Finance Program	\$4,026,670
Categorical Programs:	
Charter School Capital Outlay	296,287
Miscellaneous	16,048
Total State Revenue	<u>\$4,339,005</u>

As provided in the charter school contract the District has charged the School an administrative fee on FEFP revenue of \$84,643.

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June 30, 2021

8. INTERFUND TRANSFERS

The School's Special Revenue Fund transferred \$8,878 to the General Fund to provide financial support for the Food Service Program's costs of operation and maintenance including utility costs among other costs incurred by the General Fund. The amount of interfund transfers are netted together and not reported in the statement of activities.

9. FUNDING AND CREDIT RISK CONCENTRATIONS

The School receives substantially all of its support and revenue from federal, state and local funding sources, passed through the District, in the form of performance and budget based contracts. Continuing operation of the School is greatly dependent upon the continued support of these governmental agencies.

10. FACILITY LEASE

The School entered into a 20 year noncancelable operating lease for its educational facility beginning September 1, 2012, through August 31, 2032. The lease requires monthly payments and includes annual increases or decreases in accordance with the agreement through August 2032 based on FTE increases or decreases. Monthly rental changes are effective after year three of the lease agreement. In accordance with the agreement, the School is responsible for all operating charges and insurance and is to maintain the premises at its own expense. Rental expenditures under this lease agreement for the fiscal year amounted to \$926,532.

The following is a schedule by years of future minimum rental payments required under the facility lease with remaining noncancelable lease terms in excess of one year:

Fiscal Year Ending June 30:	Minimum Lease Payments
2022	\$ 795,000
2023	795,000
2024	795,000
2025	795,000
2026	795,000
2027-2032	4,770,000
Total	<u>\$ 8,745,000</u>

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

11. RISK MANAGEMENT PROGRAMS

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the School carries commercial insurance. There have been no significant reductions in insurance coverage and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

12. PENSION PLAN

The School participated in a defined contribution Savings Incentive Match Plan for Employees (SIMPLE) retirement plan. The School contributed a 3% maximum match for participating employees. Contributions are directed to individual employee's accounts, and the individual employees allocate contributions and account balances among various available investment choices, therefore, the School has no liability for the administration or payments of benefits of the plan, and accordingly, the present value of the related benefits is not reflected in these financial statements. The rate of contribution is set annually by the School's Board of Directors.

13. COMMITMENTS AND CONTINGENT LIABILITIES

The School participates in state grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies, therefore, to the extent that the School has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivables at June 30, 2021, may be impaired.

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

14. LEGAL MATTERS

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

**KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND (UNAUDITED)
For the Fiscal Year Ended June 30, 2021**

	General Fund			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental:				
State	\$ 3,910,554	\$ 4,042,718	\$ 4,042,718	\$ -
Local and Other	363,696	367,213	367,213	-
Total Revenues	<u>4,274,250</u>	<u>4,409,931</u>	<u>4,409,931</u>	<u>-</u>
Expenditures:				
Current - Education:				
Instruction	1,927,090	2,217,737	2,217,737	-
Student Support Services	74,906	-	-	-
Instructional Media	1,123	205	205	-
Instruction & Curriculum Development	51,445	-	-	-
Instructional Staff Training	7,250	119	119	-
Instructional Related Technology	15,000	5,359	5,359	-
Board	81,180	38,748	38,748	-
General Administration	83,990	87,055	87,055	-
School Administration	815,997	837,832	837,832	-
Facilities Acquisition & Construction	691,855	630,377	630,377	-
Fiscal Services	-	40,494	40,494	-
Food Services	80,141	-	-	-
Operation of Plant	264,261	223,305	223,305	-
Community Service	-	27,179	27,179	-
Fixed Capital Outlay:				
Other Capital Outlay	-	6,986	6,986	-
Total Expenditures	<u>4,094,238</u>	<u>4,115,396</u>	<u>4,115,396</u>	<u>-</u>
Excess (Deficiency) of Revenues				
Over Expenditures	<u>180,012</u>	<u>294,535</u>	<u>294,535</u>	<u>-</u>
Other Financing Sources (Uses):				
Transfers (Out)	(11,181)	8,878	8,878	-
Total Other Financing Sources (Uses)	<u>(11,181)</u>	<u>8,878</u>	<u>8,878</u>	<u>-</u>
Net Change in Fund Balance	168,831	303,413	303,413	-
Fund Balance, July 1, 2020	882,048	882,048	882,048	-
Fund Balance, June 30, 2021	<u>\$ 1,050,879</u>	<u>\$ 1,185,461</u>	<u>\$ 1,185,461</u>	<u>\$ -</u>

See Independent Auditor's Report

KID'S COMMUNITY COLLEGE CHARTER SCHOOL, INC.
D/B/A KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH
A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2021

1. BUDGETARY BASIS OF ACCOUNTING

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries and benefits, purchased services, materials and supplies and capital outlay) within each activity (e.g., instruction, pupil personnel services and school administration). Budgets may be amended by resolution at any Board meeting prior to the date for the annual report.

Members:
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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 Kid's Community College Charter School, Inc.
d/b/a Kid's Community College Riverview South
a Charter School and Component Unit of the
District School Board of Hillsborough County, Florida

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Kid's Community College Charter School, Inc. d/b/a Kid's Community College Riverview South ("School"), a charter school and component unit of the District School Board of Hillsborough County, Florida, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated September 3, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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, in internal control, such that there is a reasonable possibility that a material misstatement of the School's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

A handwritten signature in black ink that reads "King & Walker, CPAs". The signature is written in a cursive, flowing style.

September 3, 2021
Tampa, Florida

Members:
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Government Audit Quality Center

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**Management Letter as Required by Rules of the Florida Auditor General,
Chapter 10.850, Florida Statutes, *Charter School Audits***

To the Board of Directors Kid's Community College Charter School, Inc.
d/b/a Kid's Community College Riverview South
a Charter School and Component Unit of the
District School Board of Hillsborough County, Florida

Report on the Financial Statements

We have audited the financial statements of the Kid's Community College Charter School, Inc. d/b/a Kid's Community College Riverview South ("School"), a Charter School and Component Unit of the District School Board of Hillsborough County, Florida, as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated September 3, 2021.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.850, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports and schedule, which are dated September 3, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no prior audit findings or recommendations.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Kid's Community College Riverview South, 296626.

Financial Condition and Management

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Transparency

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

Additional Matters

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Directors, applicable management, and District School Board of Hillsborough County, Florida and is not intended to be and should not be used by anyone other than these specified parties

Respectfully submitted,



September 3, 2021
Tampa, Florida

**KID'S COMMUNITY COLLEGE
RIVERVIEW SOUTH K-12**

A Charter School and Component Unit of the
District School Board of Hillsborough County, Florida

INDEPENDENT AUDITOR'S REPORT

for the fiscal year ended JUNE 30, 2022

King & Walker, CPAs, PL

Certified Public Accountants

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KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH K-12

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Independent Auditor's Report

To the Board of Kid's Community College Riverview South K-12
a Charter School and Component Unit of the
District School Board of Hillsborough County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of the Kid's Community College Riverview South K-12 ("School"), a charter school and component unit of the District School Board of Hillsborough County, Florida as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the School, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As described in Note 2, the School implemented Government Accounting Standards Board (GASB) Statement No. 87 - Leases, which is a change in accounting principle that addresses accounting and financial reporting for leases. This affects the comparability of amounts reported for the 2021-22 fiscal year with amounts reported for the 2020-21 fiscal year. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 School's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report September 19, 2022, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's, internal control over financial reporting and compliance.

King & Walker, CPAs

September 19, 2022
Tampa, Florida

KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH K-12

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

The Management's Discussion and Analysis (MD&A) section of the annual financial report of the Kid's Community College Riverview South K-12 ("School") provides an overview of the School's financial activities for the fiscal year ended June 30, 2022.

Because the information contained in the MD&A is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with the School's financial statements and notes to financial statements, as listed in the table of contents.

FINANCIAL HIGHLIGHTS

- For the fiscal year ended June 30, 2022, the School's expenses exceeded revenues as shown on the School's Statement of Activities by \$435,280.
- As shown on the Statement of Net Position, the School reported an unrestricted net position balance of \$615,040.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements consist of three components:

- ✓ Government-wide financial statements
- ✓ Fund financial statements
- ✓ Notes to financial statements

Government-Wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the School's overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net position and a statement of activities that are designed to provide consolidated financial information about the governmental activities of the School presented on the accrual basis of accounting. The statement of net position provides information about the government's financial position, its assets and liabilities, using an economic resources measurement focus. The difference between the assets and liabilities, the net position, is a measure of the financial health of the School. The statement of activities presents information about the change in the School's net position and the results of operations, during the fiscal year. An increase or decrease in net position is an indication of whether the School's financial health is improving or deteriorating. To assess the overall financial position of the School, one needs to consider additional non-financial factors such as changes in the School student base funding level.

KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH K-12

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

Fund Financial Statements

Fund financial statements are one of the components of the basic financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements provide more detailed information about the School's financial activities, focusing on its most significant funds rather than fund types. This is in contrast to the entity-wide perspective contained in the government-wide financial statements.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize a spendable financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. The financial resources measurement focus allows the governmental fund financial statements to provide information on near-term inflows and outflows of spendable resources as well as balances of spendable resources available at the end of the fiscal year.

The governmental fund financial statements provide a detailed short-term view that may be used to evaluate the School's near-term financing requirements. This short-term view is useful when compared to the long-term view presented as governmental activities in the government-wide financial statements. To facilitate this comparison, both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation of governmental fund to governmental activities.

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the School's most significant funds. The School operates three funds; a General Fund to account for its general operations and internal account activities, a Special Revenue Fund to account for Federal grant programs and food service operations, and a Capital Projects Fund to account for its charter school capital outlay funds. For reporting purposes, the General Fund, Special Revenue Fund, and Capital Projects Fund are considered major funds of the School.

The School adopts annual budgets for its governmental funds. A budgetary comparison schedule, as required, has been provided for the General Fund and Major Special Revenue Fund to demonstrate compliance with their budgets.

Notes to Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH K-12

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of the School's current and prior year net position:

	Net Position, End of Year		
	Governmental Activities		Increase (Decrease)
	6-30-21	6-30-22	
ASSETS			
Current and Other Assets	\$ 1,486,234	\$ 1,734,871	\$ 248,637
Capital Assets, Net	45,696	13,036,016	12,990,320
Total Assets	1,531,930	14,770,887	13,238,957
LIABILITIES			
Current Liabilities	109,731	69,831	(39,900)
Noncurrent Liabilities	350,000	14,064,137	13,714,137
Total Liabilities	459,731	14,133,968	13,674,237
NET POSITION			
Net Investment in Capital Assets	45,696	21,879	(23,817)
Unrestricted	1,026,503	615,040	(411,463)
Total Net Position	\$ 1,072,199	\$ 636,919	\$ (435,280)

The current assets of the School primarily consist of cash & cash equivalents (92%) of total current assets. Liabilities consist of accounts payable, long-term notes payable, and long-term leases payable. Total net position amounted to \$636,919 as of June 30, 2022, of which \$615,040 is unrestricted.

KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH K-12

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

The following is a summary of the School's change in net position for the current and prior year:

	Operating Results for the Year		
	<u>Governmental Activities</u>		
	<u>6-30-21</u>	<u>6-30-22</u>	<u>Increase (Decrease)</u>
Revenues:			
Federal Through State and Local	\$ 346,473	\$1,004,575	\$ 658,102
State	5,985,386	5,441,596	(543,790)
Local and Other	706,108	665,206	(40,902)
Extraordinary Item - Loan Forgiveness	50,000	-	(50,000)
Total Revenues	<u>7,087,967</u>	<u>7,111,377</u>	<u>23,410</u>
Expenses:			
Instruction	4,011,276	3,288,062	(723,214)
Student Support Services	689,977	8,516	(681,461)
Instructional Media	205	3,435	3,230
Instruction & Curriculum Development	-	2,225	2,225
Instructional Staff Training	119	1,461	1,342
Instructional Related Technology	7,126	452	(6,674)
Board	39,000	117,332	78,332
General Administration	93,555	88,670	(4,885)
School Administration	922,065	1,254,290	332,225
Facilities Acquisition & Construction	1,243,558	108,853	(1,134,705)
Fiscal Services	522,221	26,457	(495,764)
Food Services	314,621	692,756	378,135
Central Services	34,897	-	(34,897)
Student Transportation	-	22,628	22,628
Operation of Plant	223,669	530,686	307,017
Maintenance of Plant	127,355	-	(127,355)
Community Service	27,179	44,201	17,022
Debt Service - Interest	153,417	798,376	644,959
Unallocated Depreciation	22,424	558,257	535,833
Total Expenses	<u>8,432,664</u>	<u>7,546,657</u>	<u>(886,007)</u>
Increase/(Decrease) in Net Position	<u>\$(1,344,697)</u>	<u>\$ (435,280)</u>	<u>\$ 909,417</u>

The largest revenue source for the School is the State of Florida (77%). Revenues from State sources for current operations are primarily received through the Florida Education Finance Program (FEFP) funding formula funds.

The largest portion of expenses occurred in the Instruction services functions which accounted for 44% of total expenses and the school administration function which accounted for 17% of total expenses.

KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH K-12

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

FINANCIAL ANALYSIS OF THE SCHOOL'S FUNDS

Governmental Funds

As the School completed the year, its governmental funds reported a combined fund balance of \$1,665,040.

BUDGETARY HIGHLIGHTS

The budgets for the General Fund and the Special Revenue Fund for the fiscal year ended June 30, 2022, were developed based on the School's anticipated revenues and expenditures, the expected student population, and Federal grant programs for the school year. Over the course of the year, management revised each fund's budget. For the fiscal year ended June 30, 2022, the actual expenditures were equal to the final budgets. Refer to the Budgetary Comparison Schedule for additional information.

CAPITAL ASSETS

The School's investment in capital assets for its governmental activities as of June 30, 2022, amounts to \$13,036,016 (net of accumulated depreciation/amortization). This investment in capital assets includes leased assets – buildings, furniture, fixtures, and equipment, and leasehold improvements. Additional information regarding the School's capital assets can be found in the notes to the financial statements.

DEBT ADMINISTRATION

The School has a loan outstanding from prior years of \$50,000. In the 2019-20 fiscal year, the School entered into a promissory note payable for \$300,000 through the COVID-19 SBA Economic Injury Disaster Loan Program. In 2021-22, the EIDL loan was increased to \$1,000,000. The EIDL loan is payable in monthly principal and interest payments of \$4,414 starting 12/07/22, and ending 11/07/52. Additional information regarding the School's long-term debt is located in the notes to the financial statements.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the School's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Campus Director, Kid's Community College Riverview South K-12, 10300 Mathog Road, Riverview, FL 33578.

**KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH K-12
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

STATEMENT OF NET POSITION

June 30, 2022

	Government Activities
ASSETS	
Cash & Cash Equivalents	\$ 1,594,444
Due From Other Agencies	86,389
Accounts Receivable	54,038
Capital Assets:	
Leased Assets - Buildings, Net	13,014,137
Furniture, Fixtures, and Equipment, Net	21,879
Total Capital Assets	13,036,016
TOTAL ASSETS	14,770,887
LIABILITIES	
Accounts Payable	69,831
Noncurrent Liabilities:	
Due Within One Year:	
Notes Payable	11,380
Long-term Lease Payable	599,944
Due After One Year:	
Notes Payable	1,038,620
Long-term Lease Payable	12,414,193
TOTAL LIABILITIES	14,133,968
NET POSITION	
Net Investment in Capital Assets	21,879
Unrestricted	615,040
TOTAL NET POSITION	\$ 636,919

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

KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH K-12
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2022

	Expenses	Program Revenues			Net (Expenses) Revenue and Changes Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 3,288,062	\$ -	\$ 187,201	\$ -	\$ (3,100,861)
Student Support Services	8,516		-		(8,516)
Instructional Media	3,435		-		(3,435)
Instruction & Curriculum Development	2,225		-		(2,225)
Instructional Staff Training	1,461		-		(1,461)
Instructional Related Technology	452		-		(452)
Board	117,332		-		(117,332)
General Administration	88,670		-		(88,670)
School Administration	1,254,290		-		(1,254,290)
Facilities Acquisition & Construction	108,853		-	395,809	286,956
Fiscal Services	26,457		-		(26,457)
Food Services	692,756	1,691	815,551		124,486
Student Transportation	22,628		-		(22,628)
Operation of Plant	530,686		1,823		(528,863)
Community Service	44,201	151,394	-		107,193
Debt Service - Interest	798,376		-		(798,376)
Unallocated Depreciation	558,257		-		(558,257)
Total Governmental Activities	\$ 7,546,657	\$ 153,085	\$ 1,004,575	\$ 395,809	(5,993,188)
General Revenue					
State Sources					5,045,787
Local and Other					512,121
Total General Revenues					5,557,908
Change in Net Position					(435,280)
Net Position - July 1, 2021					1,072,199
Net Position - June 30, 2022					\$ 636,919

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

KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH K-12
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2022

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash & Cash Equivalents	\$ 1,594,444	\$ -	\$ -	\$ 1,594,444
Due From Other Agencies	86,389	-	-	86,389
Accounts Receivable	54,038	-	-	54,038
Total Assets	<u>\$ 1,734,871</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,734,871</u>
 LIABILITIES				
Accounts Payable	\$ 69,831	-	-	69,831
Total Liabilities	<u>69,831</u>	<u>-</u>	<u>-</u>	<u>69,831</u>
 FUND BALANCES				
Unassigned	1,665,040	-	-	1,665,040
Total Fund Balances	<u>1,665,040</u>	<u>-</u>	<u>-</u>	<u>1,665,040</u>
Total Liabilities and Fund Balances	<u>\$ 1,734,871</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,734,871</u>

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

**KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH K-12
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

June 30, 2022

Total Fund Balances - Governmental Funds	\$	1,665,040
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore, are not reported as assets in governmental funds.		13,036,016
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Long-term liabilities are not due and payable in the current period and therefore, are not reported as liabilities in the governmental funds.

		(1,050,000)	
Notes Payable		(13,014,137)	
Long-term Leases Payable		<u>(14,064,137)</u>	
Total Net Position - Governmental Activities	\$	<u>636,919</u>	

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

KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH K-12
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Revenues				
Intergovernmental:				
Federal Through State and Local	\$ -	\$ 1,004,575	\$ -	\$ 1,004,575
State	5,045,787	-	395,809	5,441,596
Local and Other	663,515	1,691	-	665,206
Total Revenues	5,709,302	1,006,266	395,809	7,111,377
Expenditures				
Current - Education:				
Instruction	2,630,303	657,759	-	3,288,062
Student Support Services	8,516	-	-	8,516
Instructional Media	3,435	-	-	3,435
Instruction & Curriculum Development	2,225	-	-	2,225
Instructional Staff Training	1,461	-	-	1,461
Instructional Related Technology	452	-	-	452
Board	117,332	-	-	117,332
General Administration	88,670	-	-	88,670
School Administration	1,031,809	222,481	-	1,254,290
Facilities Acquisition & Construction	108,853	-	-	108,853
Fiscal Services	19,496	6,961	-	26,457
Food Services	-	692,756	-	692,756
Student Transportation	22,628	-	-	22,628
Operation of Plant	528,863	1,823	-	530,686
Community Service	44,201	-	-	44,201
Fixed Capital Outlay:				
Facilities Acquisition & Construction	13,548,577	-	-	13,548,577
Debt Service:				
Principal	534,440	-	-	534,440
Interest	402,567	-	395,809	798,376
Total Expenditures	19,093,828	1,581,780	395,809	21,071,417
Excess/(Deficiency) of Revenues				
Over Expenditures	(13,384,526)	(575,514)	-	(13,960,040)
Other Financing Sources (Uses):				
Inception of Long-term Leases	13,548,577	-	-	13,548,577
Proceeds from Debt	-	700,000	-	700,000
Transfers In/(Out)	124,486	(124,486)	-	-
Total Other Financing Sources (Uses)	13,673,063	575,514	-	14,248,577
Net Change in Fund Balances	288,537	-	-	288,537
Fund Balances, July 1, 2021	1,376,503	-	-	1,376,503
Fund Balances, June 30, 2022	\$ 1,665,040	\$ -	\$ -	\$ 1,665,040

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

**KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH K-12
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2022**

Net Change in Fund Balances - Governmental Funds	\$	288,537
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense.

	13,548,577	
Capital Outlays		
Depreciation/Amortization Expense	<u>(558,257)</u>	12,990,320

The repayment of principal of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term debt in the statement of net position.

534,440

Long-term debt proceeds are reported as other financing sources in the Governmental Funds and as long-term liabilities in the Statement of Net Position.

	(13,548,577)	
Inception of Long-term Leases		
Proceeds from Debt	<u>(700,000)</u>	<u>(14,248,577)</u>

Change in Net Position - Governmental Activities	\$	<u>(435,280)</u>
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The accompanying notes to the financial statements are an integral part of this statement.

KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH K-12

A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

➤ Reporting Entity

Kid's Community College Riverview South K-12 ("School") is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act. On July 1, 2021, the School's charter was modified to include grades 9-12 previously operated by Kid's Community College High, Inc. The governing body of the School is the not-for-profit corporation Board of Directors, which is comprised of not less than three members.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the District School Board of Hillsborough County, Florida, ("District"). The School's charter is in effective to June 30, 2026. 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 this 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. In the event of termination of the charter, the District shall assume operation of the School. The School is considered a component unit of the District; therefore, for financial reporting purposes, the School is required to follow generally accepted accounting principles applicable to state and local governmental units.

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

➤ Basis of Presentation

Government-wide Financial Statements - Government-wide financial statements, including the statement of net position and the statement of activities, present information about the School as a whole.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the School's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function.

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Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School.

Fund Financial Statements - Fund financial statements report detailed information about the School in the governmental funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The School's major governmental funds are as follows:

- General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.
- Capital Projects Fund – to account for financial resources that are restricted, committed or assigned to expenditures for capital outlays.
- Special Revenue Fund – to account for Federal grant programs and food service operations.

➤ Basis of Accounting

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

The government-wide financial statements are prepared using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School considers revenues to be available if they are collected within 30 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is

NOTES TO FINANCIAL STATEMENTS
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recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

➤ **Cash and Cash Equivalents**

The School's cash and cash equivalents are considered to be cash on hand, demand deposits, and short term liquid investments with original maturities of 3 months or less from the date of acquisition.

Cash deposits consist of demand deposits held by local financial institutions. Deposits on hand at financial institutions are insured by the Federal Deposit Insurance Company up to \$250,000.

➤ **Capital Assets**

Expenditures for capital assets acquired or constructed for general School purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the School as those costing more than \$750. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at fair value at the date of donation.

Capital assets are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture, Fixtures and Equipment	5 years
Leasehold Improvements	10 years
Leased Assets - Buildings	11 - 16 years

Current-year information relative to changes in capital assets is described in a subsequent note.

➤ **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources

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(revenue) until then. The School does not have any items that qualify for reporting in this category.

➤ Net Position and Fund Balance Classification

Government-wide Financial Statements

Net Position are classified and reported in three components:

- Net Investment in Capital Assets – consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any borrowings that are attributed to the acquisition or improvement of those assets.
- Restricted Net Position – consists of net position with constraints placed on their use either by external groups such as creditors, contributors, or laws or regulations of other governments.
- Unrestricted Net Position – all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Fund Financial Statements

GASB Codification Section 1800.142, *Fund Balance Reporting and Governmental Fund Type Definitions*, defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be reported within one of the following fund balance categories:

- Nonspendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned). All nonspendable fund balances at year end relate to assets that are in nonspendable form.
- Restricted – fund balance that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.
- Committed – fund balance that can be used only for the specific purposes determined by a formal action of the School’s Board of Governance.
- Assigned – fund balance that is intended to be used by the School’s management for specific purposes but does not meet the criteria to be classified as restricted or committed.
- Unassigned – fund balance that is the residual amount for the School’s general fund and includes all spendable amounts not contained in the other classifications.

NOTES TO FINANCIAL STATEMENTS
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➤ **Order of Fund Balance Spending Policy**

The School's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. First, nonspendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including nonspendable amounts). Any remaining fund balance amounts for the non-general funds are to be classified as restricted fund balance. It is possible for the non-general funds to be classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when nonspendable amounts plus the amount of restricted fund balances for specific purposes exceed the positive fund balance for non-general fund.

➤ **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 1002.33(17), Florida Statutes, the School reports the number of full-time equivalent students and related data to the District.

Under provisions of Section 1011.62, Florida Statutes, the District reports the number of full-time equivalent students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program (FEFP). Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students (FTE) reported by the School during designated full-time equivalent student survey periods. The Department may also adjust subsequent fiscal period allocations based upon an audit of the School's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made. The District receives a 5% administrative fee from the School, which is reflected in the accompanying statement of activities and statement of revenues, expenditures and change in fund balances – governmental funds.

The basic amount of funding through the FEFP under Section 1011.62 is the product of the (1) unweighted FTE, multiplied by (2) the cost factor for each program, multiplied by (3) the base student allocation established by the legislature. Additional funds for exceptional students who do not have a matrix of services are provided through the guaranteed allocation designated in Section 1011.62(1)(e)2., Florida Statutes. For the fiscal year ended June 30, 2022, the School reported 704.34 unweighted FTE and 734.4014 weighted FTE. Weighted funding represents approximately 4% of total FEFP funding.

FEFP funding may also be adjusted as a result of subsequent FTE audits conducted by the Florida Auditor General pursuant to Section 1010.305, Florida Statutes, and Rule 6A-1.0453, Florida Administrative Code (FAC). Schools are required to

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maintain the following documentation for three years or until the completion of an FTE audit:

- Attendance and membership documentation (Rule 6A-1.044, FAC).
- Teacher certificates and other certification documentation (Rule 6A-1.0503, FAC).
- Documentation for instructors teaching out-of-field (Rule 6A-1.0503, FAC).
- Procedural safeguards for weighted programs (Rule 6A-6.03411, FAC).
- Evaluation and planning documents for weighted programs (Section 1010.305, Florida Statutes, and Rule 6A-6.03411, FAC).

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

The School also receives state funds through the District under charter school capital outlay funding pursuant to Section 1013.62, Florida Statutes. Funds are based upon a capital outlay plan submitted to the District and are to be used for lease, rent or construction of school facilities. The School also receives funding through donations and fundraising efforts, school lunch sales and local property tax collections.

The School follows the policy of applying restricted resources prior to applying unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available. A schedule of revenue sources for the current year is presented in a subsequent note.

➤ Income Taxes

The School is exempt from Federal tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the accompanying financial statements. Additionally, no uncertain tax positions have been made requiring disclosure in the related notes to financial statements. The School's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

➤ Use of Estimates

In preparing the financial statements in conformity with generally accepted accounting principles in the United States (GAAP) management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the statement of net position and affect revenues and expenditures for the period presented. Actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS
June 30, 2022

➤ **Subsequent Events**

Management has evaluated all events subsequent to the balance sheet date and through the report date, which is the date these financial statements were available to be issued. Management determined there are no subsequent events which require disclosure.

2. ACCOUNTING CHANGE

The School implemented GASB Statement No. 87 - Leases, which establishes a single model for lease accounting based on the principle that leases are financing of the right to use an asset. This statement increases the usefulness of the School's financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating. In the current fiscal year, the School recognized a lease liability and an intangible right-to-use asset (Leased Assets-Buildings) of \$6,223,936 for its high school campus and \$7,324,641 for its kindergarten through 8th grade campus, which applies to their educational facility leases.

3. CASH DEPOSITS

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the School's deposits may not be returned to the School. The School does not have a custodial credit risk policy. Deposits on hand at financial institutions are insured by the Federal Deposit Insurance Company (FDIC) up to \$250,000. As of June 30, 2022, the School was exposed to custodial credit risk. One of the School's bank accounts exceeded the FDIC insurance limit by \$545,378.

4. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below:

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Governmental Activities:</u>				
Leasehold Improvements	\$ 152,429	\$ -	\$ -	\$ 152,429
Furniture, Fixtures and Equipment	167,547	-	-	167,546
Leased Assets - Buildings	-	13,548,577	-	13,548,577
Total Capital Assets	<u>319,976</u>	<u>13,548,577</u>	<u>-</u>	<u>13,868,552</u>
Less Accumulated Depreciation/Amortization for:				
Leasehold Improvements	(147,997)	(4,432)	-	(152,429)
Furniture, Fixtures and Equipment	(126,283)	(19,385)	-	(145,667)
Leased Assets - Buildings	-	(534,440)	-	(534,440)
Total Accumulated Depreciation/Amortization	<u>(274,280)</u>	<u>(558,257)</u>	<u>-</u>	<u>(832,536)</u>
Governmental Activities Capital Assets, net	<u>\$ 45,696</u>	<u>\$ 12,990,320</u>	<u>\$ -</u>	<u>\$ 13,036,016</u>

All depreciation/amortization expense was shown as unallocated on the Statement of Activities.

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A Charter School and Component Unit of the District School Board of Hillsborough County, Florida

NOTES TO FINANCIAL STATEMENTS
June 30, 2022

5. NOTES PAYABLE

Notes payable consisted of the following:

	Balance at 6-30-22
<u>KCC Southeast County Elementary Charter - Related Party</u>	
Promissory Note dated August 2017, bearing an interest rate of 0% per annum maturing August 2024.	\$ 50,000
 <u>Small Business Administration</u>	
\$1,000,000; COVID-19 SBA Economic Injury Disaster Loan. Note modified to December 7, 2021; matures on November 7, 2052; interest of 2.75% per annum. In the event of default, the SBA may require immediate payment of all amounts owed under this note, file suit and obtain judgement, or take possession of any collateral (all tangible and intangible personal property as described in the note agreement).	1,000,000
Total Notes Payable	\$ 1,050,000

Amounts payable for the notes payable are as follows:

Fiscal Year Ending June 30	Total	Principal	Interest
2023	\$ 30,898	\$ 11,380	\$ 19,518
2024	52,968	20,034	32,934
2025	102,968	70,718	32,250
2026	52,968	21,424	31,544
2027	52,968	22,156	30,812
2028-2032	264,842	122,662	142,180
2033-2037	264,840	145,084	119,756
2038-2042	264,840	171,606	93,234
2043-2047	264,840	202,974	61,866
2048-2052	264,842	240,080	24,762
2053	22,066	21,882	184
Total	\$ 1,639,040	\$ 1,050,000	\$ 589,040

NOTES TO FINANCIAL STATEMENTS
June 30, 2022

6. LONG-TERM LEASES PAYABLE

The School entered into a 20 year noncancelable operating lease for its K-8th grade campus facility beginning September 1, 2012. The lease requires monthly payments and includes annual increases or decreases in accordance with the agreement through the end of the lease. Monthly rental changes are effective after year three of the lease agreement. In accordance with the agreement, the School is responsible for all operating charges and insurance and is to maintain the premises at its own expense. The fair value of the leased asset is \$7,324,641. Amortization of the leased asset recorded under this lease is included with depreciation/amortization expense in the accompanying financial statements.

The School entered into a 20 year noncancelable operating lease for its high school campus facility beginning August 1, 2017. The lease requires monthly payments and includes annual increases or decreases in accordance with the agreement through the end of the lease. Monthly rental changes are effective after year three of the lease agreement. In accordance with the agreement, the School is responsible for all operating charges and insurance and is to maintain the premises at its own expense. The fair value of the leased asset is \$6,223,936. Amortization of the leased asset recorded under this lease is included with depreciation/amortization expense in the accompanying financial statements.

Future minimum lease payments and the present value of the minimum lease payments as of June 30 are as follows:

Fiscal Year Ending June 30	Total	Principal	Interest
2023	\$ 1,364,472	\$ 599,944	\$ 764,528
2024	1,396,908	670,291	726,617
2025	1,430,148	745,802	684,346
2026	1,464,204	826,810	637,394
2027	1,499,112	913,689	585,423
2028-2032	8,050,212	6,105,117	1,945,095
2033-2037	3,669,731	3,152,484	517,247
Total	\$ 18,874,787	\$ 13,014,137	\$ 5,860,650

The imputed interest rate is 6 percent.

7. CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

	Beginning Balance	Additions	Deductions	Ending Balance	Due in One Year
GOVERNMENTAL ACTIVITIES:					
Notes Payable	\$ 350,000	\$ 700,000	\$ -	\$ 1,050,000	\$ 11,380
Long-term Leases Payable	-	13,548,577	(534,440)	13,014,137	599,944
Total Governmental Activities	<u>\$ 350,000</u>	<u>\$ 14,248,577</u>	<u>\$ (534,440)</u>	<u>\$ 14,064,137</u>	<u>\$ 611,324</u>

NOTES TO FINANCIAL STATEMENTS
June 30, 2022

8. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the School's State revenue:

Source	Amount
Florida Education Finance Program	\$4,320,105
Categorical Programs:	
Class Size Reduction	692,199
Charter School Capital Outlay	395,809
Miscellaneous	33,483
Total State Revenue	\$5,441,596

As provided in the charter school contract the District has charged the School an administrative fee on FEFP revenue of \$84,643.

9. INTERFUND TRANSFERS

The School's Special Revenue Fund transferred \$124,486 to the General Fund to provide financial support for the Food Service Program's costs of operation and maintenance including utility costs among other costs incurred by the General Fund. The amount of interfund transfers are netted together and not reported in the statement of activities.

10. FUNDING AND CREDIT RISK CONCENTRATIONS

The School receives substantially all of its support and revenue from Federal, state and local funding sources, passed through the District, in the form of performance and budget based contracts. Continuing operation of the School is greatly dependent upon the continued support of these governmental agencies.

11. RISK MANAGEMENT PROGRAMS

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the School carries commercial insurance. There have been no significant reductions in insurance coverage and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

12. PENSION PLAN

The School participated in a defined contribution Savings Incentive Match Plan for Employees (SIMPLE) retirement plan. The School contributed a 3% maximum match for participating employees. Contributions are directed to individual employee's accounts, and the individual employees allocate contributions and account balances among various available investment choices, therefore, the School has no liability for the administration or payments of benefits of the plan, and accordingly, the present value of the related benefits is not reflected in these financial statements. The rate of contribution is set annually by the School's Board of Directors.

NOTES TO FINANCIAL STATEMENTS
June 30, 2022

13. COMMITMENTS AND CONTINGENT LIABILITIES

The School participates in state grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies, therefore, to the extent that the School has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivables at June 30, 2022, may be impaired.

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

14. LEGAL MATTERS

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

KID'S COMMUNITY COLLEGE RIVERVIEW SOUTH K-12
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND & SPECIAL REVENUE FUND - (UNAUDITED)
For the Fiscal Year Ended June 30, 2022

	General Fund			Special Revenue Fund			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual	
Revenues:							
Intergovernmental:							
Federal Through State and Local State	\$ 5,718,648	\$ 5,045,787	\$ 5,045,787	\$ 175,000	\$ 1,004,575	\$ 1,004,575	\$ -
Local and Other	369,471	663,515	663,515	21,000	1,691	1,691	-
Total Revenues	6,088,119	5,709,302	5,709,302	196,000	1,006,266	1,006,266	-
Expenditures:							
Current - Education:							
Instruction	2,988,905	2,630,303	2,630,303		657,759	657,759	-
Student Support Services	129,207	8,516	8,516				-
Instructional Media	9,524	3,435	3,435				-
Instruction & Curriculum Development	89,658	2,225	2,225				-
Instructional Staff Training	15,500	1,461	1,461				-
Instructional Related Technology Board	59,682	452	452				-
General Administration	106,600	117,332	117,332				-
School Administration	85,955	88,670	88,670				-
Facilities Acquisition & Construction	1,070,499	1,031,809	1,031,809		222,481	222,481	-
Fiscal Services	23,725	108,853	108,853				-
Food Services	-	19,496	19,496		6,961	6,961	-
Student Transportation	15,757	22,628	22,628	250,910	692,756	692,756	-
Operation of Plant	389,283	528,863	528,863				-
Community Service	-	44,201	44,201		1,823	1,823	-
Fixed Capital Outlay:							
Facilities Acquisition & Construction	-	13,548,577	13,548,577				-
Debt Service:							
Principal	500,000	534,440	534,440				-
Interest	375,225	402,567	402,567				-
Total Expenditures	5,859,520	19,093,828	19,093,828	250,910	1,581,780	1,581,780	-
Excess (Deficiency) of Revenues Over Expenditures	228,599	(13,384,526)	(13,384,526)	(54,910)	(575,514)	(575,514)	-
Other Financing Sources (Uses):							
Inception of Long-term Leases	-	13,548,577	13,548,577				-
Proceeds from Debt Transfers In/(Out)	(54,910)	124,486	124,486		700,000	700,000	-
Total Other Financing Sources (Uses)	(54,910)	13,673,063	13,673,063	54,910	(124,486)	(124,486)	-
Net Change in Fund Balances	173,689	288,537	288,537	54,910	575,514	575,514	-
Fund Balances, July 1, 2020	1,376,503	1,376,503	1,376,503	-	-	-	-
Fund Balances, June 30, 2021	\$ 1,550,192	\$ 1,665,040	\$ 1,665,040	\$ -	\$ -	\$ -	\$ -

See Independent Auditor's Report