

**CITY OF PEMBROKE PINES, FLORIDA  
FLORIDA STATE UNIVERSITY  
CHARTER ELEMENTARY SCHOOL**

FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009  
(With Independent Auditors' Reports Thereon)

**CITY OF PEMBROKE PINES, FLORIDA  
FLORIDA STATE UNIVERSITY  
CHARTER ELEMENTARY SCHOOL**

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Pembroke Pines/Florida State University (“FSU”) Charter Elementary School (“the Charter School”), we offer readers of the Charter School’s financial statements this narrative overview and analysis of the financial activities of the Charter School for the twelve-month period ended June 30, 2009. We encourage readers to consider the information presented here in conjunction with the Charter School’s financial statements, which follow this section. The City of Pembroke Pines/FSU Charter Elementary School provides us with a unique opportunity to show the various efforts and accomplishments that have been achieved in our sixth year of operation.

The City of Pembroke Pines/FSU Charter Elementary School was established and built in 2003, initially providing educational opportunities to 610 Elementary school students. This partnership between the City of Pembroke Pines and the FSU was the first of its kind in Broward County. The Charter was granted to establish a Developmental Research Laboratory School, with the primary goal being to enhance the educational instruction and research of reading, and other disciplines at the primary and secondary school levels. The City also owns and operates six other Charter Schools within its corporate limits, which are sponsored by the School Board of Broward County.

The government-wide format using the GASB Statement No. 34 financial reporting and the fund-based financial reporting are not viewed as being in conflict with each other; however, they are not comparable.

### **Financial Highlights**

- The assets of the FSU Charter School exceeded its liabilities at the close of the most recent fiscal year by \$561,205 (*net assets*).
- As of the close of the current fiscal year, the FSU Charter School’s governmental fund’s financial statements had a deficit of revenues over expenses of \$1,618, as compared to an excess of \$389,033 from last year, and an ending fund balance of \$525,068 as compared with \$526,686 from last year.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City of Pembroke Pines/FSU Charter Elementary School’s basic financial statements. The Charter School’s basic financial statements consist of five components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to basic financial statements, 4) required supplementary information, and 5) supplementary auditors’ reports.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Pembroke Pines/FSU Charter Elementary School’s finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on the City of Pembroke Pines/FSU Charter Elementary School’s assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Pembroke Pines/FSU Charter Elementary School is improving or deteriorating.

The *statement of activities* presents information for all of the current year's revenues and expenses regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will eventually result in cash flows in future fiscal periods.

The Charter School's *government-wide financial statements* distinguish the functions of the City of Pembroke Pines/FSU Charter Elementary School as being principally supported by local revenues (FTE dollars through the Florida State University) (*governmental activities*) as opposed to *business-type activities* that are intended to recover all or a significant portion of their costs through user fees and charges. The City of Pembroke Pines/FSU Charter Elementary School has no business-type activities and no component units for which it is financially accountable. The government-wide financial statements can be found on pages 9-10 of this report.

**Fund 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. The City of Pembroke Pines/FSU Charter Elementary School, like other state and local governments, use fund accounting to ensure and demonstrate compliance with finance-related requirements. The Fund used by the Charter School is considered to be a governmental fund type.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*. The City of Pembroke Pines/FSU Charter Elementary School maintains only one governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance. The City of Pembroke Pines/FSU Charter Elementary School adopts an annual appropriated budget. A budgetary comparison schedule has been provided to demonstrate compliance with this budget. The governmental fund financial statements can be found on pages 11-13 of this report.

**Notes to basic financial statements.** The notes provide additional information that is essential to a complete understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 14-26 of this report.

**Required Supplementary Information.** The information in this section is required by the Governmental Accounting Standards Board (GASB). It consists of the budgetary comparison schedules which can be found on pages 27-28 of this report, and the Management's Discussion and Analysis (MD&A) comprising pages 3-8.

**Supplementary Auditors' Reports. This section includes the following:**

- Report of Independent Certified Public Accountants on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
- Management Letter in Accordance with the Rules of the Auditor General of the State of Florida.

**Government-wide financial analysis.** As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Pembroke Pines/FSU Charter Elementary School, net assets as of June 30, 2009 exceeded net assets as of June 30, 2008 by \$15,741.

Investments in capital assets consisting of machinery and equipment, net of accumulated depreciation amounted to \$106,368. The City of Pembroke Pines/FSU Charter Elementary School does not have any related debt outstanding that was used to acquire these assets. These assets are not available for future spending.

CONDENSED STATEMENT OF NET ASSETS

	Governmental Activities		Increase (Decrease)
	<u>2009</u>	<u>2008</u>	
Current assets	\$ 585,194	\$ 559,926	\$ 25,268
Capital assets, net of depreciation	<u>106,368</u>	<u>109,556</u>	<u>(3,188)</u>
Total assets	<u>691,562</u>	<u>669,482</u>	<u>22,080</u>
Current liabilities	60,126	33,240	26,886
Noncurrent liabilities	<u>70,231</u>	<u>90,778</u>	<u>(20,547)</u>
Total liabilities	<u>130,357</u>	<u>124,018</u>	<u>6,339</u>
Net assets:			
Invested in capital assets	106,368	109,556	(3,188)
Unrestricted	<u>454,837</u>	<u>435,908</u>	<u>18,929</u>
Total net assets	<u>\$ 561,205</u>	<u>\$ 545,464</u>	<u>\$ 15,741</u>

Current assets increased by \$25,268 (4.5%) during the year. This was attributable to an increase of \$78,080 in amounts due from FSU, an increase of \$24,008 in other miscellaneous receivables, a decrease of \$76,169 in pooled cash and cash equivalents, and a decrease of \$651 in commodities inventory. The net decrease in capital assets of \$3,188 (-2.9%) is related to depreciation expense of \$35,186 required by GASB Statement No 34.

Current liabilities increased by \$26,886 (80.9%) during the year. This increase was related to an increase of \$25,998 in deposits, an increase of \$1,066 in accrued liabilities, and a \$178 decrease in deferred revenue. Noncurrent liabilities decreased by \$18,929 (4.3%) during the year, which is related to compensated absences. Invested capital assets decreased by \$3,188 (-2.9%) and unrestricted net assets increased by \$18,929 (4.3%).

CONDENSED STATEMENT OF CHANGES IN NET ASSETS

	Governmental		Increase (Decrease)
	Activities		
	<u>2009</u>	<u>2008</u>	
Revenues:			
Program revenues:			
Charges for services	\$ 730,654	\$ 789,213	\$ (58,559)
Operating grants and contributions	366,731	119,629	247,102
Capital contributions	-	60,399	(60,399)
General revenues:			
FTE non-specific revenues	4,941,183	4,565,915	375,268
Unrestricted investment earnings	5,854	5,683	171
Rental income	47,347	47,964	(617)
ICMA forfeitures revenue	73,964	-	73,964
Other miscellaneous revenue	<u>2,197</u>	<u>-</u>	<u>2,197</u>
Total revenues	<u>6,167,930</u>	<u>5,588,803</u>	<u>579,127</u>
Expenses:			
Instructional services	3,142,030	2,197,327	944,703
Instructional support services	173,596	166,946	6,650
Student transportation services	238,034	248,746	(10,712)
School administration	607,396	853,068	(245,672)
Operation of school	1,021,519	1,005,763	15,756
Rent	808,483	539,574	268,909
Child care supervision	<u>161,131</u>	<u>151,113</u>	<u>10,018</u>
Total expenses	<u>6,152,189</u>	<u>5,162,537</u>	<u>989,652</u>
Change in net assets	15,741	426,266	(410,525)
Net assets, beginning	<u>545,464</u>	<u>119,198</u>	<u>426,266</u>
Net assets, ending	<u>\$ 561,205</u>	<u>\$ 545,464</u>	<u>\$ 15,741</u>

**Governmental activities.** The City of Pembroke Pines/FSU Charter Elementary School's reported total net assets of \$561,205 at the end of the current fiscal year versus \$545,464 for fiscal year 2008. The total cost of all governmental activities this year was \$6,152,189. Key elements of these changes in net assets are as follows:

The Charter School's total revenues increased by \$579,127 (10.4%) due mainly to an increase in FTE non-specific revenues. FTE non-specific revenues increased by \$375,268 (8.2%), this was mainly as a result of the increase in student counts. In 2009, the School complied with the State' Class Size Amendment and constructed facilities to accommodate additional student stations. The City of Pembroke Pines/FSU Charter Elementary School increased its student population to 650 in FY2009 from 610. Operating grants and contributions increased by \$247,102 (206.6%) mainly as a result of a federal grant from the Florida Department of Education for the Autism Program. The grant was in the amount of \$215,174.

Total expenditures increased by \$989,652 (19.2%) during the year, mainly attributable to an increase in personnel costs of approximately \$665,000 (21.0%). Operating expenses increased by approximately \$349,000 (17.4%).

Instructional services increased by \$944,703 (43.0%), instructional support services increased by \$6,650 (4.0%), student transportation services decreased by \$10,712 (-4.3%), and school administration decreased by \$245,672 (-28.8%). Rent increased by \$268,909 (49.8%), which was attributable to the net effect of scheduled principal and interest payments on the construction funds borrowed, and the investment income earned on sinking fund deposits and required reserves. Operation of school increased by \$15,756 (1.6%), and child care supervision increased by \$10,018 (6.6%).

**Financial analysis of the City of Pembroke Pines/FSU Charter Elementary School's fund.**

As noted earlier, the City of Pembroke Pines/FSU Charter Elementary School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and segregation for particular purposes.

**Governmental fund.** The focus of the City of Pembroke Pines/FSU Charter Elementary School's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Charter School's financing requirements. In particular, an unreserved, undesignated fund balance may serve as a useful measure of the Charter School's net resources available for spending at the end of a fiscal year.

As of the end of the current fiscal year, the City of Pembroke Pines/FSU Charter Elementary School's governmental fund reported an ending fund balance of \$525,068, a decrease of \$1,618 over last year.

**Budgetary Highlights**

For the fiscal year ended June 30, 2009, the City of Pembroke Pines/FSU Charter Elementary School had estimated revenues and appropriations of \$6,287,798 and \$6,441,847, respectively. Over the course of the year, the Charter School recommended several revisions to budgeted revenues and appropriations. These amendments fall into the following categories:

- Amendments related to grants and new programs.
- Amendments to revise estimates for state and local revenues based on the latest information on student attendance.
- Amendments during the year for unexpected occurrences.

***The City of Pembroke Pines/FSU Charter Elementary School made the following significant amendments to budget:*** Several amendments were made to the budgeted revenues in the amount of \$215,267. An amendment was made for ICMA forfeitures revenue of \$101,518. An amendment was made to the IDEA grant in the amount of \$61,446. An amendment was made to Governor's A+ funds in the amount of \$51,633, and an amendment was made to miscellaneous revenues of \$670.

Amendments were made to the budgeted expenditures in the amount of \$111,845.

Amendments were made to K-3 Basic in the amount of \$19,966. Amendments were made to 4-8 Basic in the amount of \$8,124. Amendments were made to Exceptional Student Education (ESE) program in the amount of \$46,802. Amendments were made to guidance services in the amount of \$5,620. Amendments were made to instructional media services in the amount of (\$18,908). Amendments were made to school administration in the amount of \$6,441. Amendments were made to facilities acquisition and construction in the amount of \$1,500.

Amendments were made to operation of school in the amount of \$38,053.  
 Amendments were made to child care supervision in the amount of (\$1,052), and amendments were made to capital outlay in the amount of \$5,299.

After appropriations were amended, as described above, actual revenues were below budgeted revenues by (\$119,868), and actual expenditures were above final budgeted amounts by \$272,299.

**Capital Assets**

The City of Pembroke Pines/FSU Charter Elementary School’s investment in capital assets for its governmental activities as of June 30, 2009 amounts to \$106,368 (net of accumulated depreciation). This investment in capital assets consists mainly of playground equipment.

	<u>CAPITAL ASSETS (Net of Depreciation)</u>		
	<u>Governmental Activities</u>		
	<u>2009</u>	<u>2008</u>	<u>(Decrease)</u>
Machinery and equipment	<u>\$ 106,368</u>	<u>\$ 109,556</u>	<u>(\$ 3,188)</u>
Total capital assets	<u>\$ 106,368</u>	<u>\$ 109,556</u>	<u>(\$ 3,188)</u>

Additional information on the Charter School’s capital assets can be found on pages 29-31 of this report, and on Note 4 of the notes to the basic financial statements (page 22).

**Economic Factors and Next Year's Budget and Rates**

- ◆ On June 17, 2009 the Governing Board approved to institute a \$280 per student activity and service fee. This is estimated to generate approximately \$173,000.
- ◆ Capital outlay funding from the State will remain the same as FY2009. The State is funding this revenue at an estimated 66% of the total maximum allocation. The Charter School will house 656 Elementary Students for the 2010 school year.
- ◆ The Charter school will no longer receive District Discretionary Lottery funding; in FY 2009 the Charter school collected approximately \$16,000.
- ◆ The 2009-2010 Budget includes a net decrease of 4 full-time and 3 part-time positions.
- ◆ The Base Student Allocation (BSA) used to calculate the Florida Education Finance Program (FEFP) revenues decreased from \$3,971.74 per student in FY2009 to \$3,630.62 in FY2010. This represents a loss of approximately \$224,000.

**Requests for Information**

This financial report is designed to provide the reader with a general overview of the Charter School’s finances, as well as demonstrate accountability for funds the Charter School receives. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to the Office of the Controller, Pembroke Pines/FSU Charter School, 13975 Pembroke Road, Pembroke Pines, Florida 33027.



**City of Pembroke Pines, Florida**  
**Florida State University**  
**CHARTER ELEMENTARY SCHOOL**

STATEMENT OF NET ASSETS

JUNE 30, 2009

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Pooled cash and cash equivalents	\$ 188,619
Due from FSU	356,077
Other miscellaneous receivables	37,729
Commodities inventory	2,769
Capital assets being depreciated, net	<u>106,368</u>
Total assets	<u>691,562</u>
<u>LIABILITIES</u>	
Accrued liabilities	1,066
Deferred revenue	4,602
Deposits	54,458
Noncurrent liabilities:	
Due within one year	53,536
Due in more than one year	<u>16,695</u>
Total liabilities	<u>130,357</u>
<u>NET ASSETS</u>	
Invested in capital assets	106,368
Unrestricted	<u>454,837</u>
Total net assets	<u><u>\$ 561,205</u></u>

See notes to basic financial statements.

**City of Pembroke Pines, Florida**  
**Florida State University**  
**CHARTER ELEMENTARY SCHOOL**

STATEMENT OF ACTIVITIES

FISCAL YEAR ENDED JUNE 30, 2009

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Net (Expense) Revenue and Changes in Net Assets</b>
				<b>Total Governmental Activities</b>
Governmental activities:				
Instructional services	\$ 3,142,030	\$ -	\$ 276,620	\$ (2,865,410)
Instructional support services	173,596	-	-	(173,596)
Student transportation services	238,034	101,433	-	(136,601)
School administration	607,396	-	-	(607,396)
Operation and maintenance of school	1,021,519	476,647	90,111	(454,761)
Rent	808,483	-	-	(808,483)
Child care supervision	161,131	152,574	-	(8,557)
Total Charter School	\$ 6,152,189	\$ 730,654	\$ 366,731	(5,054,804)
General revenues:				
FTE non-specific revenues				4,941,183
Unrestricted investment earnings				5,854
Rental income				47,347
ICMA forfeitures revenue				73,964
Other miscellaneous revenue				2,197
Total general revenues				5,070,545
Change in net assets				15,741
Net assets, beginning				545,464
Net assets, ending				\$ 561,205

See notes to basic financial statements.

**City of Pembroke Pines, Florida**  
**Florida State University**  
**CHARTER ELEMENTARY SCHOOL**

BALANCE SHEET  
GOVERNMENTAL FUND

JUNE 30, 2009

ASSETS

Pooled cash and cash equivalents	\$ 188,619
Due from FSU	356,077
Other miscellaneous receivables	37,729
Commodities inventory	<u>2,769</u>
Total assets	<u><u>\$ 585,194</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accrued liabilities	\$ 1,066
Deferred revenue	4,602
Deposits	<u>54,458</u>
Total liabilities	<u>60,126</u>

Fund balances:	
Reserved for commodities inventory	2,769
Unreserved:	
Designated for rent payments	494,819
Designated for capital replacements	<u>27,480</u>
Total unreserved fund balance	<u>522,299</u>
Total fund balances	525,068

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund.	106,368
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Compensated absences, shown as noncurrent liabilities, are not due and payable in the current period and, therefore, are not reported in the fund.	(70,231)
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Net assets of governmental activities (page 9)	<u><u>\$ 561,205</u></u>
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**City of Pembroke Pines, Florida**  
**Florida State University**  
**CHARTER ELEMENTARY SCHOOL**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUND

FISCAL YEAR ENDED JUNE 30, 2009

Revenues:	
Local	\$ 5,831,211
Federal grants	<u>336,719</u>
Total revenues	<u>6,167,930</u>
Expenditures:	
Current:	
K-3 basic	1,653,656
4-8 basic	831,715
Exceptional student program	614,950
Substitute teachers	41,710
Guidance services	102,433
Instructional media service	66,338
Instructional staff training services	4,825
School administration	627,943
Facilities acquisition and construction	808,483
Student transportation services	238,034
Operation of school	986,088
Child care supervision	161,131
Capital outlay	<u>32,242</u>
Total expenditures	<u>6,169,548</u>
Net change in fund balance	(1,618)
Fund balance, beginning	<u>526,686</u>
Fund balance, ending	<u>\$ 525,068</u>

See notes to basic financial statements.

**City of Pembroke Pines, Florida**  
**Florida State University**  
**CHARTER ELEMENTARY SCHOOL**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE OF GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES

FISCAL YEAR ENDED JUNE 30, 2009

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

Net change in fund balance - total governmental fund (page 12) \$ (1,618)

The governmental fund reports capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

The detail of the difference is as follows:

Capital outlay	\$ 32,242	
Depreciation expense	<u>(35,186)</u>	
Net adjustment		(2,944)

The net effect of various miscellaneous transactions involving capital assets (244)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

The detail of the difference is as follows:

Compensated absences		<u>20,547</u>
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Change in net assets of governmental activities (page 10) \$ 15,741

**CITY OF PEMBROKE PINES, FLORIDA**  
**FLORIDA STATE UNIVERSITY**  
**CHARTER ELEMENTARY SCHOOL**

NOTES TO BASIC FINANCIAL STATEMENTS

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a. Reporting Entity**

On February 3, 2003, the City of Pembroke Pines (“the City”) and Florida State University (“FSU”) signed an agreement (“Charter Agreement”) for the establishment of a Developmental Research Charter Laboratory School (“the School”) to train teachers and to promote learning and research through collaboration. The Charter Agreement is for a 15-year term from July 1, 2003 through June 30, 2018 with provisions for extensions in increments of additional fifteen years. The Pembroke Pines/FSU Charter Elementary School Campus was constructed with funds from the Public Improvement Revenue Bonds, Series 2001. The principal and interest on this bond relating to the construction are payable from rental payments received from the Pembroke Pines/FSU Charter Elementary School.

The Charter Agreement is constructed pursuant to Florida Statutes 1002.32 and 1002.33. FSU has an existing Charter School in Leon County, Florida, and the Charter Agreement calls for the Pembroke Pines/FSU Charter Elementary School to serve as a model for the FSU Professional Development School program and be a part of FSU Charter Schools’ existing School District. The Pembroke Pines/FSU Charter Elementary School opened for the 2003-2004 school year with 600 students in grades K-5 in the new facility plus 13 Exceptional Student Education (“ESE”) students attending the City of Pembroke Pines Charter School Central Campus. The Charter Agreement calls for continued expansion of the program to encompass grades K-12 and expansion of the ESE program to provide for a total of 50 students.

The Governing Body of the School is comprised of six voting members, consisting of the City of Pembroke Pines Mayor, Vice-Mayor and three Commissioners plus the FSU President or his or her designee. The Governing Body shall establish a School Advisory Board or Boards, pursuant to the requirements of Section 1002.32(8) Florida Statutes. The City operates the School as a public employer, and the School’s employees are considered public employees. The City will indemnify FSU from any claims, suits or actions. The School is accounted for as a special revenue fund of the City. The Pembroke Pines City Manager serves as the School Superintendent.

Non-renewal of the Charter Agreement requires 365 days notice prior to the expiration date by either the City or FSU to the other party. Any real or personal property paid for by the City will revert to the City in the event of termination of the Charter Agreement.

The City also owns and operates six other Charter Schools - three (3) Charter Elementary Schools, two (2) Charter Middle Schools, and one (1) Charter High School. All of these Schools are chartered by the School Board of Broward County. The financial information of these six (6) Charter Schools are not included herein, as they are separately chartered with the School Board of Broward County.

**CITY OF PEMBROKE PINES, FLORIDA**  
**FLORIDA STATE UNIVERSITY**  
**CHARTER ELEMENTARY SCHOOL**

NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**b. Government-Wide and Fund Financial Statements**

The School's government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the activities of the School. For the most part, the effect of interfund activity has been removed from these statements. Full-time equivalent ("FTE") dollars and intergovernmental revenues support *governmental activities*.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. FTE dollars and other items not properly included among program revenues are reported instead as *general revenues*.

The major individual governmental fund is reported as a single column in the fund financial statements. The School's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board.

**c. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The School's government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The School's fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both 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. For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting.

**CITY OF PEMBROKE PINES, FLORIDA**  
**FLORIDA STATE UNIVERSITY**  
**CHARTER ELEMENTARY SCHOOL**

NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**c. Measurement Focus, Basis of Accounting and Financial Statement Presentation**  
(Continued)

FTE dollars, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the School receives cash.

The School reports the following major fund:

**Charter Elementary School** – The Elementary School, located at the Pembroke Shores site serves 656 student stations for the 2009-10 school year.

Amounts reported as *program revenues* include 1) charges to the School for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all FTE dollars.

When both restricted and unrestricted resources are available for use, it is the School's policy to use restricted resources first, and then unrestricted resources as they are needed.

**d. Assets, Liabilities and Net Assets**

**1. Pooled Cash and Cash Equivalents**

The School considers all highly liquid investments with maturity of three months or less when purchased to be cash and cash equivalents. The School maintains its cash and cash equivalents in pooled accounts managed by the City. Within the City's pooled control accounts, separate accounting is maintained for each fund. Pooled cash and cash equivalents include investment in the Local Government Surplus Funds Trust Fund administered by the State Board of Administration.

**2. Receivables**

All receivables are considered to be collectible; therefore, no allowance for uncollectibles is recorded.

**3. Inventories**

Inventories consist of expendable food commodities and are valued on the first-in, first-out basis. United States Department of Agriculture surplus commodities are stated



**CITY OF PEMBROKE PINES, FLORIDA**  
**FLORIDA STATE UNIVERSITY**  
**CHARTER ELEMENTARY SCHOOL**

NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d. Assets, Liabilities and Net Assets (Continued)**

**3. Inventories (Continued)**

at their fair value as determined at the time of donation to the School’s food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. This inventory is accounted for under the consumption method, and as such, is recorded as an expenditure when used rather than purchased.

**4. Capital Assets**

Capital assets, which include machinery and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the School as assets with an initial, individual cost of more than \$1,000, except for computer equipment which uses an initial, individual cost of \$750 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the School consist of mainly playground equipment, and are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Machinery and equipment	3-10

**5. Compensated Absences**

The Charter School’s regular full-time employees are given three sick leave days and accrue one day per month up to ten days per year. Sick leave may be carried over into the following school year. Once an employee reaches thirty days, they will bank those days for future use and will be compensated for any sick leave days over thirty at the end of each school year at their current rate of pay. Each full time, all year round employee is entitled to ten working days of vacation. Teachers and non-instructional employees that are not all year round employees do not accrue vacation. Eligible employees may carryover any unused vacation days for a maximum of ten days. An employee will not be paid for earned vacation leave in lieu of taking such leave unless recommended by the Principal and approved by the City Manager.

**CITY OF PEMBROKE PINES, FLORIDA**  
**FLORIDA STATE UNIVERSITY**  
**CHARTER ELEMENTARY SCHOOL**

NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d. Assets, Liabilities and Net Assets (Continued)**

**5. *Compensated Absences* (Continued)**

Employees resigning voluntarily or who retire and give at least ten working days advance written notice of their intention to resign will receive up to a maximum of ten days of vacation leave credit earned as of the date of resignation or at retirement at the current base rate of pay. The Charter Elementary School has recorded the amount of accrued sick and vacation benefits as of and for the year ended June 30, 2009 in the government-wide financial statements.

**6. *Long-Term Obligations***

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental activities. Long-term debt which is reported in the City's financial statements, is not included in the School's financial statements, and is described below:

In 2001, the City issued Public Improvement Revenue Bonds, Series 2001 for \$19,600,000 of which approximately \$7,100,000 was used to finance the construction of the City of Pembroke Pines/Florida State University Charter Elementary School. In December 2006, \$10,985,000 of the Public Improvement Revenue Bonds, Series 2001 was advance refunded by a portion of the \$29,720,000 Public Improvement Revenue Refunding Bonds, Series 2006. In 2008, the City issued the Charter School Revenue Bonds, Series 2008 for \$64,095,000 and used approximately \$3,360,000 to finance the construction of 12 new classrooms for the City of Pembroke Pines/Florida State University Charter Elementary School. These new classrooms were utilized in the 2008-2009 school year.

The Elementary School remits a yearly rental fee to the City for the use of the facilities that were constructed by the City (see Note 6 – Operating Leases).

**7. *Equity Classifications***

**Government-wide Financial Statements**

Equity is classified as net assets and is displayed in three components:

- a. Invested in capital assets – Consists of capital assets, net of accumulated depreciation which are attributable to the acquisition, construction or improvement of those assets.

**CITY OF PEMBROKE PINES, FLORIDA**  
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**CHARTER ELEMENTARY SCHOOL**

NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**d. Assets, Liabilities and Net Assets** (Continued)

**7. Equity Classifications** (Continued)

- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation. The School had no restricted assets as of June 30, 2009.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets”.

**Fund Financial Statements**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**8. Revenue Sources**

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

**9. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management’s knowledge of current events and actions it may undertake in the future, they may differ from actual results.

**CITY OF PEMBROKE PINES, FLORIDA**  
**FLORIDA STATE UNIVERSITY**  
**CHARTER ELEMENTARY SCHOOL**

NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

**NOTE 2. INVESTMENTS**

The School invests in the Local Government Surplus Funds Trust Fund (LGSF) administered by the State Board of Administration. Chapter 19-7 of the Florida Administrative Code, which identifies the Rules of the State Board of Administration, governs the LGSF. These rules provide guidance and establish the general operating procedures for the administration of the LGSF. Additionally, the Office of the Florida Auditor General performs the operational audit of the activities and investments of the State Board of Administration. The LGSF is not a registrant of the Securities and Exchange Commission (SEC); however, the fund has adopted operating procedures consistent with the requirements for a 2a-7 Fund and is reported at the fair value of its position in the pool, which is the same as its value of the pool shares. The balance is entirely invested in “Pool A” shares and there are no withdrawal limitations on these amounts.

On December 4, 2007, based on recommendations from an outside financial advisor, the State Board of Administration restructured the Pool into two separate pools. Pool A, currently referred to as the LGIP, consisted of all money market appropriate assets; and has no restrictions as to deposits or withdrawals. Pool B, currently referred to as Fund B Surplus Trust Fund (Fund B), consisted of assets that either defaulted on a payment, paid more slowly than expected, and/or had any significant credit and liquidity risk. Withdrawals from Fund B were frozen, with funds being transferred to participants as maturities, sales proceeds and income become available. The School’s investments are currently in LGIP (Pool A) with no restrictions.

The School’s investments, which are included in pooled cash and cash equivalents, are summarized as follows:

	<u>Carrying Amount</u>
Investments not subject to risk categorization:	
State Board of Administration Investment Pool	<u>\$188,319</u>

**CITY OF PEMBROKE PINES, FLORIDA**  
**FLORIDA STATE UNIVERSITY**  
**CHARTER ELEMENTARY SCHOOL**

NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

**NOTE 3. REVENUE SOURCES**

Florida State University:	
Florida education finance program	\$ 3,557,029
Class size reduction	764,766
District school taxes	481,885
Public education capital outlay (PECO)	351,191
Instructional materials	63,673
Governor's A+ funds	51,633
Discretionary lottery funds	16,284
Library media materials	3,812
Science lab materials	1,042
Total Florida State University	<u>5,291,315</u>
Other:	
After school education program	152,574
Food sales	125,456
In-house transportation	101,433
Contributions	30,012
Rental revenue	47,347
Interest	5,854
ICMA forfeitures revenue	73,964
Other miscellaneous revenue	2,197
School lunch supplement	584
School breakfast supplement	475
Total other	<u>539,896</u>
Total local	<u>\$ 5,831,211</u>
Federal grants:	
DOE grant - Autism Program	\$ 215,173
IDEA grant	61,446
School lunch reimbursement - Free/Reduced	43,525
Commodities - Donated Food	8,318
School breakfast reimbursement - Non-Severe Need	8,257
Total Federal grants	<u>\$ 336,719</u>

**CITY OF PEMBROKE PINES, FLORIDA**  
**FLORIDA STATE UNIVERSITY**  
**CHARTER ELEMENTARY SCHOOL**

NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

**NOTE 4. CAPITAL ASSETS**

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Machinery and equipment	\$ 187,065	\$ 32,242	\$ (2,933)	\$ 216,374
Total capital assets being depreciated	<u>187,065</u>	<u>32,242</u>	<u>(2,933)</u>	<u>216,374</u>
Less accumulated depreciation for:				
Machinery and equipment	<u>(77,509)</u>	<u>(35,186)</u>	<u>2,689</u>	<u>(110,006)</u>
Total accumulated depreciation	<u>(77,509)</u>	<u>(35,186)</u>	<u>2,689</u>	<u>(110,006)</u>
Total capital assets being depreciated, net	<u>\$ 109,556</u>	<u>\$ (2,944)</u>	<u>\$ (244)</u>	<u>\$ 106,368</u>

Depreciation expense was charged to functions/programs of the School as follows:

Governmental activities:	
Operation of school	<u>\$ 35,186</u>

**NOTE 5. RECEIVABLES**

	FSU Charter Elementary Schools
<u>Receivables</u>	
Due from Broward County	\$ 138,584
Due from State Government	217,493
Due from Federal Government	1,019
ICMA forfeitures receivable	36,491
Other miscellaneous receivables	<u>219</u>
Gross receivables	393,806
Less allowance for uncollectible accounts	<u>-</u>
Net total receivables	<u>\$ 393,806</u>

All receivables are expected to be collected in one year. The ICMA forfeitures receivable in the amount of \$36,491, will be used to offset future Charter School employer contributions to the defined contribution plan, as described in Note 10.

**CITY OF PEMBROKE PINES, FLORIDA**  
**FLORIDA STATE UNIVERSITY**  
**CHARTER ELEMENTARY SCHOOL**

NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

**NOTE 6. OPERATING LEASES**

*Schools' Facility Lease*

The Charter Elementary School leases its campus from the City for an annual rental fee based on the debt service requirement of the debt issued by the City to construct the Charter Elementary School (see Note 1.d.6.). For the fiscal year ended June 30, 2009, rent expense was approximately \$808,000.

The approximate minimum future rentals to be paid to the City are as follows:

Fiscal year ending June 30:	
2010	\$ 855,000
2011	855,000
2012	856,000
2013	840,000
2014	674,000
2015-2019	3,095,000
2020-2024	2,418,000
2025-2029	1,489,000
2030-2034	1,795,000
2035-2038	<u>1,408,000</u>
Total approximate minimum future rentals	<u>\$ 14,285,000</u>

**NOTE 7 CHANGES IN LONG-TERM LIABILITIES**

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	Ending <u>Balance</u>	Due Within One Year
Compensated absences	<u>\$ 90,778</u>	<u>\$ 112,176</u>	<u>\$ (132,723)</u>	<u>\$ 70,231</u>	<u>\$ 53,536</u>

**CITY OF PEMBROKE PINES, FLORIDA**  
**FLORIDA STATE UNIVERSITY**  
**CHARTER ELEMENTARY SCHOOL**

NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

**NOTE 8. RISK MANAGEMENT**

The Charter Agreement requires the City to maintain the same insurance levels and coverage for the FSU School as it currently maintains for the other City's Charter Schools, as required by the City's Charters with the Broward County School Board.

Health and hospitalization, workers' compensation and life insurance coverage are provided through the City of Pembroke Pines, and the City, in turn, charges the School for this coverage. The School maintains its insurance as an additional named insured on the aggregate insurance policies purchased for all of the City's Charter Schools for general liability, automotive liability, basic and catastrophic student accident, school leaders errors and omissions, and property and flood coverage through purchased commercial insurance with minimum deductibles for each line of coverage. Settled claims resulting from these risks have not exceeded commercial coverage in the past two years.

**NOTE 9. COMMITMENTS AND CONTINGENCIES**

*Commitment*

The agreement with FSU requires that as the sponsor of the School, and for its research and evaluation responsibilities, the City will pay FSU the fixed annual amount of \$250,000 as a University Oversight and Research Fee.

*Contingency*

Amounts received or receivable from grantor agencies are subject to future audit and compliance testing, which may result in adjustments by Federal or State grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of such expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the School expects such amounts, if any, to be immaterial.



**CITY OF PEMBROKE PINES, FLORIDA**  
**FLORIDA STATE UNIVERSITY**  
**CHARTER ELEMENTARY SCHOOL**

NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

**NOTE 10. PENSION PLANS**

***Defined Benefit Plan***

The FSU Charter Elementary School employees participate in the Florida Retirement System (FRS), a cost-sharing, multiple-employer Public Employment Retirement System (PERS). The FRS is noncontributory, and is totally administered by the State of Florida.

**Plan Description**

Benefits are computed on the basis of age, average final compensation and service credit. Average final compensation is the average of the highest five (5) fiscal years of earnings. The FRS provides vesting of benefits after six (6) years of creditable service. Early retirement may be taken any time after vesting; however, there is a 5% benefit reduction for each year prior to normal retirement age or date. The FRS also provides death and disability benefits. A State Statute establishes the benefit. Normal retirement requirements are vesting and age 62, or 30 years of creditable service regardless of age. FRS issues an annual financial report. A copy can be obtained by sending a written request to:

Division of Retirement  
P.O. Box 9000  
Tallahassee, FL. 32315-9000

**Funding Policy**

The Charter School's required contribution rate is established, and may be amended, by State Statute. For the fiscal year ended June 30, 2009, the contribution rate was 9.85% of covered payroll which amounted to \$234,157. The Charter School is required to contribute both for full-time and part-time members of the Plan. As of June 30, 2009, there were 83 members in this Plan as compared with 74 members in previous fiscal year. The contribution rate includes the post-employment health insurance supplement of 1.11% and the administrative/educational fee of 0.05%.

***Defined Contribution Plan***

Effective July 1, 2000, the City established a Defined Contribution Plan for employees of the Charter Schools and Early Development Centers (the Charter Schools' Plan) created in accordance with Internal Revenue Service Code 401(a) and Ordinance 1345 and amended by Ordinance 1401 dated April 3, 2002. If a participant separates from service and subsequently becomes employed with another unit of a state or local government, then the participant may rollover the benefits into his or her new employer's pension plan providing said plan permits rollovers.

**CITY OF PEMBROKE PINES, FLORIDA**  
**FLORIDA STATE UNIVERSITY**  
**CHARTER ELEMENTARY SCHOOL**

NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

**NOTE 10. PENSION PLANS** (Continued)

*Defined Contribution Plan* (Continued)

In Fiscal Year 2007, employees were given the option to enter the Florida Retirement System (FRS) or to remain in the Defined Contribution Plan with the ICMA-RC. At June 30, 2009, there were 11 FSU Plan members in this Plan. Effective January 1, 2002, the Charter School's Plan members may make voluntary after-tax contributions of up to twenty-five percent (25%) of compensation during the fiscal year. The Charter School's required contribution increased to 9.85% from 5% of the Plan member's gross salary to agree with the contribution to the FRS. For the year ended June 30, 2009, the Charter School contributed \$47,921 to the Plan; there were no employee contributions during the year. Provisions of the Charter School's Plan may be amended by the City Commission. The Charter School's Plan is held in a trust for the exclusive benefit of the participants and their beneficiaries. Therefore, the net assets of the Charter School's Plan are not included in the City's financial statements.

In FY2009, the Charter School recorded a revenue and a receivable for ICMA forfeitures in the amount of \$73,964. These forfeitures represent the amount of non-vested accrued employer benefits. The Charter School will utilize these forfeitures to offset future employer contributions to the Plan. As of June 30, 2009, the balance in the receivable was \$36,491.

**City of Pembroke Pines, Florida**  
**Florida State University**  
**CHARTER ELEMENTARY SCHOOL**

REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
CHARTER ELEMENTARY SCHOOL

FISCAL YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	with Final Budget Positive (Negative)
Revenues:				
Local	\$ 5,804,390	\$ 5,958,211	\$ 5,831,211	\$ (127,000)
Federal grants	<u>268,141</u>	<u>329,587</u>	<u>336,719</u>	<u>7,132</u>
Total revenues	<u>6,072,531</u>	<u>6,287,798</u>	<u>6,167,930</u>	<u>(119,868)</u>
Expenditures:				
Current:				
K-3 basic	1,641,660	1,661,626	1,653,656	7,970
4-8 basic	826,266	834,390	831,715	2,675
Exceptional student program	573,128	619,930	614,950	4,980
Substitute teachers	70,140	70,140	41,710	28,430
Guidance services	98,141	103,761	102,433	1,328
Instructional media service	96,110	77,202	66,338	10,864
Instructional staff training services	8,350	8,350	4,825	3,525
School administration	670,448	676,889	627,943	48,946
Facilities acquisition and construction	807,044	808,544	808,483	61
Student transportation services	243,376	243,376	238,034	5,342
Operation of school	1,089,953	1,128,006	986,088	141,918
Child care supervision	165,719	164,667	161,131	3,536
Capital outlay	<u>39,667</u>	<u>44,966</u>	<u>32,242</u>	<u>12,724</u>
Total expenditures	<u>6,330,002</u>	<u>6,441,847</u>	<u>6,169,548</u>	<u>272,299</u>
Net change in fund balance	(257,471)	(154,049)	(1,618)	152,431
Fund balance, beginning	<u>526,686</u>	<u>526,686</u>	<u>526,686</u>	<u>-</u>
Fund balance, ending	<u>\$ 269,215</u>	<u>\$ 372,637</u>	<u>\$ 525,068</u>	<u>\$ 152,431</u>

See notes to budgetary comparison schedule

**CITY OF PEMBROKE PINES, FLORIDA**  
**FLORIDA STATE UNIVERSITY**  
**CHARTER ELEMENTARY SCHOOL**

NOTES TO BUDGETARY COMPARISON SCHEDULE

FISCAL YEAR ENDED JUNE 30, 2009

**NOTE 1. BUDGETS AND BUDGETARY ACCOUNTING**

1. Annual budgets are legally adopted for the City of Pembroke Pines/Florida State University Charter Elementary School which is a governmental fund. The governmental fund budget is maintained on the modified accrual basis of accounting, consistent with accounting principles generally accepted in the United States, except for encumbrances, which are purchase orders and contracts issued for goods and services not received at year end.  
  
For budgetary purposes, significant encumbrances outstanding at year end are reappropriated in the subsequent year's budget. Unencumbered appropriations lapse at year-end. For the fiscal year ended June 30, 2009, there were no encumbrances.
2. The City of Pembroke Pines/Florida State University Charter Elementary School's budget is approved via resolution in a public hearing conducted by the City Commission. The adopted budget is integrated into the accounting software system effective July 1<sup>st</sup>. The budget establishes the legal authority to incur expenditures up to the appropriated amount for each line item.
3. Section 30.30(F) of the Code of Ordinances requires a majority affirmative vote of the quorum to adopt the budget, which prior to July 1<sup>st</sup>, is legally enacted through passage of a resolution. Section 6.06 of the City Charter provides that no officer, department or agency may legally expend or contract to expend amounts in excess of the amounts appropriated for any department, within an individual fund. Therefore, the legal level of control is at the department level.
4. The adopted budget may be amended as follows:
  - a. The City Manager or his designee and the Principals approve line item adjustments within a school site or school function.
  - b. The City Commission approves budget adjustments that transfer monies from fund to fund or interdepartmentally.
  - c. The City Commission may approve supplemental appropriations of revenues and expenditures. If this is done, the adoption of an amended budget resolution is required.
5. The final budget includes the supplemental appropriations, which have the effect of adjusting the original adopted budget. There were supplemental appropriations of approximately \$112,000 during the fiscal year ended June 30, 2009.

**City of Pembroke Pines, Florida**  
**Florida State University**  
**CHARTER ELEMENTARY SCHOOL**

CAPITAL ASSETS USED IN THE OPERATION OF THE GOVERNMENTAL FUND  
SCHEDULE BY SOURCE

JUNE 30, 2009

Governmental fund capital assets:

Machinery and equipment

\$ 216,374

Investments in governmental fund capital assets by source:

Charter Elementary School

\$ 216,374

**City of Pembroke Pines, Florida**  
**Florida State University**  
**CHARTER ELEMENTARY SCHOOL**

CAPITAL ASSETS USED IN THE OPERATION OF THE GOVERNMENTAL FUND  
SCHEDULE BY FUNCTION AND ACTIVITY

JUNE 30, 2009

<u>Function and Activity</u>	<u>Machinery and Equipment</u>
Education:	
Charter Elementary School	\$ 216,374
Total governmental fund capital assets	<u>\$ 216,374</u>

**City of Pembroke Pines, Florida**  
**Florida State University**  
**CHARTER ELEMENTARY SCHOOL**

CAPITAL ASSETS USED IN THE OPERATION OF THE GOVERNMENTAL FUND  
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY  
FISCAL YEAR ENDED JUNE 30, 2009

<u>Function and Activity</u>	Governmental Fund Capital Assets June 30, <u>2008</u>	<u>Additions</u>	<u>Deletions</u>	Governmental Fund Capital Assets June 30, <u>2009</u>
Education: Charter Elementary School	\$ 187,065	\$ 32,242	\$ (2,933)	\$ 216,374

See notes to basic financial statements.