

Sarasota County Schools
2014-2015 Charter Renewal Application
Final Report for Imagine School at North Port

Imagine School at North Port (ISNP) opened in 2008-09 as a K-8 school. In 2011, the ISNP high school was founded, and a new charter combining the K-8 and 9-12 schools was established that same year. The current term of the charter between Imagine School at North Port, Inc. and the School Board of Sarasota County, Florida, ends June 30, 2015. As a state designated high performing charter school, ISNP is seeking a 15 year charter extension.

Florida Statute 1002.33, authorizes the Sponsor, the School Board of Sarasota County, Florida, to renew the charter if the school has met the requirements stated in the charter or not to renew the charter as per the nonrenewal causes stated in s.1002.33(8). The renewal application process is designed to gather information and evidence, through its Charter Review Committee (CRC), to present a complete picture of the charter school and its history to enable the School Board to make an informed decision. The CRC reviewed the school's operations, educational program, student achievement, governance, the extent to which the school is in compliance with federal and state laws and, adherence to the terms specified in the existing charter contract.

On February 17, 2015 the charter school's leadership team and all members of the ISNP governing board met with the School Board during the regularly scheduled monthly Work Session to present their request to renew the charter. Prior to the Work Session, the School Board reviewed the ISNP renewal application as well as the findings and summary analysis submitted by the district's CRC. School Board members posed questions about the financial condition of the school and requested a more recent and revised school budget in order to ascertain the financial standing of the school and to support the charter renewal request. As requested, the ISNP revised budget, an update of the school's progress in the implementation of their budget plan, and copies of the ISNP Governing Board meeting minutes for January and February are attached.

A summary of the district's review of the revised ISNP budget and financial information is presented below:

Updated Financial Information

The enclosed revised budget submitted by ISNP appears to have all cash flow estimated revenues and appropriations. The revised budget captures the principal/interest payments and the capital payments on a cash basis and addresses the school's revenue and expenditure projections. The audited Financial Statements for the year ended June 30, 2014 indicates a fund balance of \$139,914. However, of this balance only \$19 is unassigned, the remaining is non-spendable and restricted for instructional materials. The 2014-2015 fiscal year budget reflects a fund balance from the prior year of \$139,914. The projected operating surplus for 2014-2015 fiscal year of \$126,424, is due to a contribution from the Imagine Schools corporate of \$272,333. The ISNP Governing Board has an established management agreement with Imagine Schools Non-Profit Inc. for the provision of operating services including educational services, financial management, payroll and accounting, and leasing of facilities. The ISNP

budget is balanced as a result of the contribution of funds from the Imagine Schools, Inc. to the school. Without the \$272,333 contribution, the school budget would show an operating deficit of \$145,909. The contribution could increase or decrease depending on the amount needed from corporate to balance the budget at year end. Thus, could potentially increase the loan outstanding to Imagine School corporate if it is recorded as a loan at year end. A copy of the ISNP revised budget and the Audited Financial Statements are enclosed. The district will continue to monitor the school's financial status and request periodic updates, as needed.

All of the documentation provided to date in support of the request to renew the ISNP charter is enclosed:

- Addenda submitted by ISNP as requested by the School Board of Sarasota County at the February 17, 2015 School Board Work Session
- Charter Review Committee Renewal Analysis Summary for ISNP, February 12, 2015
- ISNP Renewal Application Review - CRC Findings/Questions and School Response

The School Board will take action to approve or deny the ISNP application for renewal of the charter at the March 17, 2015 School Board meeting. If approved, a new charter agreement will be negotiated with the charter school's governing board and voted upon by the School Board of Sarasota County at the May 5, 2015 meeting. The new term of the charter will take effect on July 1, 2015.

Sarasota County Schools
2014-2015 Charter Renewal Application

Imagine School at North Port

Addenda submitted by Imagine School at North Port (ISNP) in response to Sarasota County School Board request at the February 17, 2015 School Board Work Session.

- ISNP Governing Board Meeting Minutes – January 13, 2015
- ISNP Governing Board Meeting Draft Minutes – February 12, 2015
(pending approval at the March meeting)
- ISNP Financial Update – February 20, 2015
- ISNP Amended Budget for Fiscal Year 2015 – March 2, 2015
- ISNP Unsecured Promissory Note – June 30, 2014
- Financial Statements/Independent Auditor's Report for ISNP – June 30, 2014

Imagine School at North Port

Governing Board Meeting Minutes

Tuesday, January 13, 2015, 5:30pm, Elementary Campus

Elementary School: 1000 Innovation Avenue, North Port, Florida

Upper Campus: 2757 Sycamore Street, North Port, Florida

Present

Brian Beason, David Quaderer, Chris Phillips, Jennifer Desrosiers

In Attendance

Steve Black, Aleischa Coover, Lisa Sturz, Cher Gardner, Rod Sasse, Kathy Helean

Call to Order and Welcome

Notice of Public Posting

Notice sent out via email system and posted on the marquee

Approval of Minutes of Previous Meetings

December 9, 2014

Motion to approve December 9, 2014 minutes was made by Jennifer Desrosiers, seconded by Brian Beason. Motion passed 4-0.

Principals' Reports/Updates

Elementary School

Held playground ribbon cutting for students, finishing second round of FAIR, starting LEARN next week, Sarasota County Schools introducing iReady for K-2 (to be administered February and May)

Upper Campus

Tryouts scheduled for softball, baseball and MS soccer, first in-house scholarship will be presented to senior by the Booster Club, Booster Club is also providing all of the refreshments at the graduation ceremony

Both Campuses

Accreditation Review is scheduled for next week, Charter Renewal application has been completed, open enrollment started January 1 and will continue until March, working on marketing ideas, Teacher of the Year was named, Imagine family surveys were sent home, parents were notified of those teachers “Out of Field”, flu shots available to staff and students free of charge, represented well at the holiday parade, choirs performed at Chick-fil-A and city event, school science fair was held, regionals scheduled for January 30

Financials

1. Approve Audit

Auditor, Leanne Cross, reviewed the audit findings and post-communication. She also gave an explanation for the additional \$5,000 fee for last year’s audit. Rod Sasse and Kathy Helean will discuss with Leanne Cross at a later date.

2. Approve BVA

Kathy Helean asked for an extension for the approval of the BvA and budget. The team would like to meet with the new finance director for the region who will be hired next week. Motion was made by David Quaderer to table the approval of the BvA until next meeting, seconded by Brian Beason. Motion passed 4-0.

3. Approve Amended Budget

Motion was made by Jennifer Desrosiers to table the approval of the budget until next meeting, seconded by Brian Beason. Motion passed 4-0.

Old Business

1. Governing Board vacancy update

Applicants for a board member and an alternate will be interviewed by Imagine corporate. Motion was made by Chris Phillips to proceed with the interview process, seconded by Brian Beason. Motion passed 4-0.

New Business

1. Approve Charter Renewal Application

Aleischa Coover reviewed the charter renewal process with the board. Motion to approve the charter renewal application was made by Brian Beason, seconded by David Quaderer. Motion passed 4-0.

2. February Meeting Date

Motion to move the next meeting to February 12, 2014 was made by Brian Beason, seconded by Jennifer Desrosiers. Motion passed 4-0.

Public Participation from floor

Jennifer Gowens, parent and president of the Booster Club, shared information about their ISNP magnet fundraiser.

Sharleen Salzman, parent, recommended that the governing board send a letter to Imagine Corporate stating a request to assist ISNP with the audit finding.

Motion was made by David Quaderer to verbally request that Imagine Corporate assist with the ISNP audit finding, seconded by Brian Beason. Motion passed 4-0.

Adjournment

Motion to adjourn was made by Chris Phillips, seconded by Jennifer Desrosiers. Motion passed 4-0. Meeting adjourned at 7:23.

Submitted by

Lisa Starner-Sturz

Imagine School at North Port

Governing Board Meeting Minutes

Thursday, February 12, 2015, 6:00pm, Upper Campus

Elementary School: 1000 Innovation Avenue, North Port, Florida

Upper Campus: 2757 Sycamore Street, North Port, Florida

Present

Brian Beason, Chris Phillips, Jennifer Desrosiers

In Attendance

Steve Black, Aleischa Coover, Rod Sasse, Kathy Helean

Call to order and Welcome

Meeting was called to order at 6:02pm by Dr. Phillips.

Notice of Public Posting

Notice sent out via email system and posted on the marquee.

Approval of Minutes of Previous Meetings

January 13, 2015

Motion to approve January 13, 2015 minutes was made by Jennifer Desrosiers, seconded by Brian Beason. Motion passed 3-0.

Principals' Reports/Updates

Elementary School

There were many things happening during the month of February. The PTO had their meeting on February 3rd. Student of the month was held this past Friday. There will be a cup cake party for those who buy a year book. Mid-term grades will be going out this Friday 13th. There are now 5th graders who have joined the upper campus soccer team. And many more things coming up before the end of the month.

Upper campus

February is a very busy month for the upper campus as well. Seniors are getting ready for their gowns, invitations to graduation and some have already received their rings. There are many fund raisers in the works for the senior class. There is a car show, a spaghetti dinner is being planned, as well as a car wash, all to benefit the senior class. Also Boosters, will be establishing a scholarship for the senior class. National Honor Society had Parents' night out. There is writing camp that students can attend from 7:30-8:25 as well as Spanish camp on Wednesday mornings. We have had a couple drills at the upper campus; lock down and a tornado drill. Science fair – we have 6-7 middle/high students going along with the elementary. There have been 3 Academic Olympics matches. There was also Math Counts which was attended by the middle school. In sports, we have baseball starting up, middle school boys' and girls' soccer and a new sport softball. Wrestling will be ending soon.

Testing will be starting from mid-March till the end of May. Testing is now done on computers and testing will be done in the gym to make it less disruptive than in building 7. Thanks to Ron Van Pelt for transforming the classrooms into testing rooms. Periods 1-4 will be the testing times and those students who would normally be in a gymnasium will be going to other classrooms for their lessons.

Middle School Valentine dance is this Friday. Young Marines will be color guard at American Legion this coming Sat. And next Thursday at 6:30 will be the first graduation class of Young Marines.

There is also a 8th-9th grade task force that will be comprised of students and staff to look at why students don't stay here at Imagine and what it will take to keep them here.

Financials

Kathy Helean introduced herself and the new financial director, Christine Miller who replaced David Barton. Also in attendance was Greg Young, who then proceeded to go over the budget with the new form. Greg explained actual projected column and preliminary column and the difference. He explained the reduction in revenue and funding from the county. He then moved on to the expenditures and the differences in each of the columns.

Mr. Beason made the comment that this new form was much more understandable and easy to read.

Chris Phillips made the motion to approve the budget: Mr. Beason moved to approve and Jennifer Desrosiers seconded the motion. Passed 3-0

Chris Phillips asked for an update on new board members. Rod Sasse said that Kathy Helean and he were to meet with one of the candidates but the meeting had to be postponed. They have already met with the candidate who wants to be a part time.

Rod Sasse gave an update on the outstanding rent amount of \$84,000 owed to Schoolhouse Financing. Rod had said that he had meetings with his supervisors and that Imagine Corp. was going to waive the outstanding amount.

Jennifer Desrosiers made the comment that she was grateful that Schoolhouse Finances was willing to work with them especially during this time of financial restraint.

Brian Beason echoed those feelings as well, and that he appreciated all that was being done to explain the financial breakdown.

Chris Phillip also echoed his appreciation as well.

Jennifer Desrosiers asked about the budget for 2015-2016 and when could they expect some form of a beginning budget. Brian Beason asked if they could they have something by March or April. Dr. Black replied possibly something by April. Kathy Helean said more like early May or June when they would get a better idea of county funding. Brian Beason commented that he would like to see the budget based on actual number of students that are enrolled and not guessing on how many will be here.

There was a discussion on the number used for FTE and how seniors who are taking dual enrollment differ from those that do not, and how that effects the amount of funds we receive.

New Business

Tuesday February 17th, 2015 at 9:45 is the upcoming School Board Workshop regarding our charter renewal. They will be looking to see that we are on track for enrollment and financials. Board needs to answer their questions but can ask to have Kathy Helean or a principal answer the question. The school board is looking to be sure that the board is informed and aware of what is going on in the school.

Public Participation from floor

Sharleen Salzman, parent, thanked Rod Sasse for looking into the matter of the outstanding rent. She also asked about the audit and Kathy Helean said that the matter of the additional audit fee is still on going.

Adjournment

Motion to adjourn was made by Chris Phillips. Jennifer Desrosiers seconded that motion. Motion passed 3-0. Meeting adjourned at 7:15pm.



IMAGINE SCHOOL AT NORTH PORT

GOVERNING BOARD

"Excellence through Integrity"

Elementary Campus

1000 Innovation Avenue – North Port, Florida – 34289

Upper Campus

2757 Sycamore Street – North Port, Florida – 34289

FINANCIAL UPDATE

February 20, 2015

Imagine School at North Port's primary focus is to develop a K-12 educational program that provides the academic, social and emotional components that will attract and maintain student enrollment. While developing and refining the program, the School also closely monitors its expenses and focuses on strategies to increase enrollment at the Upper Campus.

The following actions have occurred since the original Plan was approved by the Imagine North Port Governing Board on October 7, 2014:

- The annual audit was completed by Mauldin and Jenkins and was submitted to the District and the State Auditor General in November 2014.
- A promissory note was executed between Imagine School at North Port, Inc. and Imagine Schools Non Profit. A note of \$921,000 was needed to ensure a positive fund balance. Monthly payments on the note began in January 2015.
- Projected enrollment for the 2014-15 school year did not materialize. School leaders proactively reduced spending in expense accounts that would minimally affect the instructional program. Without these reductions, actual enrollment revenue with proposed expenses would have resulted in a deficit of over \$400,000.
- The budget was amended at the February 12, 2015 meeting. The budget's revenues are conservative estimates based on actuals and project a deficit of \$272,000. The board is aware that a promissory note may be necessary, and directed school leaders to continue limiting spending. The budget includes modified accrual information (change in fund balance) at the bottom of the document.
- The Governing Board directed School Leaders to bring a draft 2015-16 budget to the April meeting that is balanced.
- A task force made up of Upper and Elementary Campus staff and students is identifying strategies to retain current grade 8 students when they begin their high school career in August 2015.

The Governing Board of the School continues to review the financial condition of the School at each of its scheduled Board Meetings. The Governing Board will notify the Sponsor if there has been any deviation from this Plan. The Sponsor will also receive progress reports on the monitoring of this Plan as reflected in the minutes of the Board Meetings provided to the Sponsor. We invite the Superintendent and all Sarasota County School Board Members to visit the School and/or any of our Governing Board meetings to see first-hand the educational process implemented at Imagine School at North Port and the governance upheld by the School's Governing Board.

**Imagine Schools at North Port
FY15 Amended Budget**

	Actual + Projection	Preliminary Budget	Variance	Comment	
REVENUES					
Fed, State & Local Revenue					
1	FEFP - FTE Generated Funds	6,777,984	7,189,213	(411,229)	Reduced student population, 3rd Calc. FTE Worksheet
2	FEFP - FL Teacher Lead Program	16,080	-	16,080	Monies paid to Teachers to spend on School supplies
3	Charter Capital Outlay Funding (not local)	336,288	363,624	(27,336)	Reduced funding per DOE
4	Local Referendum	1,041,414	1,073,841	(32,427)	Reduced student population, 3rd Calc. FTE Worksheet
5	Local Capital Outlay 1.5 Mill Computation	468,636	467,955	682	
6	Miscellaneous State Revenue (includes local gov't)	34,758	-	34,758	IDEA Reimbursement
7	<i>Sub-total Fed, State & Local Revenue</i>	8,675,161	9,094,633	(419,472)	
8		-			
9	Supplemental Fee Revenue				
10	Local-Rental of Facilities Fees	9,823	9,600	223	
11	Voluntary Pre-K Revenues - State	33,249	-	33,249	Split out Voluntary and Fee-based, underprojected
12	Local - Preschool Revenues	142,443	140,500	1,943	
13	Before & After Care Fees	17,283	20,000	(2,717)	
14	Local-Summer Program Fees	-	-	-	
15	Local-School Fund Raising Activities	1,568	234	1,334	
16	Local-Other School, Courses, Classes	-	-	-	
17	Sports Program Fees	5,000	10,000	(5,000)	
18	Other Local Revenues	40,758	1,066	39,692	Coach Reimbursement from Imagine
19	<i>Sub-total Supplemental Fee Revenue</i>	250,123	181,400	68,723	
20					
21	Imagine Contribution	272,333	270,000	2,333	
22					
23	TOTAL REVENUES	9,197,617	9,546,033	(348,416)	
24	EXPENSES				
25	Salaries	4,018,906	3,938,501	80,405	Pre-K, Transportation
26	Benefits	1,197,681	1,165,302	32,379	Staff choice of coverage
27					
28	<i>Sub-total Salaries & Benefits</i>	5,216,586	5,103,803	112,784	
29					
30	Facility Expenses (Rent)				
31	Rentals (Building Lease Payment)	1,433,729	1,356,180	77,549	Based on Lease Schedule
32	Common Area Maintenance on Rent	184,032	172,668	11,364	Includes Fire Insurance
33	<i>Sub-total Facility Expenses (Rent)</i>	1,617,762	1,528,848	88,914	
34					
35	Direct Educational Expenses				
36	Depreciation Expense		497,581	(497,581)	
37	Capital Purchases/Fixed Assets	21,629		21,629	
38	Kto6 - Classroom Supplies	47,050	51,477	(4,427)	Reduced to offset deficit
39	Kto6 - Textbooks	40,228	170,970	(130,742)	Reduced to offset deficit
40	Student Assessment Expenses	16,729	10,582	6,147	STAR Testing
41	Supplies - Summer	-	78	(78)	
42	PreK4 - Classroom Supplies	841	880	(39)	
43	Preschool-Supplies	1,487	3,000	(1,513)	
44	Sports Programs Expense	122,721	121,346	1,375	
45	Health--Supplies	571	480	91	
46	Instructional Computer Software	13,854	13,242	611	
47	Lib/Media--Supplies	4,688	5,224	(536)	
48	Instructional Support/Material	38,286	83,646	(45,360)	Reduced to offset deficit
49	Technology Expense	84,612	75,423	9,189	Classroom Computers
50	Sch District Materials and Supplies	1,106	1,286	(180)	
51	Enrichment--Supplies	115	51,041	(50,926)	Reduced to offset deficit
52	<i>Sub-total Direct Educational Expenses</i>	393,917	1,086,256	(216,387)	
53	Facility Operating Expenses				
54	Electricity	132,358	132,000	358	
55	Telecommunications	40,842	36,000	4,842	Prior year maintenance agreement
56	Internet Service	4,966	6,180	(1,214)	
57	Water & Sewer	14,685	27,600	(12,915)	Over Projected Gym utility costs
58	Waste	25,377	28,440	(3,063)	

**Imagine Schools at North Port
FY15 Amended Budget**

	Actual + Projection	Preliminary Budget	Variance	Comment
59 Landscaping Expense	5,154	26,400	(21,246)	Prof & Tech line, will adjust for next report
60 Mech/Tech-Repairs & Maint	29,902	3,600	26,302	Underprojected
61 Copier Maintenance Supplies	29,332	23,736	5,596	Underprojected
62 <i>Sub-total Facility Operating Expenses</i>	282,616	283,956	(1,340)	
63				
64 Imagine Fees				
65 Imagine Indirect Costs	737,391	773,044	(35,653)	Fluctuates with changes to State and Local funding.
66 <i>Sub-total Imagine Fees</i>	737,391	773,044	(35,653)	
67				
68 Marketing & Enrollment Expenses				
69 Marketing/Advertising Expense	14,376	15,816	(1,440)	
70 <i>Sub-total Marketing & Enrollment Exp</i>	14,376	15,816	(1,440)	
71				
72 General & Administrative				
73 Interest Expense - Bus Note	11,993	11,993	-	
74 Interest Payments Capital Advance	14,702	-	14,702	Moved out of line below
75 Debt Service (Principal) - Construction Note	67,773		67,773	
76 Debt Service (Principal) - Bus Note	50,631		50,631	
77 Debt Service (Principal) - Capital Advance Note	39,303		39,303	
78 Imagine Interest on Construction Note	60,273	114,091	(53,818)	Over-projected, moved Capital advance to its own line above
79 Workers Comp	52,026	39,634	12,392	Split out of line below
80 Gen. Liab. Insurance (Blended and Package)	91,047	119,617	(28,570)	Net difference lower than projected
81 Board - Audit Fees (Outside Accounting Services)	17,685	24,411	(6,726)	Over-projected
82 Board of Directors Expenses	594	1,200	(606)	
83 Principal--Dues & Fees	21,044	24,000	(2,956)	
84 Printing and Duplication	4,402	5,250	(848)	
85 Postage	6,431	12,000	(5,569)	To support reducing the deficit
86 Office Supplies - Admin	16,172	21,629	(5,457)	To support reducing the deficit
87 Miscellaneous Expenses	20,219	10,359	9,860	Summer school fees
88 Cent Support--Drug Testing	5,000	4,997	4	
89 Fundraising--Misc Exp	16,850	3,082	13,768	Yearbooks
90 <i>Sub-total General & Administrative</i>	496,146	392,263	103,883	
91				
92 Other School Services				
93 Kto6 - Travel	14,897	11,361	3,536	
94 Kto6 - Field Trips	(4,003)	2,913	(6,917)	Revenues netting against expense
95 Principal--Travel	11,981	7,585	4,395	SEPR & AdvancEd Visit
96 Transportation - Maintenance	6,897	24,000	(17,103)	Field Trip Revenues netting against expense
97 Trans - Gasoline	26,489	-	26,489	
98 Trans - Diesel Fuel		30,714	(30,714)	Moved to line above
99 Prof & Tech - Contr Services - PT & OT	41,658	12,279	29,378	
100 Sch Outside Svc-Speech--Prof & Tech	-	30,664	(30,664)	Combined with line above
101 Prof & Tech Contracted Services	60,718	70,259	(9,541)	Will adjust in next revision to various accounts
102 Janitorial Expense	150,300	165,888	(15,588)	Over-projected
103 Exterminating/Professional	1,625	3,900	(2,275)	
104 Inst Staff Trng - Prof & Tech Contracted	1,837	1,771	67	
105	312,399	361,335	(48,936)	
106				
107 TOTAL EXPENSES	9,071,193	9,545,320	(474,127)	
108				
109 OPERATING SURPLUS (DEFICIT)	126,424	712	125,712	
110				
111 FUND BALANCE, PRIOR YEAR	139,914			
112				
113 PROJECTED YEAR END FUND BALANCE	266,338			

Unsecured Promissory Note

\$921,100.00

Arlington, VA

Date: June 30, 2014

For value received **Imagine School at North Port, Inc.**, (“Borrower”) promises to pay, according to the schedule to be set forth on Exhibit A hereto, to the order of **Imagine Schools Non-Profit, Inc.** (“Lender”), the sum of Nine Hundred Twenty One Thousand One Hundred and No/100 Dollars (\$921,100.00) or such lesser amount as may be advanced here against and hereafter be outstanding hereunder. Borrower shall also pay Lender interest at the rate per annum of 3.25% compounded monthly. Interest shall be calculated monthly on the basis of the outstanding balance as of the last day of the immediately preceding month. Interest on the principal balance hereof outstanding from time to time shall be due and payable monthly, in arrears, with the first installment of principal and interest being payable on January 1, 2015, for interest accrued to that date, and subsequent installments being payable on the first day of each succeeding month thereafter in accordance with the amortization schedule attached hereto as Exhibit A. In no event shall the amortization schedule extend beyond December 1, 2024, the date by which all interest and principal must be paid to Lender by Borrower.

The occurrence of any of the following shall constitute an “Event of Default” under this Note: (a) the failure of Borrower to make any payment when due under this or any other obligation to Lender (time is of the essence of this Note); (b) the institution of proceedings against Borrower under any state insolvency law or under any federal bankruptcy law, if such proceedings are not dismissed within thirty (30) days; (c) Borrower's becoming insolvent or generally failing to pay any of its debts as they become due; (d) the instigation of legal proceedings against Borrower for the violation of a criminal statute or for failure to pay state or federal taxes; (e) the entry of any judgment against Borrower that remains unsatisfied for thirty (30) days; (f) Borrower's liquidation or cessation of business; (g) the occurrence of any other material change in the control or ownership of Borrower; (h) the occurrence of a material default under the terms of any loan agreement, security agreement, deed of trust, or similar document to which Borrower is a party; or (h) the revocation, suspension, probation or non-renewal of Borrower's Charter.

Upon the occurrence of an “Event of Default”, as defined above, Lender may, at its option and without notice, declare all principal and interest provided for under this Note, and any other obligations of Borrower to Lender, to be presently due and payable, and Lender may enforce any remedies available to Lender under any documents securing or evidencing debts of Borrower to Lender. Lender may waive any default before or after it occurs and may restore this Note in full effect without impairing the right to declare it due for a subsequent default, this right being a continuing one. Upon default, the remaining unpaid principal balance of the indebtedness evidenced hereby and all expenses due Lender shall, at the option of Lender, bear interest at the rate stated above or at the highest rate permissible under applicable law.

Borrower may prepay this Note in whole or in part at any time during the term of the Note without penalty. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment

schedule. Rather, early payments will reduce the principal balance due and may result in making fewer payments.

Failure on the part of Lender to exercise any right under this Promissory Note shall not be deemed a waiver of any other right under this Promissory Note. Borrower hereto agrees to pay reasonable attorney's fees and all court and other costs that Lender may incur in the course of efforts to collect the debt evidenced hereby.

The validity and construction of this Note shall be determined according to Florida law. If any provision of this Note should for any reason be invalid or unenforceable, the remaining provisions hereof shall remain in full effect.

The provisions of this Note may be amended or waived only by instrument in writing signed by the Lender and Borrower and attached to this Note.

Imagine School at North Port, Inc.

By: 
Print: Chris Phillips
Date: 11/25/14

**IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY**

FINANCIAL STATEMENTS

June 30, 2014

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS.....	3
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	9
Statement of Activities.....	10
Fund Financial Statements	
Balance Sheet–General Fund.....	11
Reconciliation of the Balance Sheet–General Fund to the Statement of Net Position	12
Statement of Revenues, Expenditures and Changes in Fund Balance–General Fund	13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance–General Fund to the Statement of Activities.....	14
Notes to Basic Financial Statements.....	15
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary Comparison Schedule–General Fund.....	26
Notes to Required Supplementary Information	27
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	28
MANAGEMENT LETTER	30
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS	32
SCHEDULE OF AUDIT FINDINGS AND RESPONSES.....	33

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Imagine School at North Port, Inc.
North Port, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and General Fund of Imagine School at North Port, Inc. (the "Charter School") (a Charter School and component unit of the School Board of Sarasota County, Florida), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Charter 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 *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 entities preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and General Fund of the Charter School as of June 30, 2014, and the respective changes in financial position for the year then ended in conformity 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 and budgetary comparison information on pages 3 through 8 and pages 26 and 27 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 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 dated November 24, 2014, on our consideration of the Charter School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Charter School's internal control over financial reporting and compliance.



Bradenton, Florida
November 24, 2014

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

(Unaudited)

As management of Imagine School at North Port, Inc. (the "Charter School"), we offer readers of the financial statements this narrative overview and analysis of the financial activities of the Charter School for the fiscal year ended June 30, 2014.

Readers should review this Management's Discussion and Analysis (MD&A) in addition to the basic financial statements and the accompanying notes to the financial statements to gain an understanding of the Charter School as an operating entity.

Financial Highlight

- At the close of the fiscal year, the assets of the Charter School exceeded its liabilities by \$703,291 (net position).
- Net position decreased during the year \$917,813 or 57%.
- Net capital assets increased \$1,079,218.
- Debt increased \$2,126,330.

Overview of the Financial Statements

This financial report includes a series of financial statements and notes to those financial statements. These statements are organized so the reader can understand the Charter School as a financial whole, or as an entire operating entity.

This discussion and analysis is intended to serve as an introduction to the Charter School's basic financial statements. The Charter School's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also contains required supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Charter School's finances, in a manner similar to a private sector business.

The Statement of Net position presents information on all of the Charter School's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Charter School is improving or deteriorating.

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

(Unaudited)

The Statement of Activities presents information showing how the Charter School's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement from some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Charter School that are principally supported by grants and contributions not restricted to specific programs from other functions that are intended to recover a significant portion of their costs through user fees. The governmental activities of the Charter School include various functions as noted in the Statement of Activities; however, the majority of the expenses are charged to the Instruction, General Administration, School Administration, and Operation of Plant functions.

The government-wide financial statements can be found on pages 9-10 of this report.

Fund Financial Statements

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 the Charter School'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 Charter School's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Charter School maintains one governmental fund, the General Fund. The Charter School adopts an annual appropriated budget for its General Fund. The General Fund financial statements can be found on pages 11 and 13, and the Budgetary Comparison Schedule—General Fund can be found on page 26.

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

(Unaudited)

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found starting on page 15.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Charter School's financial position. At the close of the fiscal year, assets exceeded liabilities by \$703,291.

The Charter School's net position is comprised of capital assets less any related debt used to acquire those assets that is still outstanding in the amount of \$1,484,477, restricted net position in the amount of \$87,287, and unrestricted net position of (\$868,473). The Charter School uses these capital assets to provide services to students; consequently, these assets are not available for future spending.

Statement of Net Position

	<u>2014</u>	<u>2013</u>	<u>Change</u>
Current and other assets	\$ 1,226,140	1,268,540	(42,400)
Capital assets	<u>3,493,925</u>	<u>2,414,707</u>	<u>1,079,218</u>
Total assets	<u>\$ 4,720,065</u>	<u>3,683,247</u>	<u>1,036,818</u>
Current liabilities	\$ 1,243,933	1,321,050	(77,117)
Noncurrent liabilities	<u>2,772,841</u>	<u>741,093</u>	<u>2,031,748</u>
Total liabilities	<u>\$ 4,016,774</u>	<u>2,062,143</u>	<u>1,954,631</u>
Net investment in capital assets	\$ 1,484,477	1,563,903	(79,426)
Restricted	87,287	10,714	76,573
Unrestricted	<u>(868,473)</u>	<u>46,487</u>	<u>(914,960)</u>
Total net position	<u>\$ 703,291</u>	<u>1,621,104</u>	<u>(917,813)</u>

Total assets consist mainly of cash, amounts due from related parties, and capital assets.

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2014
(Unaudited)

Total liabilities consist mainly of accrued payroll and related expenses, a bus note payable, a construction note payable, and a note payable for an operating capital advance received from the Management Company. See Note D in the notes to the financial statements for more information regarding the long-term debt.

Statement of Activities

	2014	2013	Change
Revenues			
Program revenues			
Charges for services	\$ 272,546	209,948	62,598
Operating grants and contributions	150,469	165,181	(14,712)
General revenues			
Grants and contributions not restricted to specific programs	8,224,754	8,827,340	(602,586)
Miscellaneous	42,168	1,730	40,438
Total revenues	<u>8,689,937</u>	<u>9,204,199</u>	<u>(514,262)</u>
Expenses			
Instruction	4,722,162	4,236,203	485,959
Pupil personnel services	99,857	78,606	21,251
Instructional media services	175,407	291,945	(116,538)
Instruction and curriculum development	51,460	115,755	(64,295)
Instructional staff training	13,658	6,069	7,589
Instruction technology	147,944	78,104	69,840
Board	18,135	87,921	(69,786)
General administration	693,380	808,657	(115,277)
School administration	993,927	700,111	293,816
Fiscal services	87,686	56,855	30,831
Food services	13,298	10,111	3,187
Central services	4,557	2,641	1,916
Pupil transportation services	181,422	154,406	27,016
Operation of plant	2,186,701	2,123,523	63,178
Maintenance of plant	105,771	99,127	6,644
Community services	48,952	46,385	2,567
Interest on long-term debt	63,433	17,481	45,952
Total expenses	<u>9,607,750</u>	<u>8,913,900</u>	<u>693,850</u>
Change in net position	(917,813)	290,299	(1,208,112)
Beginning net position	<u>1,621,104</u>	<u>1,330,805</u>	<u>290,299</u>
Ending net position	<u>\$ 703,291</u>	<u>1,621,104</u>	<u>(917,813)</u>

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

(Unaudited)

Revenue: The largest revenue source for the Charter School is the Florida Education Finance Program (FEFP) revenue and other categorical funds from the State of Florida via the Sarasota County School Board. The FEFP formula utilizes student enrollment data to determine the funds disbursed to the Charter School. An aggregate count of the student enrollment and attendance (992 students) over two state survey periods yielded the resulting specific revenue amount.

Expenses: The largest concentrations of expenses during the year were for the purposes of instruction (49%), general administration (7%), school administration (10%), and operation of plant (23%). Salaries and related benefit expenses increased approximately \$417,000, which was the majority of the increase in expenses.

General Fund Budgetary Highlights

During the year, there was a \$1.3 million increase in budget appropriations between the original budget and final amended budget. The majority of the increase in appropriations was related to additional capital outlay costs related to the construction of the gym, an increase in school administration for the addition of a second principal, and additional salaries and related benefit costs. Although budgeted appropriations increased during the year, budgeted revenues decreased \$1 million due to a decrease in student enrollment. Therefore, this created a budgeted ending fund balance deficit of \$1.5 million.

Capital Assets

Below is a schedule of the Charter School's capital assets as of June 30, 2014 and 2013. Capital asset changes during the year included the completion of the new gymnasium and the acquisition of various furniture, fixtures and equipment.

Capital Assets (Net)

	Governmental Activities		
	2014	2013	Change
Construction in progress	\$ -	939,217	(939,217)
Land	106,016	106,016	-
Buildings and fixed equipment	2,130,660	6,255	2,124,405
Leasehold improvements	677,366	787,164	(109,798)
Furniture, fixtures and equipment	321,754	281,908	39,846
Vehicles	258,129	294,147	(36,018)
	\$ 3,493,925	2,414,707	1,079,218

See Note C to the financial statements for a detail of the activity during the fiscal year and other related information.

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2014
(Unaudited)

Debt

Below is a schedule of the outstanding debt as of June 30, 2014 and 2013:

Outstanding Debt

	Governmental Activities		
	<u>2014</u>	<u>2013</u>	<u>Change</u>
Notes payable	\$ 2,930,548	804,318	2,126,230
	<u>\$ 2,930,548</u>	<u>804,318</u>	<u>2,126,230</u>

The net increase in outstanding debt is due to drawdowns on the construction note and an operating capital advance from the Management Company. See Note D to the financial statements for a detail of the activity during the fiscal year and other related information.

Economic Factors and Next Year's Budget

The forecasted budget for the 2014-2015 fiscal year is built upon a projected student enrollment of 1,028 students. The increase in student enrollment is the result of the expansion of the Charter School's scope of grade levels served from K-11 to K-12. Again, the state funding will generate the largest portion of the approximately \$9.3 million in budgeted revenue for next year.

Requests for Information

This financial report is designed to provide a general overview of Imagine School at North Port, Inc.'s finances for those with an interest in the entity's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Principal at 1000 Innovation Avenue, North Port, Florida, 34289.

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

STATEMENT OF NET POSITION
June 30, 2014

	Governmental Activities
ASSETS	
Cash	\$ 370,361
Accounts receivable	19,639
Due from school district	87,287
Due from related parties	686,929
Prepaid expenses	52,608
Other current assets	9,316
Total current assets	1,226,140
 Noncurrent assets	
Capital assets not being depreciated	106,016
Capital assets, net of accumulated depreciation	3,387,909
Total noncurrent assets	3,493,925
 TOTAL ASSETS	 \$ 4,720,065
 LIABILITIES AND NET POSITION	
Current liabilities	
Accounts payable	\$ 7,204
Due to related parties	466,560
Accrued expenses	612,462
Current portion, notes payable	157,707
Total current liabilities	1,243,933
 Noncurrent liabilities	
Notes payable	2,772,841
Total liabilities	4,016,774
 Net position	
Net investment in capital assets	1,378,461
Restricted, instructional materials	87,287
Unrestricted	(762,457)
Total net position	703,291
 TOTAL LIABILITIES AND NET POSITION	 \$ 4,720,065

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

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Instruction	\$ 4,722,162	167,675	-	(4,554,487)
Pupil personnel services	99,857	-	-	(99,857)
Instructional media services	175,407	-	-	(175,407)
Instruction and curriculum development	51,460	-	-	(51,460)
Instructional staff training	13,658	-	-	(13,658)
Instruction technology	147,944	-	-	(147,944)
Board	18,135	-	-	(18,135)
General administration	693,380	-	-	(693,380)
School administration	993,927	-	-	(993,927)
Fiscal services	87,686	-	-	(87,686)
Food services	13,298	-	-	(13,298)
Central services	4,557	-	-	(4,557)
Pupil transportation services	181,422	-	150,469	(30,953)
Operation of plant	2,186,701	17,238	-	(2,169,463)
Maintenance of plant	105,771	-	-	(105,771)
Community services	48,952	87,633	-	38,681
Interest on long-term debt	63,433	-	-	(63,433)
Total governmental activities	<u>\$ 9,607,750</u>	<u>272,546</u>	<u>150,469</u>	(9,184,735)
General revenues				
Grants and contributions not restricted to specific programs				8,224,754
Miscellaneous				<u>42,168</u>
Total general revenues				<u>8,266,922</u>
Change in net position				(917,813)
Net position, July 1, 2013				<u>1,621,104</u>
Net position, June 30, 2014				<u>\$ 703,291</u>

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

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

BALANCE SHEET—GENERAL FUND
June 30, 2014

ASSETS

Cash	\$ 370,361
Accounts receivable	19,639
Due from school district	87,287
Due from related parties	686,929
Prepaid expenses	52,608
Other current assets	<u>9,316</u>

TOTAL ASSETS \$ 1,226,140

LIABILITIES AND FUND BALANCE

Liabilities

Accounts payable	\$ 7,204
Due to related parties	466,560
Accrued expenses	<u>612,462</u>
Total liabilities	<u>1,086,226</u>

Fund balance

Nonspendable	52,608
Restricted, instructional materials	87,287
Unassigned	<u>19</u>
Total fund balance	<u>139,914</u>

TOTAL LIABILITIES AND FUND BALANCE \$ 1,226,140

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

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

RECONCILIATION OF THE BALANCE SHEET—GENERAL FUND
TO THE STATEMENT OF NET POSITION

June 30, 2014

Fund balance—General Fund	\$ 139,914
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the General Fund.	3,493,925
Long-term liabilities, including notes payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Notes payable	<u>(2,930,548)</u>
Net position of governmental activities	<u>\$ 703,291</u>

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

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE—GENERAL FUND
For the Fiscal Year Ended June 30, 2014

Revenues	
Federal through local	\$ 31,000
State through local	6,252,108
Local	2,406,829
Total revenues	8,689,937
Expenditures	
Current	
Instruction	4,644,659
Pupil personnel services	99,625
Instructional media services	168,685
Instruction and curriculum development	51,460
Instructional staff training	13,658
Instruction technology	147,944
Board	18,135
General administration	693,380
School administration	984,702
Fiscal services	87,686
Food services	1,328
Central services	4,557
Pupil transportation services	145,404
Operation of plant	2,059,100
Maintenance of plant	105,771
Community services	48,952
Capital outlay	1,348,489
Debt service	
Principal	109,898
Interest and fiscal charges	63,433
Total expenditures	10,796,866
Deficiency of revenues under expenditures	(2,106,929)
Other financing sources	
Notes issued	2,236,128
Net change in fund balance	129,199
Fund balance, July 1, 2013	10,715
Fund balance, June 30, 2014	\$ 139,914

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

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE—GENERAL FUND TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2014

Net change in fund balance—Statement of Revenues, Expenditures and Changes in Fund Balance—General Fund	\$	129,199
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Amounts reported for governmental activities in the Statement
of Activities are different because:

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

Capital outlays	1,348,489	
Less current depreciation expense	<u>(269,271)</u>	1,079,218

The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal of long-term
debt consumes the current financial resources of governmental funds.
Neither transaction, however, has any effect on net position. This amount
is the net effect of these differences in the treatment of long-term debt
and related items.

Notes issued	(2,236,128)	
Principal repayments	<u>109,898</u>	<u>(2,126,230)</u>

Change in net position of governmental activities		<u>\$ (917,813)</u>
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IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: Imagine School at North Port, Inc. (the “Charter School”) previously organized as Imagine Sarasota-County, LLC, was organized to establish and operate a public charter school to serve educational and charitable purposes, and qualified for derivative exempt status within the meaning of Section 501(c)(3) of the Internal Revenue Code by virtue of its relationship with its single member, Imagine Schools Non-Profit, Inc. (the Management Company), a Virginia, non-stock corporation. On July 14, 2010, the Charter School was organized as a Florida, not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code. On June 7, 2011, Imagine-Sarasota County, LLC, with the consent of the School Board of Sarasota County, Florida, assigned the charter contract to the Charter School. Effective July 1, 2011, the Charter School began operating under the new not-for-profit corporation. As of the effective date, the Charter School assumed all of Imagine-Sarasota County, LLC’s assets, property, rights, responsibilities, and liabilities, including any insurance associated with such assets or property.

The general operating authority of the Charter School is contained in Chapter 1002.33, Florida Statutes. The Charter School operates under a charter of the sponsoring school board, the School Board of Sarasota County, Florida, serving grades K-12 which is effective through fiscal year June 30, 2015. The Charter School is considered a component unit of the School Board of Sarasota County, Florida. Upon dissolution or termination of the charter, all of the property, furnishings and equipment purchased with public funds, in part or in whole, automatically revert to the School Board of Sarasota County, Florida.

Basis of Presentation: The basic financial statements of the Charter School have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB has issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as GAAP for state and local governments. No component units are required to be included within the reporting entity of the Charter School.

Government-wide and Fund Financial Statements: The Charter School's basic financial statements include both government-wide (reporting on the Charter School as a whole) and fund financial statements. The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the Charter School. The government-wide financial statements present governmental activities only. The Charter School has no business-type activities.

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In the government-wide Statement of Net Position, the Charter School recognizes all long-term assets and receivables as well as long-term debt and obligations. The Charter School's net position is reported in three parts (as applicable): (1) net investment in capital assets; (2) restricted net position; and (3) unrestricted net position.

The government-wide 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 or applicants 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. Other revenues not properly included among program revenues are reported instead as general revenues.

The individual generic fund type in the Charter School's financial statements is a governmental fund. The focus of the governmental fund's measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income.

The only governmental fund utilized by the Charter School is the General Fund. This fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. The General Fund is the general operating fund of the Charter School and is used to account for all of its non-fiduciary financial resources.

Measurement Focus, Basis of Accounting and Financial Statement Presentation: The 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 the related cash flows.

Governmental 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 government considers revenues to be available if they are collected within 60 days of the end of the current period. When grant terms provide that the expenditure of resources is the determining factor for eligibility for Federal, state and other grant resources, revenue is recognized at the time the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues for current operations received from the School Board of Sarasota County, Florida, pursuant to the funding provisions included in the Charter School's charter and contributions from the Management Company are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Charter School.

Cash: The Charter School's cash consists of demand deposits with financial institutions insured by Federal depository insurance. The Charter School has no cash equivalents.

Receivables: All amounts due from the school district and related parties are deemed collectible. Therefore, no allowance has been recorded as of June 30, 2014.

Capital Assets: Capital assets, which include property and equipment, are reported in the governmental activities column in the government-wide financial statements and are not reported in the fund financial statements. Capital assets are defined by the Charter School as assets with an initial cost of more than \$750 and an estimated useful life in excess of one year. Capital 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 cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and fixed equipment	7-39
Leasehold improvements	7-15
Furniture, fixtures and equipment	5-7
Vehicles	10

Fund Equity: Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance: Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Charter School is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund balances are classified as follows:

- *Nonspendable*: Fund balances are reported as nonspendable when amounts cannot be spent because they are either: (a) not in spendable form (i.e., items that are not expected to be converted to cash), or (b) legally or contractually required to be maintained intact.
- *Restricted*: Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- *Committed*: Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Directors through the adoption of a resolution. Only the Board of Directors may modify or rescind the commitment.
- *Assigned*: Fund balances are reported as assigned when amounts are constrained by the Charter School's intent to be used for specific purposes, but are neither restricted nor committed. Currently, there is no one authorized to assign fund balances.
- *Unassigned*: Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The Charter School reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in other funds should the Charter School establish other funds at a later time.

Net Position: Net position represents the difference between assets and liabilities. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws, or regulations. All net position not reported as net investment in capital assets and restricted net position, is reported as unrestricted net position.

Flow Assumptions: When both restricted and unrestricted amounts of fund balance/net position are available for use for expenditures/expenses incurred, it is the Charter School's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Charter School's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Information: An annual budget was adopted for the General Fund on the modified accrual basis of accounting, as is used to account for the activity in the General Fund. Appropriations are controlled at the fund level.

For the year ended June 30, 2014, the Charter School's final approved budget was an unbalanced budget, whereby appropriations exceeded beginning fund balance, estimated revenues and other financing sources resulting in a budgeted deficit of \$1,501,875.

Revenue Sources: Revenues for current operations are received primarily from the School Board of Sarasota County pursuant to the funding provisions included in the Charter School's charter. In accordance with the funding provisions of the charter and Chapter 1002.33(17), Florida Statutes, the Charter School reports the number of full-time equivalent (FTE) students and related data to the School Board. Under the provisions of Chapter 1011.62, Florida Statutes, the School Board reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the Charter School is adjusted during the year to reflect the revised calculations by the FDOE under the Florida Education Finance Program and the actual weighted FTE students reported by the Charter School during the designated FTE student survey periods.

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

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE B – CASH

Custodial credit risk is the risk that in the event of bank failure, the Charter School's deposits may not be returned. The Charter School's cash consists of deposits held by banks that qualify as public depositories under the Florida Security for Public Deposits Act as required by Chapter 280, Florida Statutes, and are fully collateralized.

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE C – CAPITAL ASSETS

Capital asset activity for fiscal year ended June 30, 2014, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated				
Construction in progress	\$ 939,217	1,186,276	2,125,493	-
Land	106,016	-	-	106,016
Total capital assets not being depreciated	<u>1,045,233</u>	<u>1,186,276</u>	<u>2,125,493</u>	<u>106,016</u>
Capital assets, being depreciated				
Buildings and fixed equipment	7,615	2,125,493	-	2,133,108
Leasehold improvements	958,457	-	-	958,457
Furniture, fixtures and equipment	729,850	162,213	-	892,063
Vehicles	360,180	-	-	360,180
Total capital assets being depreciated	<u>2,056,102</u>	<u>2,287,706</u>	<u>-</u>	<u>4,343,808</u>
Less accumulated depreciation for				
Buildings and fixed equipment	1,360	1,088	-	2,448
Improvements	171,293	109,798	-	281,091
Furniture, fixtures and equipment	447,942	122,367	-	570,309
Vehicles	66,033	36,018	-	102,051
Total accumulated depreciation	<u>686,628</u>	<u>269,271</u>	<u>-</u>	<u>955,899</u>
Total capital assets being depreciated, net	<u>1,369,474</u>	<u>2,018,435</u>	<u>-</u>	<u>3,387,909</u>
Capital assets, net	<u>\$ 2,414,707</u>	<u>3,204,711</u>	<u>2,125,493</u>	<u>3,493,925</u>

Depreciation expense in the amount of \$269,271 for the year ended June 30, 2014, was allocated to the following governmental functions:

Instruction	\$ 77,503
Pupil personnel services	232
Instructional media services	6,722
School administration	9,225
Food services	11,970
Pupil transportation services	36,018
Operation of plant	<u>127,601</u>
	<u>\$ 269,271</u>

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE D – LONG-TERM DEBT

Long-term debt activity for the year ended June 30, 2014, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
Notes payable	\$ 804,318	2,236,128	109,898	2,930,548	157,707

Construction Note Payable: The Charter School executed a construction note collateralized by a first mortgage. The loan was used for the construction of a 17,020 square foot building to house additional classrooms, locker rooms and a gymnasium. The loan was for 60 months and closed on January 25, 2013. Interest only payments were due for the first seven months beginning on February 25, 2013. The first principal and interest payment was due September 25, 2013, and each month thereafter for 53 months based on a 240 month amortization schedule. The note has a fixed interest rate of 3.45%. The outstanding balance at June 30, 2014, was \$1,777,910.

Bus Note Payable: On September 1, 2011, the Charter School entered an agreement for financing the acquisition of four buses used for pupil transportation in the amount of \$360,180. The loan is being repaid in 84 monthly installment payments in the amount of \$5,219 with an interest rate of 5.75%. The loan is secured by the buses. The outstanding balance at June 30, 2014, was \$231,538.

Note Payable – Operating Capital Advance: On June 30, 2014, the Charter School obtained an operating capital advance from the Management Company to cover the current year operating deficit. The loan will be repaid in 120 monthly installment payments in the amount of \$9,001 with an interest rate of 3.25% starting January 1, 2015. The outstanding balance at June 30, 2014, was \$921,100.

The debt service requirements for the notes are as follows:

Year Ending June 30	Construction Note		Bus Note		Note - Capital Advance		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2015	\$ 67,773	60,273	50,631	11,993	39,303	14,702	244,675
2016	70,148	57,898	53,620	9,004	80,545	27,466	298,681
2017	72,607	55,439	56,786	5,838	83,202	24,809	298,681
2018	1,567,382	35,550	60,138	2,486	85,947	22,064	1,773,567
2019	-	-	10,363	74	88,782	19,229	118,448
2020-2024	-	-	-	-	489,824	50,230	540,054
2025	-	-	-	-	53,497	508	54,005
Totals	<u>\$ 1,777,910</u>	<u>209,160</u>	<u>231,538</u>	<u>29,395</u>	<u>921,100</u>	<u>159,008</u>	<u>3,328,111</u>

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE E – RELATED-PARTY TRANSACTIONS

Operating Agreements: The Charter School has entered into multiple agreements with the Management Company whereby the Management Company has agreed to provide development, operational and financial support to the Charter School. Some of the support provided includes development and defense of the Charter School application, negotiation of the Charter School contract, facility development, procurement and financing of equipment and other contract services, recruitment and hiring of personnel, curriculum development and support, professional development, administrative expertise, enrollment and marketing, and support and access to capital. The latest revision to these agreements was effective May 1, 2013.

Indirect Cost Allocation: The Charter School has contracted to pay the Management Company an indirect cost allocation for the provision of on-going operational and financial support as outlined above. The indirect cost allocation is equal to 8.5% of the per-pupil funding provided by state and local governments during each fiscal year, payable monthly. The indirect cost allocation charged to operations for fiscal year ending June 30, 2014, was \$693,380.

Operating Capital Advances: In the event there are not sufficient funds to pay operating expenses, the Charter School may request operating capital advances from the Management Company. During the year in which an operating capital advance is made, the operating capital advances are to be reimbursed on the first date that funds become available, for which funds are not otherwise reserved under the Charter School budget. Such operating capital advances that remain outstanding as of the first day of the fiscal year immediately following the fiscal year in which the operating capital advances are made, shall accrue interest until paid in full at a rate per annum equal to the Prime Rate compounded monthly. At the request of the Management Company, the Charter School shall execute a promissory note. During fiscal year ending June 30, 2014, the Charter School executed a promissory note in the amount of \$921,100.

Operating Leases: In July 2008, the Charter School entered into an operating sub-lease agreement with an affiliated entity of the Management Company for real property located at 1000 Innovation Avenue, North Port, Florida, for the period August 1, 2008 through July 31, 2018. Pursuant to an amendment to this agreement effective July 1, 2011, this agreement has been extended through June 30, 2026. This agreement includes additional monthly rental costs for taxes, operating costs and insurance above the monthly base rental payments.

In December 2009, the Charter School entered into an operating sub-lease agreement with the same affiliated entity noted above for real property located at 2737, 2747 and 2757 Sycamore Street, North Port, Florida, for the period August 1, 2011 through June 30, 2026. There are monthly base rental payments plus additional rental costs for taxes, operating costs and insurance.

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE E – RELATED-PARTY TRANSACTIONS (CONTINUED)

The future minimum base rental payments for these leases are as follows:

Year Ending June 30	Amount	Innovation Avenue Property	Sycamore Street Property
2015	\$ 1,304,727	804,000	500,727
2016	1,316,459	804,000	512,459
2017	1,317,475	793,000	524,475
2018	1,328,765	792,000	536,765
2019	1,385,349	836,000	549,349
2020-2024	7,126,536	4,200,000	2,926,536
2025-2026	2,934,263	1,680,000	1,254,263
	<u>\$ 16,713,574</u>	<u>9,909,000</u>	<u>6,804,574</u>

Due To/From Related Parties: As a result of these agreements with the Management Company and other related parties, the Charter School is reporting a due from related parties in the amount of \$686,929 and a due to related parties in the amount of \$466,560.

NOTE F – OPERATING LEASE

On June 14, 2012, the Charter School entered into a lease/development agreement for the construction of a 6,202 square foot building. Completion occurred during the year and per the agreement, rent commenced on the building for five years.

The future minimum base rental payments for this lease are as follows:

Year Ending June 30	Amount
2015	\$ 63,273
2016	64,854
2017	66,476
2018	11,125
	<u>\$ 205,728</u>

Additional rent for common area maintenance expenses are assessed on these properties based on the total square footage.

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE F – OPERATING LEASE (CONTINUED)

The total costs incurred for this lease agreement and the lease agreements with related parties for fiscal year ending June 30, 2014, was \$1,401,404.

NOTE G – SCHEDULE OF REVENUE SOURCES

The following is a schedule of revenue sources and amounts:

Source	Amount
Federal through local	
Individuals with Disabilities Education Act grant funds	\$ 31,000
Subtotal	31,000
State through local	
Base funding (less administrative fee)	4,014,180
Supplemental academic instruction	201,358
Reading instruction	47,831
Classroom for Kids	1,080,100
Safe Schools	25,773
Instructional materials	77,573
Transportation	150,469
Charter School capital outlay	468,015
Florida teacher lead program	17,986
Teacher salary allocation	168,823
Subtotal	6,252,108
Local	
Voted referendum funds	958,025
Discretionary local effort	716,604
Local capital outlay millage funds	417,486
Preschool revenues	167,675
Before and after care fees	85,533
Facility rental fees	17,238
Other miscellaneous revenue	44,268
Subtotal	2,406,829
Total revenues	\$ 8,689,937

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE H – RISK MANAGEMENT PROGRAMS

The Charter School is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and injuries to employees for which the Charter School has purchased commercial insurance. The Charter School has not had any reduction in insurance coverage and the amount of claims resulting from these risks has not exceeded insurance coverage for the past two years.

NOTE I – RETIREMENT PLAN

The Charter School maintains a 401(k) Retirement Savings Plan that covers substantially all employees. Employees may elect to make contributions to the plan on a pre-tax basis up to the maximum permitted by the Internal Revenue Code. The Charter School is currently making matching contributions up to 5% for participating employees. Employer and employee contributions for the fiscal year ending June 30, 2014, were approximately \$123,465 and \$144,930, respectively. Participating employees are 100% vested in their respective account balances.

NOTE J – SUBSEQUENT EVENTS

The Charter School has evaluated all subsequent events through November 24, 2014, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE—GENERAL FUND
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	
Revenues				
Federal through local	\$ -	-	31,000	31,000
State through local	6,982,545	7,000,767	6,252,108	(748,659)
Local	2,676,782	1,656,794	2,406,829	750,035
Total revenues	<u>9,659,327</u>	<u>8,657,561</u>	<u>8,689,937</u>	<u>32,376</u>
Expenditures				
Current				
Instruction	4,035,406	4,376,849	4,644,659	(267,810)
Pupil personnel services	113,759	186,688	99,625	87,063
Instructional media services	267,204	331,468	168,685	162,783
Instruction and curriculum development	177,703	125,117	51,460	73,657
Instructional staff training	2,400	4,335	13,658	(9,323)
Instruction technology	-	-	147,944	(147,944)
Board	43,500	36,660	18,135	18,525
General administration	664,338	612,202	693,380	(81,178)
School administration	732,027	1,167,919	984,702	183,217
Fiscal services	99,722	85,611	87,686	(2,075)
Food services	-	67,900	1,328	66,572
Central services	-	2,044	4,557	(2,513)
Pupil transportation services	132,497	138,392	145,404	(7,012)
Operation of plant	1,790,400	2,028,224	2,059,100	(30,876)
Maintenance of plant	94,417	109,616	105,771	3,845
Community services	224,677	146,788	48,952	97,836
Capital outlay	555,000	983,080	1,348,489	(365,409)
Debt service	72,000	162,822	173,331	(10,509)
Contingency	482,966	259,727	-	259,727
Total expenditures	<u>9,488,016</u>	<u>10,825,442</u>	<u>10,796,866</u>	<u>28,576</u>
Excess (deficiency) of revenues over (under) expenditures	171,311	(2,167,881)	(2,106,929)	60,952
Other financing sources				
Notes issued	-	655,291	2,236,128	1,580,837
Net change in fund balance	171,311	(1,512,590)	129,199	1,641,789
Fund balance, July 1, 2013	<u>10,715</u>	<u>10,715</u>	<u>10,715</u>	<u>-</u>
Fund balance, June 30, 2014	<u>\$ 182,026</u>	<u>(1,501,875)</u>	<u>139,914</u>	<u>1,641,789</u>

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

NOTE A – BUDGETARY INFORMATION

An annual budget was adopted for the General Fund on the modified accrual basis of accounting, as is used to account for the activity in the General Fund. Appropriations are controlled at the fund level. Appropriations lapse at year-end.

For the year ended June 30, 2014, the Charter School's final approved budget was an unbalanced budget, whereby appropriations exceeded beginning fund balance, estimated revenues and other financing sources resulting in a budgeted deficit of \$1,501,875.

**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***

Board of Directors
Imagine School at North Port, Inc.
North Port, 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 and General Fund of Imagine School at North Port, Inc. (the "Charter School") (a Charter School and component unit of the School Board of Sarasota County, Florida), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements and have issued our report thereon dated November 24, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Charter 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 Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the Charter School's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying *Schedule of Audit Findings and Responses*, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying *Schedule of Audit Findings and Responses* as Findings 2014-01 and 2014-02 to be material weaknesses.

A *significant deficiency* is a deficiency, or a 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.

Compliance and Other Matters

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

Charter School's Responses to Findings

The Charter School's responses to the findings identified in our audit are described in the accompanying *Schedule of Audit Findings and Responses*. The Charter School's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

This 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Bradenton, Florida
November 24, 2014

MANAGEMENT LETTER

Board of Directors
Imagine School at North Port, Inc.
North Port, Florida

Report on the Financial Statements

We have audited the financial statements of Imagine School at North Port, Inc. (the “Charter School”) (a Charter School and component unit of the School Board of Sarasota County, Florida), as of and for the year ended June 30, 2014, and have issued our report thereon dated November 24, 2014.

Auditor’s Responsibility

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

Other Reporting Required by *Government Auditing Standards*

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 Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, dated November 24, 2014, 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. The status of prior audit findings is reported in the accompanying *Summary Schedule of Prior Audit Findings*.

Financial Condition

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

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

Transparency

Sections 10.854(e)7 and 10.855(13), Rules of the Auditor General, require that we apply appropriate procedures to determine whether the Charter School maintains on its website the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the Charter School maintained all of the required information specified in Section 1002.33(9)(p).

Other 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. Matters required to be disclosed are reported in the accompanying *Schedule of Audit Findings and Responses*.

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.

Section 10.854(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity. The official title of the entity is Imagine School at North Port, Inc.

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 the School Board of Sarasota County, Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Bradenton, Florida
November 24, 2014

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Audit Finding Number	Third Consecutive Audit?	Title/Program	Brief Description	Status	Comments
2012-01 and 2013-01	Yes	Contract Management	The Charter School was not monitoring contracts with various affiliated entities causing discrepancies in the amounts reported in the financial statements. In the prior year, the charter school was under billed \$84,967 for rent per the rental agreement.	Not corrected	As of year-end, the discrepancy in the amount owed for rent has not been resolved and no payments have been made. A payable in the amount of \$84,967 is still recorded as a liability as of year-end. See management's response below.
2013-02	No	Journal Entries	The Charter School's year-end close out process did not allow for all the necessary adjustments to be made to the books and records on a timely basis. This resulted in a substantial number of journal entries required to be posted to the trial balance.	Not corrected	Significant entries were required in the current year as a result of the audit. See Finding 2014-01.
2013-03	No	Budget	The Charter School did not maintain their budget for all changes in operating activity resulting in expenditures exceeding appropriations in the General Fund.	Not corrected	The Charter School adopted and amended their budget during the fiscal year for changes in activity; however, their final amended budget was an unbalanced budget. See Finding 2014-02.

Contract Management

Management Response: The current year rent expense agreed to the current lease agreement. The prior year under billing was accrued by a journal entry in fiscal year 2013. An invoice for this outstanding amount was not generated, and therefore, the invoice was not input into the accounting system to make payment. The amount has been identified as still outstanding and an invoice is being processed for payment. This invoice will not affect the current year expense as it has previously been accrued. Contracts will be reviewed on at least a semi-annual basis to ensure all liabilities per the contract have been identified and appropriately handled in the general ledger system.

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

SCHEDULE OF AUDIT FINDINGS AND RESPONSES

2014-01 Journal Entries

Criteria: Internal controls should be in place to ensure that financial statements properly present the financial position and results of operations of the Charter School in accordance with generally accepted accounting principles (GAAP) and that all of the Charter School's transactions are properly reported in the proper period.

Condition: Significant misstatements were detected in our audit of the Charter School's financial statements for the fiscal year ended June 30, 2014.

Context/Cause: During our audit for the year ended June 30, 2014, several audit adjustments were required for the fair presentation of the financial statements to correct items purchased that were erroneously recorded as capital assets, to correct liability balances, and to accrue revenues. From our review, it does not appear that the general ledger activity is being properly monitored and maintained throughout the year.

Effect: Without these adjustments, the financial statements would have been materially misstated as of year-end.

Recommendation: We recommend the Charter School carefully review the financial records and applicable reporting requirements at year-end to ensure that all information and financial data is being properly reported.

Management Response: The Charter School will modify the journal entry process to include an added requirement of monthly journal entry approval by Management. The Charter School will also review all general ledger accounts on a quarterly basis to ensure timely and accurate submission of all adjusting journal entries. Prior to the audit, a final review of all general ledger accounts will be completed to ensure that all year-end journal entries are accurately posted and approved by Management.

2014-02 Financial Management/Budgeting

Criteria: In accordance with Florida Statute 1002.33(9)(h), the governing body of the Charter School shall annually adopt and maintain an operating budget. This budget should be a balanced budget whereby there are adequate resources to fund all budgeted appropriations.

Condition: Although the Charter School adopted and amended their budget during the fiscal year for changes in activity, the final amended budget was an unbalanced budget that did not provide adequate resources to fund all appropriations. As reported in the

IMAGINE SCHOOL AT NORTH PORT, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

SCHEDULE OF AUDIT FINDINGS AND RESPONSES

Budgetary Comparison Schedule for the General Fund, the final amended budget reported appropriations in excess of beginning fund balance, estimated revenues and other financing sources for a budgeted deficit of \$1,501,875.

Context/Cause: When the Charter School prepared and approved the original budget, revenues were based on enrollment estimates of 1,200 students. Final enrollment for the fiscal year was 992 students. The Charter School accordingly adjusted the revenue budget in October 2013 based off the actual student count when it was noted that the enrollment projections were too high; however, no corresponding adjustment was made to appropriations at that time.

Effect: As a result, the Charter School reported a deficiency of revenues under expenditures of \$2.1 million and a net change in fund balance of \$129,199, after borrowing \$921,100 from their Management Company.

Recommendation: The fundamental purpose of budgetary control is to develop a realistic financial plan and then maintain operations according to the plan. We recommend that the Charter School prepare a balanced budget whereby estimated revenues are equal to or in excess of appropriations. In addition, the Charter School needs to improve their budgetary process and procedures to develop realistic enrollment expectations and reduce spending to prevent further deficits.

Management Response: The Charter School's budget process will identify realistic enrollment projections. The budget will be reviewed on a monthly basis to include a review of actual expenses and actual revenues. As needed and appropriate, enrollment projections, revenues and expenses will be adjusted and modified. A projected amount of contribution from Imagine Schools Non-Profit, Inc. will be included in the budget, as needed, to ensure a positive fund balance. The Charter School will submit a budget amendment after the October and February FTE period, and again at the end of the fiscal year, but within the 60 day deadline.

Sarasota County Schools
2014-2015 Charter Renewal Application

February 12, 2015

Charter Review Committee Renewal Analysis Summary for
Imagine School of North Port

- Renewal Analysis Summary
- Attachment A: ISNP Student Enrollment and Projected Enrollment
- Attachment B: ISNP Student Achievement Data

Sarasota County Schools

2014-2015 Charter Renewal Application Renewal Analysis Summary

Imagine School at North Port

Imagine School North Port (ISNP) opened in 2008-09 as a K-8 school. In 2011, the ISNP high school was founded, and a new charter combining the K-8 and 9-12 schools was established that same year. The current term of the charter ends June 30, 2015. As a state designated high performing charter school, ISNP is seeking a 15 year charter extension.

The charter renewal process consists of a program review of the following areas of accountability: business operations and fiscal management, student performance, compliance with federal and state requirements and adherence to the terms of the charter contract. A summary of the review findings is presented below.

ISNP's K – 12 student population of 1,028 is comprised of approximately 23% minority students and 49% low income (on free/reduced lunch). English Language Learners (ELL) and Exceptional Student Education (ESE) students represent 3% and 9% of the school population, respectively. The student enrollment history and projected enrollment is provided in Attachment A.

The Imagine School North Port Governing Board has an established agreement with Imagine Schools Non-Profit Inc., for the provision of operating services including educational services, financial management, payroll and accounting, and leasing of facilities. Imagine Schools Non-Profit Inc. also provides support for the implementation of educational programs and professional development through the *Imagine Schools Academic Excellence Framework*. The Framework references best practices to assist schools, including North Port, in becoming schools of excellence and the organization provides access to instructional resources, materials and professional development. Although the Imagine Schools Framework utilizes a global vision encompassing all Imagine Schools across the United States, each school develops its own site specific vision and mission to meet the needs of its own community.

Financial and Enrollment Summary

The school opened in August of 2008 with a full time equivalent (FTE) student enrollment of 514 in grades kindergarten through 8. The school expanded to be a kindergarten through grade 12 school effective July 1, 2011, and has a current student FTE of 1,028. The school has always been timely in the submission of their monthly and quarterly unaudited financial statements and the required year end audit with the exception of the audit for the 2013-2014 fiscal year. With the exception of the 2013-2014 fiscal year, the school's financial operations have always ended with a surplus. The school experienced financial difficulties during the 2013-2014 fiscal year due to a decrease in student FTE from the prior year of 89 students; a cost of living adjustment to all staff in the amount of 4.7%; and unanticipated costs in the construction of a new

gymnasium. These were the main reasons the school had to borrow funds from the Management Company in the amount of \$921,100. The \$921,100 loan has an interest rate of 3.25% to be repaid in 120 monthly installments beginning in January 1, 2015.

Charter school statutes require that any deteriorating financial condition must be identified in the independent annual audit. There were no disclosures in the notes to the financial statements regarding a deteriorating financial condition in the independent audit report dated November 24, 2014. Based upon preliminary unaudited June 30, 2014 financial information, the budget submitted for the 2014-2015 fiscal year, and the loan from the Management Company to the school for the second year in a row, the District requested a financial plan to address the deficit without continued reliance on Management Company funds to balance the school's budget. On October 7, 2014, the school submitted a financial recovery plan that is referenced in the charter school renewal application.

Interim Unaudited Financial Information for the Fiscal Year 2014-2015

ISNP is ranked an "A" school and because the State of Florida designated it as a high performing charter school, the school is required to submit interim financial statements on a quarterly basis. The latest data available is through December 31, 2014. The school's revenues are based upon a student population of 1,028 students. This is 139 students below the original budget projection of 1,167 students. The reported unassigned fund balance as of December 31, 2014 is \$302,469.12. Effective for the 2014-2015 school year, all staff salaries were reduced by five percent. Implementation of the financial recovery plan, referenced in the renewal application, appears to be reducing expenditures. However, with actual student FTE lower than projected, there is a concern that the school again will need to borrow from the Management Company in order to maintain a positive unassigned fund balance.

Student Achievement and Accountability

ISNP is rated by the Florida Department of Education as an "A" school and is designated as a *High Performing Charter School*. As a combination-grade school, ISNP earned 609 out of 900 possible points on Florida's School Grades scoring criteria to receive the "A" rating. A charter must earn at least two school grades of "A" and no grade below "B" over the previous three years to earn the high performing designation.

In addition to state accountability ratings, the Charter Review Committee (CRC) also reviewed the school's 5-year achievement trends, the degree to which the school attained the goals set forth in the charter, and the school's success in meeting the annual School Improvement Plan (SIP) goals. The achievement data referenced in this section is provided in Attachment B. The ISNP renewal application also provides detailed achievement data, by grade level, over a five-year period.

The achievement goals in the current charter set targets for student proficiency rates to meet or exceed those of the district. In reading, ISNP's proficiency rates for grades 3-5 and 6-8 are lower than the district's from 2010 – 2013. However, this past

year school-wide reading proficiency improved by 10 percentage points and is above the district's rate at the elementary level and the same as the district at grades 6-8. Achievement in mathematics, with the exception of 2013, has been relatively low and the overall trend from 2010 to 2014 shows that the school performs below the district average. As with traditional schools, science scores have fluctuated over the years and remain an area of focus on the school's SIP. High school students at ISNP achieve higher scores comparable to district students on the state's Algebra End-of-Course exam (EOC) and outperform district students on the Biology and US History EOC exams.

The ISNP Governing Board and school administration have put measures in place to address the areas of weakness reflected in the achievement data. Additional resources have been allocated to support teachers, such as two new instructional coaches, enhanced technology and digital resources, and increased professional development training. Strategies to support student learning include increased tutoring and after-school programming and access to accelerated courses and programs of study. The school's leadership team and teachers worked together this year to increase alignment of classroom instruction with the instructional focus guides and a more in-depth analysis of student benchmark data to closely monitor learning and target instruction.

Exceptional Student Education (ESE) and English Language Learners (ELL) Services

Procedures are in place and implemented to determine eligibility and placement in the least restrictive environment and the provision of special education and related services to ESE students as set forth in the IDEA guidelines. ESE education and related services are being delivered as indicated on student IEPs. Service delivery models implemented at the school align with the level of service indicated in the application.

Historically, the school's ESOL program follows the district plan and, in general, has met all requirements to ensure compliance with the federal requirements. During the recent monitoring protocol district staff found cases in which the school is out of compliance with teacher qualifications. Several teachers do not have an ESOL endorsement or ESOL certification. The school will take immediate action to develop a process which ensures ESOL students are not placed with teachers who are out of compliance for ESOL and will monitor teachers' progress in meeting the ESOL certification requisites.

School-Parent Communications and other Student Support Services

The school has well-developed policies and guidelines, published in parent-friendly formats, which keep parents informed of their student's progress and school-related programs and events. Health services are managed appropriately at the school site. The school follows the district's Code of Student Conduct and provided evidence that the school adheres to these guidelines.

Human Resources

Instructional staff meets the teacher certification and/or the highly qualified requirements, with the exception noted above for ESOL endorsed teachers. According to the *2014-15 Opening of School Checklist*, a complete list of ISNP employees is on file and all employees have been fingerprinted and have background screenings on record.

Business Operations

The school has met all the transportation regulations and is in full compliance with food services requirements prescribed by local regulations, the county health department and the USDA.

Evidence of fire, safety and health inspections are on file and meet facility requirements. The school is not planning to expand or make any changes to the current instructional facilities. Insurance policies are on file documenting active coverage for all of the required areas of insurance.

Contract Compliance

The school has routinely submitted all required annual documents, manuals, and handbooks as listed on the Opening of School Checklist and all state-required reports in a timely fashion. The school has not been consistent in notifying the district of changes to the charter, such as programmatic changes to the educational program or amendments to contract agreements, as required to officially amend or modify the charter. The current leadership and the Imagine Schools management are cognizant of this oversight and will ensure adherence in future.

The School Board of Sarasota County, Florida

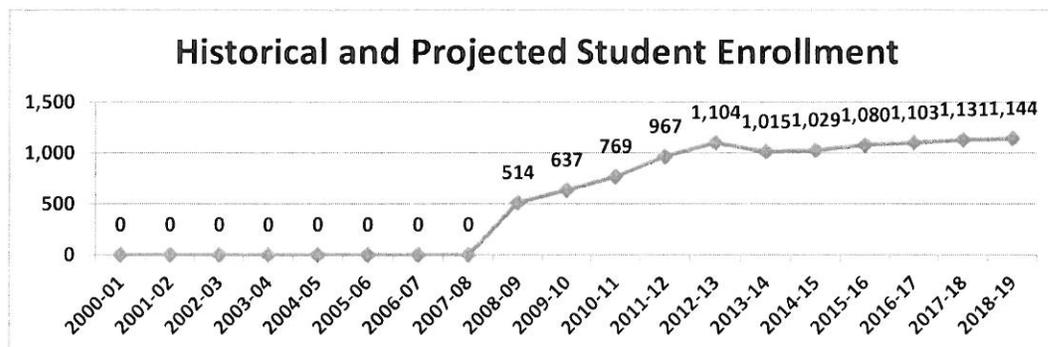
Student Enrollment for the Period 2013-2014 through 2018-2019

Historical Student enrollment by Grade level information (Based upon October of each school year)

Imagine Charter School at NorthPort

School Principal: Year School Opened 2008
 School Address: Buildings are leased
 School Phone: Free / Reduced Lunch Percentage 49.39%
 School Web Site: Title One School No

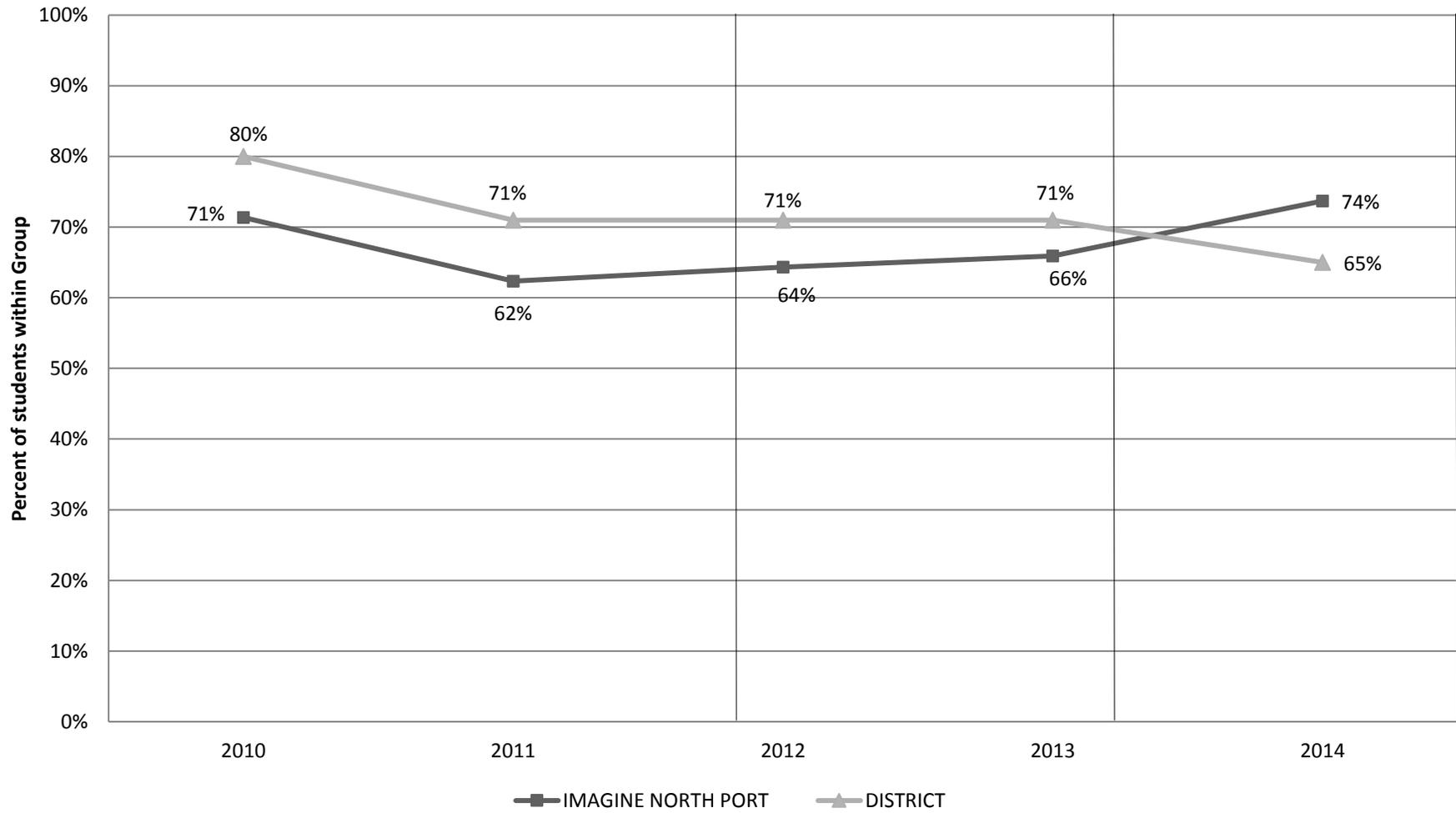
Student Enrollment by Grade Level						
	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
PreKindergarten	0	0	0	0	0	0
Kindergarten	76	86	81	81	81	81
First	82	87	86	81	81	81
Second	76	75	87	86	81	81
Third	78	76	75	87	86	81
Fourth	89	81	76	75	87	86
Fifth	92	88	81	76	75	87
Sixth	103	117	88	81	76	75
Seventh	109	100	117	88	81	76
Eighth	109	101	100	117	88	81
Ninth	60	68	111	100	117	88
Tenth	71	52	68	111	100	117
Eleventh	70	58	52	68	111	100
Twelfth	0	40	58	52	68	111
Total by Grade	1,015	1,029	1,080	1,103	1,131	1,144
Students by Program funded through the Florida Education Finance Program						
Basic Education	896	901	945	965	990	1,001
E.S.O.L.	17	19	20	21	21	21
Students with Disabilities k-3	22	19	20	21	21	22
Students with Disabilities 4-8	40	37	38	39	40	41
Students with Disabilities 9-12	13	18	19	20	20	20
ESE Level 4	0	0	0	0	0	0
ESE Level 5	0	0	0	0	0	0
Career Education	5	7	7	8	8	8
Total Students by Program	993	1,001	1,051	1,073	1,101	1,113



Office of Research Assessment Evaluation and School Improvement

**IMAGINE SCHOOL AT NORTH PORT
FCAT 1.0 and 2.0 READING
Percent of Students Level 3 and Above
Grades 3-5
2010 - 2014**

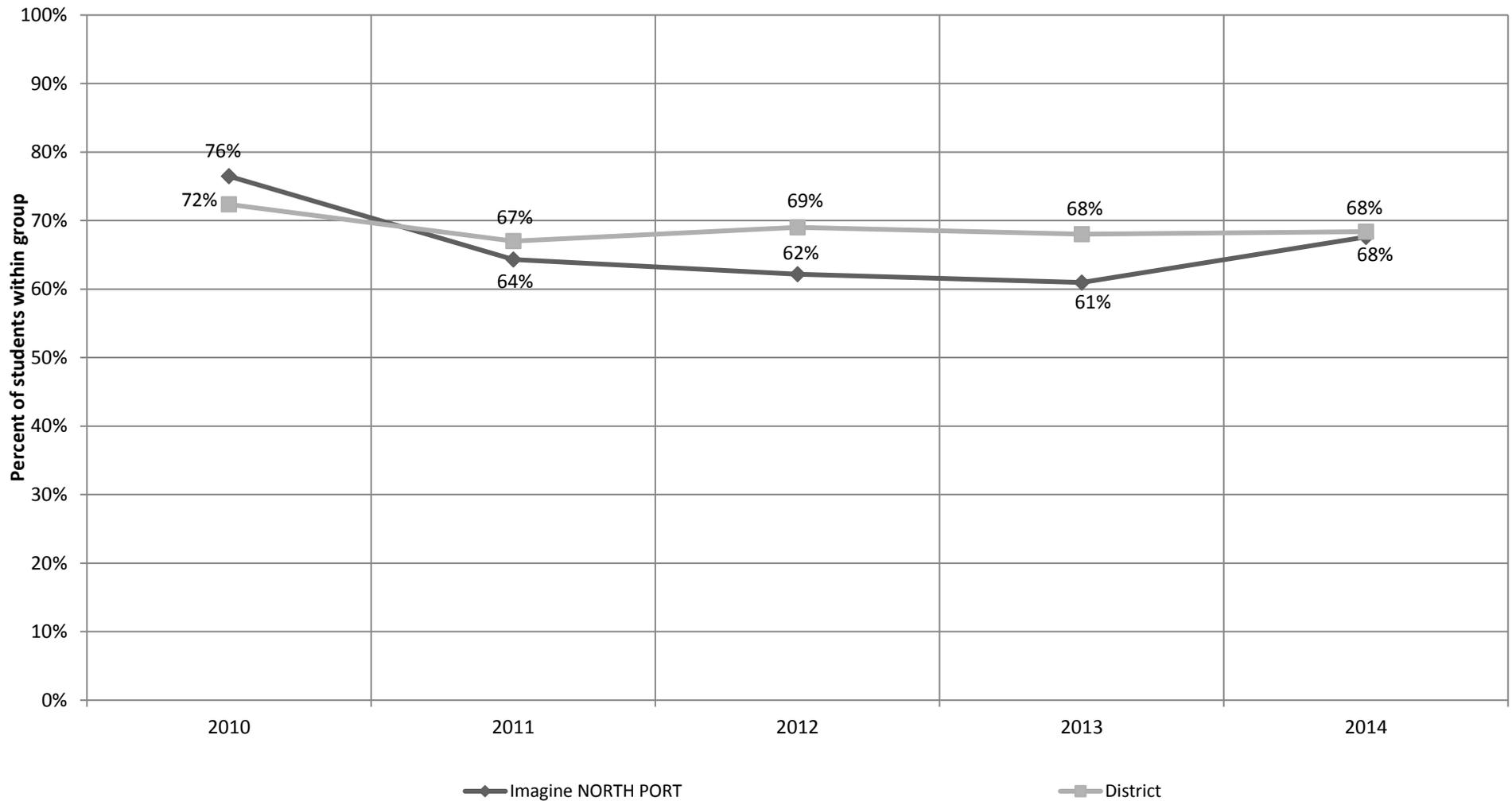
FCAT 2.0



Office of Research Assessment Evaluation and School Improvement

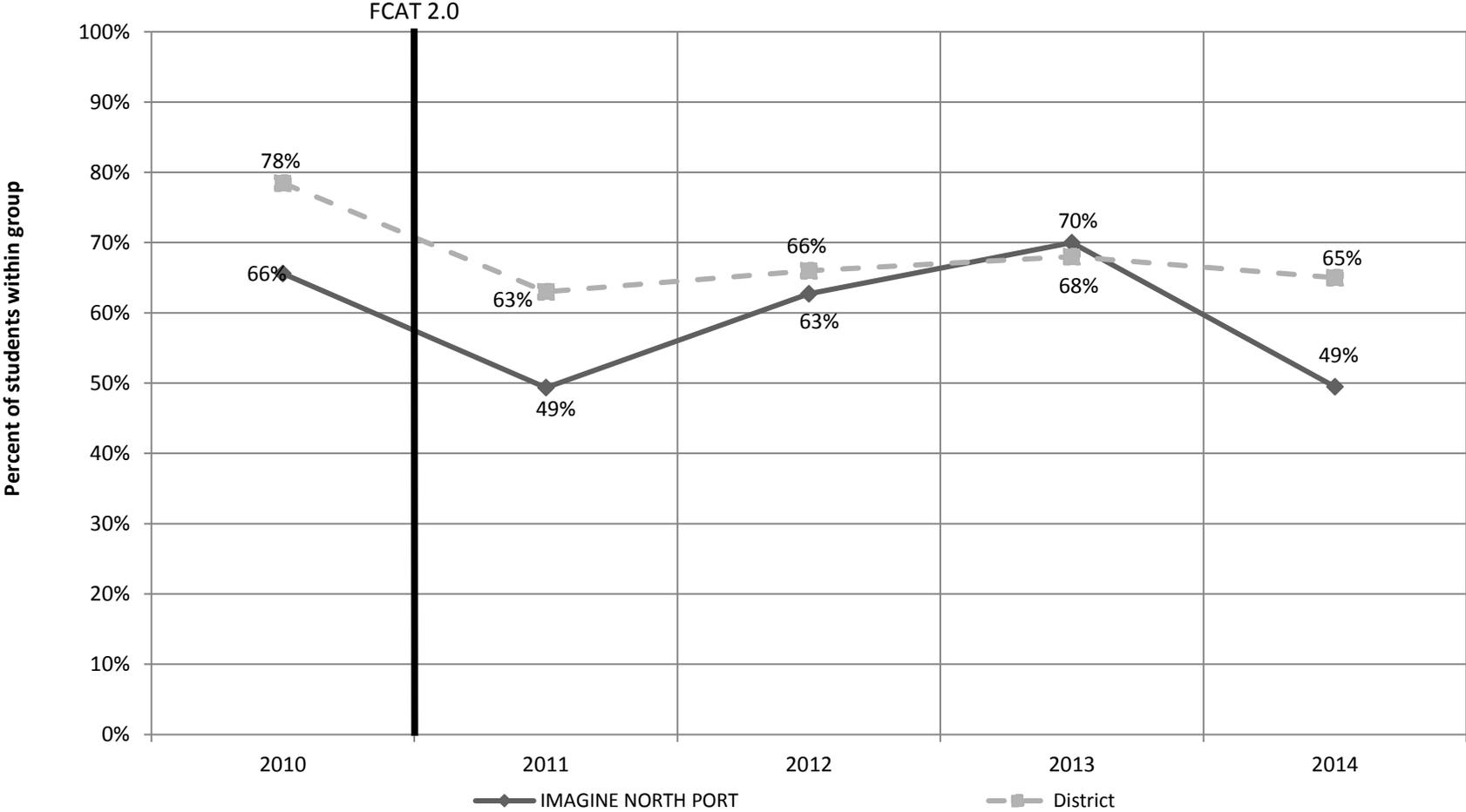
IMAGINE SCHOOL at NORT PORT FCAT 1.0 and 2.0 READING Percent of Students Level 3 and Above Grades 6-8 2010 - 2014

FCAT 2.0



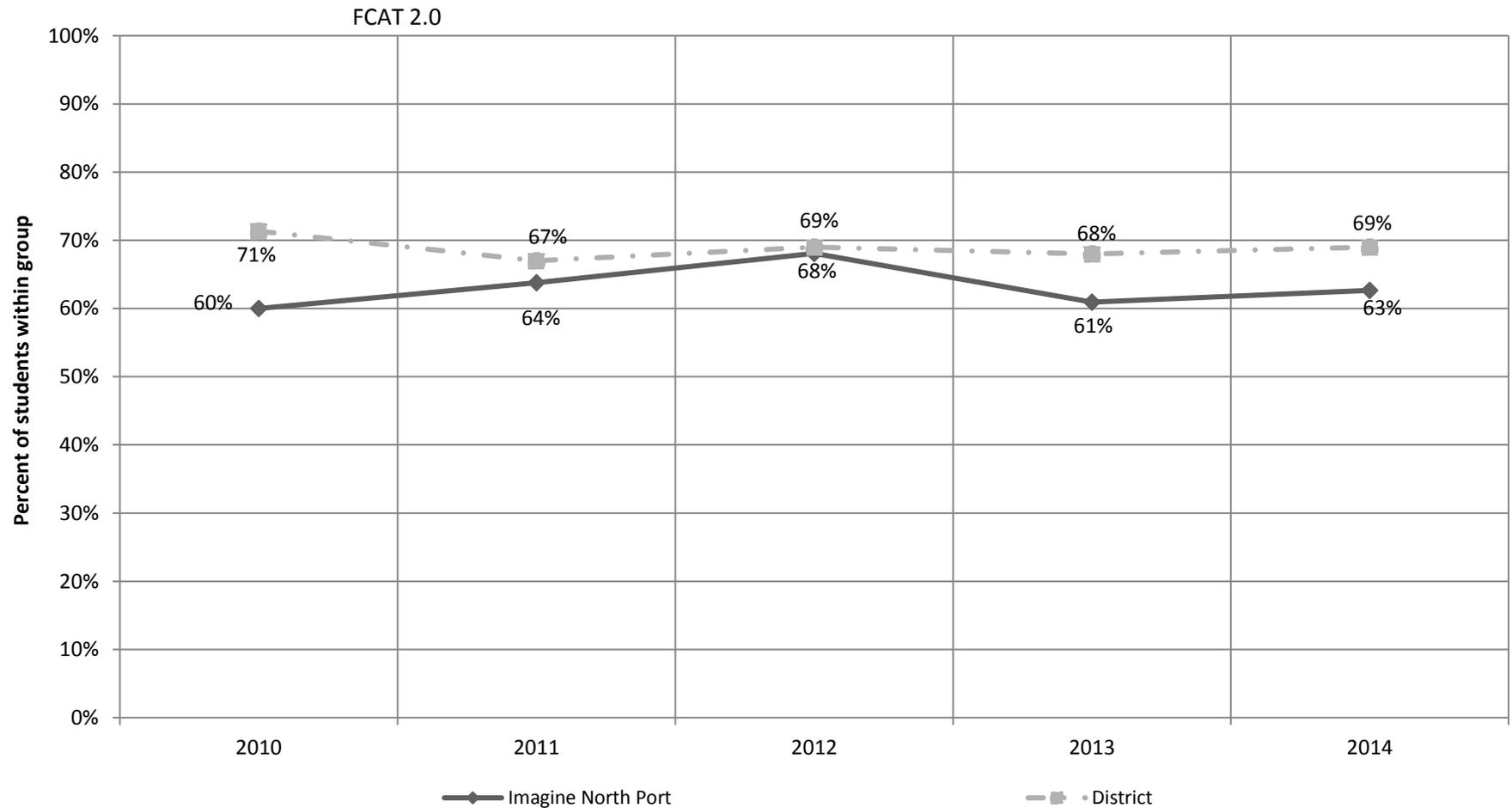
Office of Research, Assessment, Evaluation and School Improvement

IMAGINE SCHOOL AT NORTH PORT FCAT 1.0 and 2.0 MATHEMATICS Percent of Students Level 3 and Above Grades 3-5 2010 - 2014



Office of Research Assessment Evaluation and School Improvement

IMAGINE SCHOOL at NORTH PORT FCAT 1.0 and 2.0 MATHEMATICS Percent of Students Level 3 and Above Grades 6-8 2010 - 2014



Office of Research Assessment Evaluation and School Improvement

FCAT SCIENCE								
GRADE 5								
SY2013 AND SY 2014								
Grade	School #	SCHOOL	Test Scores 2013			Test Scores 2014		
			# Students	Mean Scale Score	Percent Ach Level 3 & Above	# Students	Mean Scale Score	Percent Ach Level 3 & Above
05		State	195,131	201	53	195,645	201	54
05		District	2,977	208	56	3,160	208	66
05	0103	Imagine NP	93	205	67	90	199	48

FCAT SCIENCE								
GRADE 8								
SY2013 AND SY 2014								
Grade	School #	SCHOOL	Test Scores 2013			Test Scores 2014		
			# Students	Mean Scale Score	Percent Ach Level 3 & Above	# Students	Mean Scale Score	Percent Ach Level 3 & Above
08		State	195,685	200	47	197,210	201	49
08		District	3,164	206	59	3,154	206	59
08	0103	Imagine NP	109	200	47	103	199	47

Office of Research Assessment Evaluation and School Improvement

Algebra I EOC First Time Takers Spring Results 2013 & 2014							
		Algebra I EOC 2013			Algebra I EOC 2014		
School #	School Name	# Students	Mean Developmental Scale Score	Percent Achievement Level 3 & Above	# Students	Mean Developmental Scale Score	Percent Achievement Level 3 & Above
	State	207147	406	64	207642	408	66
	District	3335	414	73	2943	419	78
103	Imagine NP	120	400	55	60	415	78

Geometry EOC First Time Takers Spring Results 2013 & 2014							
		Geometry EOC 2013			Geometry EOC 2014		
School #	School Name	# Students	Mean Developmental Scale Score	Percent Achievement Level 3 & Above	# Students	Mean Developmental Scale Score	Percent Achievement Level 3 & Above
	State	171,677	403	64	176,778	403	64
	District	2,746	411	73	3,044	409	72
103	Imagine NP	67	410	78	70	407	69

Office of Research Assessment Evaluation and School Improvement

CIVICS EOC						
SY 2014						
School #	School Name	#Students	Average T-Score	Percent Lower Third	Percent Middle	Percent Upper Third
	State	200,429	50	33	32	35
	District	2,719	52	23	35	42
103	Imagine NP	108	51	25	37	38

US HISTORY EOC First Time Takers Spring Results 2013 & 2014							
		US History EOC 2013			US History EOC 2014		
School #	School Name	# Students	Average T-Score	Percent Achievement Level 3 & Above	# Students	Mean Developmental Scale Score	Percent Achievement Level 3 & Above
	State	133,329	49	na	156,964	406	65
	District	2,048	53	na	2,062	412	74
103	Imagine NP	na	na	na	59	415	85

Biology EOC First Time Takers Spring Results 2013 & 2014							
		Biology EOC 2013			Biology EOC 2014		
School #	School Name	# Students	Mean Developmental Scale Score	Percent Achievement Level 3 & Above	# Students	Mean Developmental Scale Score	Percent Achievement Level 3 & Above
	State	181,498	404	67	187,887	405	68
	District	2,874	409	73	3,215	411	77
103	Imagine NP	93	406	77	58	415	86

Sarasota County Schools
2014-2015 Charter Renewal Application

Imagine School at North Port
Renewal Application Review: Charter Review Committee
Findings/Questions and School Response

February 12, 2015

**Sarasota County Public Schools
2014-2015 Charter Renewal Application**

Charter Review Committee Findings/Questions and School Responses

Imagine School at North Port

Imagine School at North Port (ISNP) opened in 2008 as a K-8 school. The high school charter was approved in 2011 and both charters were combined at that time into one K-12 charter. The current term of the charter ends June 30, 2015. As a high performing charter school, the ISNP Governing Board is seeking a 15-year charter renewal. On January 15, 2015 ISNP submitted a renewal application. The district's Charter Review Committee reviewed the information and documentation submitted in the charter renewal application to determine the extent to which the school is in compliance with charter school requirements and policies. Information about services provided, governance, student achievement history, teacher qualifications and proposed changes or plans for the future was considered in the review. Based on the CRC's January 22, 2015 review, the school was asked to provide clarifying or updated information, which was submitted to the district on February 2, 2015.

Section I. Current Information about the Charter School

- School's mission and vision.
- Description of the students served.
- 5-year enrollment counts by grade level and by gender/ethnicity based on the last survey period.
- Number of ESE and ELL students, and total number as of the last survey period.
- Ethnicity and socioeconomic status composition of the school for the current year.
- Services provided to the students that might be considered unique to the school.
- Future plan to add/change grade levels, projected enrollment and/or enrollment capacity.

Questions, Concerns or Comments	Location in Application Document Page #	Charter School Response
The wording of the school's mission in the renewal application appears different from what is stated in the ISNP original application, which is part of the current charter. Secondly, the Imagine Schools Framework also has a mission and vision for all Imagine schools. Please clarify.	Page 3	Since the original charter was submitted, the vision and mission has evolved with input from stakeholders, but still includes Imagine Schools' Measures of Excellence. The vision and mission submitted in the charter renewal application is published each year in our handbook and was utilized in our AdvancED accreditation renewal process. This is the vision and mission statement we will be using from this point forward.

		<p>The Imagine Schools Framework utilizes a global vision encompassing all Imagine Schools across the United States. Each school develops its site specific vision and mission.</p> <p><u>District Findings/Response:</u> Response is acceptable.</p>
<p>The table on page 4 shows a total of 28 ELL students. The current ESOL-FTE roster shows 19.5 students. Please address this discrepancy.</p>	<p>Page 4</p>	<p>We retrieved this data from the Student Information System (SIS). The ESOL Roster SIS on 02/03/2015 indicates that we now have 30 ESOL students due to changes in enrollment.</p> <p>During the charter renewal process we have realized that some of our teachers are out of compliance for ESOL. Our Director of Student Services did not claim ESOL funding for students with teachers that are out of compliance, which is why there is a discrepancy in the two lists.</p> <p>This is being addressed with individual teachers on each campus, and all returning teachers and new hires will be required to be in full compliance during the contacting process in the future. We have examined and modified some of our processes and procedures to ensure that we are able to keep track of this information.</p> <p><u>District Findings/Response:</u> ISNP is not in full compliance with Federal ESOL requirements. During a school visit on January 28, 2015, district ESOL staff determined that Imagine NP has active ESOL students in classrooms staffed with teachers who are out of compliance for ESOL. District staff recorded these errors on the internal audit report and discussed them with Tracy Davis, the ISNP ESOL Liaison/Contact and Ms. Coover, ISNP Principal. The school will take immediate action to develop a process which ensures ESOL students are not placed with teachers who are out of compliance for ESOL, monitor teachers' progress in meeting the ESOL</p>

		<p>Endorsement/ Certification requirement, and ensure that active ELLs are placed with teachers who are ESOL Certified or ESOL Endorsed.</p>
<p>Other than offering parents a school choice, please elaborate further on the question pertaining to what is unique or innovative about your school.</p>	<p>Page 5</p>	<p>There are several programs, practices, and opportunities provided by our school that make it unique. Some of these opportunities include:</p> <p>In grades one, two, four, and five, the grade level teams are split into teacher partnerships. One teacher teaches math, science, and PE (twice a week), and the other teacher teaches English Language Arts and Social Studies. All grade levels collaborate and take an interdisciplinary approach to education.</p> <p>An extended school day for all students in grades 6-12. Students in grades 6-12 are able to stay after school with a certified teacher at no cost for an additional 360 minutes each week. This is called our After School Achievement Program (ASAP).</p> <p>Students in grades 3-8 are offered Fall and Spring Achievement Camps in the morning (Upper Campus) or after school (Elementary Campus) for reading, math, writing, and science at no cost.</p> <p>All students in grades 9-12 have the opportunity to receive a school issued laptop computer. Using our wireless network, students are able to utilize productivity and interactive whiteboard software.</p> <p>Females and males in grades 6-12 have the opportunity to participate in our chartered National Young Marines unit. This organization provides leadership opportunities, personal growth and development, and self-discipline...all under the auspices of the United States Marine Corps.</p> <p>Students from kindergarten through grade 12 are expected to comply with the school uniform policy and dress code.</p>

		<p>The obvious benefits are fewer distractions and less inequities in regard to students' perceptions of clothing.</p> <p><u>District Findings/Response:</u> Response is acceptable.</p>
<p>Comment only: The current high school enrollment counts are far from the projected counts.</p>	<p>App A</p>	
<p>Please note that annual enrollment projections that are mutually agreed upon are not intended to serve as a cap. F.S. 1002.331(2)(e) permits a high performing charter to notify the district by March 1 that it intends to increase enrollment for the following school year. The application provides the opportunity to describe plans for changes in enrollment and capacity. Given the school's anticipated increase in enrollment over the subsequent years, what are the projections for student enrollment if they differ from those generated by the district? What is the capacity for the Upper campus facility (6-12) and the Lower campus facility (K-5) in terms of the maximum enrollment?</p>	<p>Page 5 & App A</p>	<p>Given the school's anticipated increase in enrollment, our enrollment projections do not currently differ from those of the district. Through the charter renewal process, we request that our maximum capacity be changed from 800 (K-8) and (600) 9-12 to read 1,400 (K-12). The school operates on two campuses—Innovation Avenue and Sycamore Street. The physical capacity of Innovation Avenue is 660 students (33 classrooms) and 736 (32 classrooms) at Sycamore Street. The annual enrollment projection meetings with district personnel will help us maintain close communications.</p> <p><u>District Findings/Response:</u> F.S. 1002.331 (2)(a) states that <i>"A high-performing charter school is authorized to increase its student enrollment once per school year to more than the capacity identified in the charter, but student enrollment may not exceed the current facility capacity."</i> Enrollment projections will be determined by grade level and the maximum capacity will be set per school site, separately for the Upper and Lower campus. Please notify the district by March 1 if the school intends to increase enrollment for the following school year. In the future, if the school's Governing Board requests to expand the capacity of the facilities to accommodate more students or plans to change the grade level configuration served at a particular site, the district will work with the school to amend the charter.</p>

Commendations Noted
The school environment is conducive to learning.
The school serves the needs of low income students who represent almost half of the ISNP student population.

Section II. Student Achievement		
<ul style="list-style-type: none"> • Five-year trends in reading, math, science and writing achievement based on state assessments and other relevant data. • History of school grades. • Graduation/dropout rates. • Highlighted areas reflect most significant student achievement accomplishments. • Discrepancies in goals between the previous year’s School Improvement Plan and test results for current school year. • If applicable, strategies in place to remediate problems or strengthen achievement. 		
Questions, Concerns or Comments	Location in Application Document Page #	Charter School Response
The current charter contract (which incorporated the original applications) specifies that the school will perform equal to or higher than the district. This has not been a consistent pattern. Would you care to address this point?	Pages 6-8	<p>All schools experience fluctuating test scores. The Florida Department of Education recognizes Imagine School at North Port as a High Performing Charter School with an A rating. The school recognizes that we have not met the goal that our scores will meet or exceed those of the district. The school takes a proactive school improvement planning approach each year to address indentified weaknesses and improve overall practices.</p> <p><u>District Findings/Response:</u> The school has not fully met the performance goals set forth in their charter, which are to exceed the district’s rate of student proficiency. However, as noted, the school is a high performing school and, in general, meets the achievement goals in their annual School Improvement Plan (SIP).</p>

<p>Given that the first graduating class will be next year and therefor graduation rates are not relevant, what percent of your grades 9 – 11 students earned an unweighted GPA of 3.0 or higher in 2013-14?</p>		<p>35% of students in grades 9-12 earned an unweighted GPA of 3.0 or higher at the end of the 2013-2014 school year.</p> <p><u>District Findings/Response:</u> 35% is considerably lower than the 90% performance goal stated in the charter. Until such time that the school has the first graduating class, the school is asked to closely examine relevant data, such as GPA, course completion rates, and other indicators of success.</p>
<p>The ISNP charter includes goals based on the SAT-10 pre and post-tests. What does the SAT-10 data reveal?</p>		<p>The SAT-10 was administered prior to this school year in the fall and in the spring. Learning gains were calculated to show growth over the course of the school year. In reading, 99% of our students showed learning gains of one year or more during the 2013-2014 school year. In mathematics, 100% of our students showed learning gains of one year or more during the 2013-2014 school year. This data reflects student growth as measured by SAT-10, not grade level proficiency.</p> <p>Imagine Schools has phased out SAT-10, and at the beginning of this school year, started using Renaissance STAR assessments for all progress monitoring and student growth calculations for reading and math.</p> <p><u>District Findings/Response:</u> The current ISNP charter specifies achievement goals based on the SAT-10, which the school met for the 2013-14 school year. The district was unaware that the school has discontinued the use of the SAT-10, hence the existing charter has not been amended to reflect this change or the corresponding modification to the performance targets. If approved, the new charter will indicate these modifications.</p>

<p>Math proficiency is quite low in many grades. Please elaborate on actions and strategies that are in place to address this area.</p>	<p>Page 6</p>	<p>This school year we hired two full time instructional coaches, both with strong mathematics backgrounds.</p> <p>Students in grades 1-5 are now participating in the district Learn Math Benchmark Assessments, which was not done in the past. We are using this data to compare our performance with other Sarasota County Schools, and are using it to drive instructional decisions.</p> <p>We are also using Renaissance STAR and i-Ready math assessments for diagnostic and progress monitoring.</p> <p>With support from the leadership team and instructional coaches, both elementary and upper campus math teachers are deliberately planning vertically, unpacking standards, and aligning the Florida Standards to currently available resources.</p> <p><u>District Findings/Response:</u> Response is somewhat generic, but acceptable. The process of reviewing assessment data to inform instruction and the allocation of the additional resources to address this gap are reasonable and effective actions. But what about actual instruction? How is that different and how will the modifications to instruction address the low performance in mathematics?</p>
<p>Commendations Noted</p> <p>Imagine School at North Port is rated an “A” school and is designated by FLDOE as a high performing charter school.</p> <p>The school leadership acknowledges areas in need of improvement and capitalizes on strategies that have proven successful as evidenced by high academic performance.</p> <p>The school has made significant gains in reading proficiency and in Algebra proficiency.</p> <p>The school provides instructional coaches at all levels to maintain scope and sequence.</p>		

Section III. Academic Program		
<ul style="list-style-type: none"> Educational program design and curriculum. Description of ACCEL and course recovery options. <p>If applicable:</p> <ul style="list-style-type: none"> Proposed changes/modifications to the academic program. New instructional approaches. Changes in course offerings and their alignment to program of study. Plans for new instructional materials/resources to support/align with program changes. 		
Questions, Concerns or Comments	Location in Application Document Page #	Charter School Response
The application states that the school follows the district's Instructional Focus Guides (IFGs) and the Imagine Schools Academic Framework and the Imagine Schools Curriculum Guides. Specifically, how <u>do</u> you use the district IFGs?	Page 10	<p>All teachers at Imagine School at North Port begin planning with the Florida Standards. From there, teachers have the autonomy to align instructional practices and resources. This occurs by grade level with the support of the instructional coaches, department chairpersons, and school leadership team. Through this process, information is pulled from the IFGs, Imagine Schools Curriculum Guides, and the Imagine Schools Academic Framework.</p> <p><u>District Findings/Response:</u> Response is acceptable.</p>
The district staff was not aware that the school no longer implements Project CHILD. The school must notify the sponsor of a change to the educational program and the charter must be amended to reflect the programmatic change. If such notification occurred please provide a copy of the notice.	Page 10	<p>Imagine School at North Port will request a Charter Amendment with the Office of School Choice.</p> <p><u>District Findings/Response:</u> Response is acceptable.</p>

<p>Since SCSB does not have an articulation agreement with Charlotte County permitting district students to be dually enrolled in an out of county school, the CRC requests a copy of the approved articulation agreement between Charlotte County and ISNP Governing Board.</p>	<p>Page 10</p>	<p>The school has an informal agreement with the Charlotte Technical Center to accommodate one student. The “out-of-county” form was approved by both Charlotte County and the school.</p> <p><u>District Findings/Response:</u> The district also has two students in the same situation. The district will take action to establish an articulation agreement with Charlotte County for district and charter school students.</p>
<p>Once Suncoast Technical College is completed in south Sarasota County, will ISNP seek to dually enroll interested students in grades 11 and 12?</p>	<p>Page 10</p>	<p>At this point, we anticipate allowing Imagine School at North Port students to dually enroll in Suncoast Technical College.</p> <p><u>District Findings/Response:</u> Response is acceptable.</p>
<p>In reference to the statement that the school will “continue to expand its use of various methods of instruction,” please elaborate on what the new instructional approaches will entail.</p>	<p>Page 10</p>	<p>Imagine School at North Port plans to keep abreast of current research in education and expand its use of technology. It is anticipated that our Upper Campus teachers will continue to expand upon the Blackboard instructional model; they will increase their expectations for students in regard to electronic research, and will assist them to become more aware of their role in a world “wired” together. School leaders will also assist teachers to make their classrooms more interactive by providing increased project-based learning opportunities, as well as student research and presentations.</p> <p><u>District Findings/Response:</u> Response is acceptable.</p>

<p>Please provide more detail regarding the technology-related courses planned for the future, specifically, which courses and how will the new courses align to the school’s program of study?</p>	<p>Page 11</p>	<p>Imagine School at North Port is not necessarily adding more technology-related courses at the middle school level. ISNP is thoughtfully integrating technology into core subjects (word processing, spreadsheets, presentation software, online research, etc.).</p> <p><u>District Findings/Response:</u> Response is acceptable.</p>
<p>The information in the application about new instructional materials and resources planned for future adoption does not provide a clear description of how they will align to planned academic program changes. Please explain.</p>	<p>Page 11</p>	<p>Imagine School at North Port is exploring new instructional materials and resources aligned to the Florida Standards. We are participating in the county adoption process.</p> <p><u>District Findings/Response:</u> Response is acceptable.</p>
<p>Commendations Noted</p>		
<p> </p>		

Section IV. Services for ESE and ELL Students

- Instructional and program services provided for ESE students.
- Instructional and program services provided for ELL students.
- Changes in the level of services provided for ESE and ELL students and rationale for the proposed changes.
- If applicable, complaints filed in the past 5 years against school regarding ESE and their findings.

Questions, Concerns or Comments	Location in Application Document Page #	Charter School Response
<p>Relative to the size of the school's student population, the number of ESE students served is relatively small. Please comment.</p>		<p>Currently our charter states that our services are limited to the regular education category as designated by the state to include more than 79% of an ESE student's day with non ESE students.</p> <p>During the enrollment process, our Director of Student Services reviews IEPs to ensure that we can meet each student's level of service before enrolling them in our school.</p> <p>Also, we have a low ESE staffing ratio due to the fact that our school has a strong intervention program to support our regular education students.</p> <p><u>District Findings/Response:</u> The district proposes to work with school staff to examine the enrollment process and to address any challenges the school may experience in admitting and serving ESE students.</p>
<p>Commendations Noted</p>		

Section V. Teacher Qualifications		
<ul style="list-style-type: none"> Information about the current year’s instructional staff. If applicable, accommodations for students in grade levels which do not have teachers holding credentials to provide ESE, ELL or specialized Reading services. Process for dealing with teachers who are considered “out-of-field.” In the past 2 years the percent of instructional staff rated Highly Effective, Effective, Needs Improvement/Developing and Unsatisfactory. Plans for changes in staffing. 		
Questions, Concerns or Comments	Location in Application Document Page #	Charter School Response
The school presently has eight teachers that do not have ESOL endorsement. Specifically, how are the ELL students assigned to the “out-of-field” teachers accommodated?	Page 12	<p>ELL students still receive their accommodations. If additional accommodations are necessary there is a reading intervention teacher on each campus, who is ESOL endorsed, and available for push-in and pullout support.</p> <p><u>District Findings/Response:</u> ISNP is not in full compliance with federal ESOL requirements. Please see page 2 for the district’s findings relative to teachers who are not ESOL endorsed or ESOL certified but who presently have ESOL students assigned to their class.</p>
The CRC requests a copy of the most recent newsletter informing parents that a teacher is teaching out-of-field.	Page 12	<p>Attached is a copy of the upper campus newsletter that addresses out-of-field teachers (see Attachment A). Also attached, are individual parent letters that were sent home for each ELL student who is placed with a teacher who is considered out-of-field at the elementary level.</p> <p><u>District Findings/Response:</u> The school followed required protocol for informing parents. A sample of the letter submitted by the school is attached (see Attachment B). To protect student privacy and confidentiality, actual student names are not included on the sample.</p>

Commendations Noted
96% of ISNP’s teachers are rated Effective and Highly Effective.

<p>Section VI. Admissions Policy</p> <ul style="list-style-type: none"> • Student admission policy. • School’s student/parent contract and planned revisions or modification. • Proposed changes to enrollment preferences and/or limiting enrollment to specific student population. 		
Questions, Concerns or Comments	Location in Application Document Page #	Charter School Response
The current charter states that a parent contract is used, however, the renewal application states that it does not. When did this change occur and for what reason?	Page 13	<p>At Imagine School at North Port, parent contracts are not a condition of continuing enrollment. A few years ago the school recognized that the parent contract was not necessary, and only utilizes one if dismissal may become a possibility.</p> <p><u>District Findings/Response:</u> Response is acceptable. Given that the school initially had a parent contract (as per the original application and current charter), the new charter will make note of this modification.</p>
Commendations Noted		
The school is in compliance with statutory requirements for student admissions, enrollment and the lottery process.		

Section VII. Governance Structure and Procedures

- Current organization chart.
- List of all governing board members and contact information.
- Last six governing board’s meeting minutes.
- Evidence of the public notification of the governing board meetings for the last six meetings.
- If applicable, governing board member who is directly or indirectly receiving financial compensation from the school and the nature of that compensation.
- Changes in governance or board policy in the past 5 years or planned in new term of charter.
- Pending and threatened legal actions.

Questions, Concerns or Comments	Location in Application Document Page #	Charter School Response
<p>The current charter states that the school’s governing board will consist of a minimum of 5 members. Presently ISNP’s board is comprised of 4. What actions or strategies are underway to fill the vacancy and what is the timeline?</p>	<p>Page 14 & App B</p>	<p>Earlier this school year, our Governing Board President had to resign due to job responsibilities. Upon receiving his resignation, the Governing Board immediately elected the Vice President to the President position. Simultaneously, the search process to fill the vacant position on the Governing Board was initiated.</p> <p>The search process is coming to closure, and the Governing Board as well as Imagine Schools Management representatives, have both interviewed the individuals expressing interest. A decision and appointment is scheduled to be made at an upcoming Governing Board Meeting.</p> <p><u>District Findings/Response:</u> Response is acceptable. The school will notify the district when the new member is appointed and will update the school’s website.</p>

<p>Regarding the amendments provided for the Affiliate Agreement and Governing By-Laws, does the school have a record that notice and copies of the amendments were provided to the district?</p>	<p>Page 15 & App E</p>	<p>The school does not have a record that notice and copies of the amendments included in the Charter Renewal Application were provided to the district. These amendments came about during a period of turmoil, during which leadership at both the regional and school levels underwent dramatic change.</p> <p>Attorneys were involved and legal documentation can be provided upon request.</p> <p><u>District Findings/Response:</u> If approved for renewal, the new charter will reference and include these recent amendments. The school will be advised and monitored to ensure compliance with the requirement to notify the district and provide copies of any amendments to the governing board's governance, amendments to contracts with the Imagine Schools, Inc., and any amendments to agreements that are included in the charter.</p>
<p>Commendations Noted</p>		

Section VIII. Financial Sustainability

- If applicable, school’s Financial Recovery Plan.
- Anticipated significant changes in school revenue or expenditures during the next five years, including grants and other external funding, enrollment changes and capital needs.
- If applicable, detailed plan for a change in the school’s current site or a plan to move to another site, including a description of the manner in which those changes would be financed.

Questions, Concerns or Comments	Location in Application Document Page #	Charter School Response
<p>Please note: Responses to the following questions are requested in order for the district to make an informed decision regarding ISNP’s internal controls, adequacy of the budget, and other financial matters.</p> <p>Although some of the questions are in reference to documents that are <u>not</u> included in the renewal application, we would be requesting this information irrespective of the renewal process, so the timing of the application for renewal provided the opportunity to align the request.</p>		

<p>Please provide an update on the progress of the October 7, 2014 ISNP Governing Board approved Financial Plan.</p>	<p>Page 16 & App F</p>	<p>The school is currently following the approved plan that was included in Appendix F, and is in the process of developing a realistic and conservative Early Bird Budget for the following year.</p> <p><u>District Findings/Responses:</u> The response does not address the requested information. The CRC asked for an update of the plan presented in Appendix F. Instead, the school's response directed the reader to the original Appendix F.</p> <p>The 10/7/14 plan stated that a revised budget would be prepared after the October FTE to align with current enrollment. The December Financial Statements reflect the same budget as the Early Bird budget from 7/1/2014. Budget was prepared based on 1,167 student enrollment but enrollment on 1/28/15 was only 1,028. Please provide information on when the District will receive a revised budget which reflects this change.</p>
<p>The FY2014 Independent Auditor's Management Letter reflected numerous audit findings, some for more than three consecutive years and two items considered to be material weakness findings. Has anything been done to address these issues?</p>		<p>The findings in the audit fell under the responsibility of the Imagine Schools West Florida Regional Finance Director. Imagine Schools has hired a new West Florida Regional Finance Director, and has put new processes in place to ensure that the audit findings will not occur again. The new Finance Director began on February 2, 2015. She is being trained and mentored by two highly skilled and experienced Regional Finance Directors who work for Imagine Schools in Florida.</p> <p><u>District Findings/Response:</u> The district expects that the adjustments made by Imagine Schools with their personnel will remove the material weakness findings after the next audit cycle.</p>

<p>The FY2014 Annual Report disclosed \$921,100 borrowed from the Management Company. The FY2015 budget appears to not include the debt service related to this borrowing. In addition, a shortage of other debt service as compared to the FY2014 Annual Report Note D-Long Term Debt appears to exist. Please explain.</p> <p>There is a \$270,000 contribution from the Management Company included in the FY2015 budget. Will the Charter need to increase the contribution for the additional unbudgeted debt service in order to balance the budget?</p>		<p>The preliminary budget included all debt service (notes payables) in one line item titled debt service – principal on note payments. Since the budget was approved prior to year end, a projection had to be entered to cover the notes. The capital advance note payable, bus note and construction note (principal) were projected to be \$202,598 and interest expense of \$114,091 and \$11,993, totaling \$328,682. Note D on the audited financials show the total debt service to be \$244,675 for FY15. We are in the process of amending the budget to include the actual amounts for each note, and also separate them to see each individual note and interest payment.</p> <p><u>District Findings/Response:</u> Please submit a budget document that reflects a <u>current financial</u> resources measurement focus. The budget document submitted to the District was prepared using an <u>economic</u> resources measurement focus so it does not present the revenues and expenditures from a fund financial statement perspective. Items such as principal on debt service are not included and non-cash expenditures such as depreciation are included. This budget presentation does not represent the current inflows and outflows of the charter school. A key objective of the operating budget is to ensure that inflows (revenues) are sufficient to cover outflows (expenditures).</p>
<p>Commendations Noted</p>		
<p></p>		

Section IX. Facilities <ul style="list-style-type: none"> Floor plan of facility, including square footage of the building(s) and grounds. Findings or concerns, if any, related to latest facility health and safety reports, including fire inspections. Description of technology, access to the internet and any other resources used for administrative and instructional purposes. Plan for changes in the facility including expansions, upgrades, moves or changes in use of various parts of the facility or grounds. 		
Questions, Concerns or Comments	Location in Application Document Page #	Charter School Response
None.		
Commendations Noted		
The school is well-equipped with state-of-the-art technology. The majority of administrative processes are facilitated by the use of technology.		

Section X. Provision of Services Assurances - Certification document signed by Charter Board Chair for: <ul style="list-style-type: none"> Special Education ELL Assurance/504 Assurance 		
Questions, Concerns or Comments	Location in Application Document Page #	Charter School Response
None.		
Commendations Noted		

Section XI. Certificate of Acknowledgement

- Completed Certificate of Acknowledgement to indicate that the majority of the governing board signed to acknowledge having reviewed the completed renewal application and authorized its submission during an open meeting.

Questions, Concerns or Comments	Location in Application Document Page #	Charter School Response
None.		
Commendations Noted		

ATTACHMENT A

September 14, 2014

Dear Parents and Community Members,

OPEN HOUSE

We hope to see every single Upper Campus parent at our Open House this Wednesday evening, September 17, 2014.

If your student is attending with you: please plan to be sitting in his/her first period class at 5:45pm.

If you student is not attending with you: please come to the cafeteria between 5:15-5:45pm to pick up a copy of his/her schedule.



The schedule for this year's Open House is as follows:

5:15pm to 5:45pm	Parents arrive in cafeteria and pick up their student's schedule. If returning with your student, please be in their period one class at 5:45pm
5:45pm	Bell rings, parents proceed to period one class
6:05pm	Bell rings, parents proceed to period two class
6:25pm	Bell rings, parents proceed to period three class
6:50pm	Bell rings, parents proceed to period four class
ALL SCHEDULES BECOME AVAILABLE IN FRONT OFFICE FOR LATE ARRIVERS	
7:10pm	Bell rings, parents proceed to period five class
7:30pm	Bell rings, parents proceed to period six class
7:50pm	Bell rings, parents proceed to period seven class
8:10pm	All-call announcement made concluding Open House



- ✓ All students are encouraged to attend with their parent(s)
- ✓ Assisting in cafeteria with schedule distribution – National Honor Society
- ✓ Assisting by serving as “guides” throughout the campus – National Junior Honor Society
- ✓ Maps available in cafeteria when schedules are picked up
- ✓ Senior class members selling food and beverages throughout event in the cafeteria
- ✓ Non-teacher coaches in cafeteria through end of period four
- ✓ We plan to have several vendors/exhibitors/organizations in cafeteria from 5:15 to 6:50pm

- ✓ The gymnasium parking lot will also be open and available for parking
- ✓ Teachers will be making a short presentation in each class and will have a conference sign-up sheet available for parents. Obviously, with the shortened schedule, it is not feasible to try to conference with a teacher during Open House.

D-Fy CLUB NEWS (Drug Free Youth)

Any high school student interested in mentoring the middle school D-Fy Club youth members, please join us Friday, September 19th from 3:30-4:30 under the ISNP Upper Campus Pavillion (food will be provided). D-Fy Leadership involves some of the following:

- ✓ Planning fun activities for D-Fy Club Meetings
- ✓ Being a Positive Role Model/Leader
- ✓ Regular Attendance/Leading D-Fy Club Meetings
- ✓ Receiving Volunteer/Community Service Hours

Any questions, please contact Clinic Aide Mrs. Devore or Mrs. File (northportdfy@mail.com or 941.257.3019)





PIZZA ANYONE? A TASTY WAY TO HELP THE BOOSTER CLUB

The ISNP Booster Club Little Caesars Pizza Fundraiser is underway. All students have the necessary paperwork and forms, or you can just contact the office if you would like to order items from the sale. The pizza sale runs through Friday, September 26, 2014 and funds generated by the sale will be used by the Boosters to support ALL DIFFERENT types of school programs, from academics to athletics.



AN INVITE FROM COACH ALVAREZ

I would like to invite all Imagine parents and students for an after-school session of EXERCISE! Friday, September 19th is **NATIONAL RUN DAY**. This special activity promotes health by pushing others to get outside for 30 minutes a day. The cross country team and coaches will be running and we will meet at the upper campus front field at 3:45 PM. The nice walk/jog/run will only be one mile long and will be over by 4:30. Students that are NOT on the cross country team MUST be accompanied by an adult to participate.

UPCOMING EVENTS FOR YOUR HOME CALENDAR

MONDAY, SEPTEMBER 15

- ✓ Continue High School ASAP in room 701 from 3:30 to 5:00pm
- ✓ Continue Middle School ASAP in room 202 from 3:30 to 5:00pm
- ✓ Visit from career representative: North Port Police Department
- ✓ Booster Club Little Caesar Pizza Sale continues
- ✓ Fellowship of Christian Athletes Leadership meeting, 8:00am
- ✓ Shakespeare Rehearsal, 3:45pm,
- ✓ National Honor Society meeting, 3:30pm, room 705
- ✓ High School Academic Olympics, 3:30pm in room 703



TUESDAY, SEPTEMBER 16

- ✓ Continue High School ASAP in room 701 from 3:30 to 5:00pm
- ✓ Continue Middle School ASAP in room 202 from 3:30 to 5:00pm
- ✓ Visit from college representative: New College
- ✓ Youth in Government Club meets at 3:30pm in room 403
- ✓ Shakespeare Rehearsal at 3:45pm
- ✓ Keiser University representative visits S. Ness' classes today
- ✓ Robotics Club, 3:30pm, room 405
- ✓ Home Varsity Volleyball game at 6:00pm
- ✓ Flag Football game away
- ✓ Golf match home at Bobcat Trail
- ✓ Algebra EOC re-takes today
- ✓ NHS information session for Fall candidates at 3:30pm in room 705
- ✓ Wrestling informational meeting at 3:35pm in cafeteria

WEDNESDAY, SEPTEMBER 17

- ✓ Continue High School ASAP in room 701 from 3:30 to 5:00pm
- ✓ Continue Middle School ASAP in room 202 from 3:30 to 5:00pm
- ✓ Algebra EOC re-takes continue today
- ✓ Student Government for grades 6-12 at 3:30pm in room 403
- ✓ **Open House this evening.** Please see schedule and details in this issue



THURSDAY, SEPTEMBER 18

- ✓ Continue High School ASAP in room 701 from 3:30 to 5:00pm
- ✓ Continue Middle School ASAP in room 202 from 3:30 to 5:00pm
- ✓ MS Volleyball and Flag Football away this afternoon
- ✓ Golf match versus Lemon Bay
- ✓ Emergency Bus Drill in morning upon bus arrival (DRIVERS, PLEASE BE EXTRA ALERT)
- ✓ Literary Magazine Club meets in room 702, 3:30pm. All grades are welcome.
- ✓ Young Marines session, 3:30pm in the cafeteria
- ✓ Home Varsity Volleyball game at 6:00pm
- ✓ Magic: the Gathering Club, 3:30pm

FRIDAY, SEPTEMBER 19

- ✓ D-Fy High School Leadership meeting, 3:30pm, pavilion
- ✓ Shakespeare practice at 3:45pm
- ✓ Middle School Academic Olympics at 7:30am
- ✓ National Run Day begins at 3:30pm

SATURDAY, SEPTEMBER 20

- ✓ Cross Country meet away at North Port High School at 7:30am
- ✓ Princeton Review Test begins at 8:00am
- ✓ Shakespeare practice at 10:00am
- ✓ Nature Club to clean-up Blind Pass Beach, begins at 8:00am



SAVE THE DATE

Sarasota County College Night will take place on October 9 from 6:00-8:00pm at Robarts Arena in Sarasota. Mark your calendars now to attend this event as a family. Parents and students will be able to meet and talk with college representatives from many different colleges and universities.

FROM THE SCHOOL COUNSELING OFFICE AND MRS. K. BAILEY

Attention Juniors and Seniors!

Zinch.com offers free, hourlong webinars on a variety of topics to help guide college-bound high school students through the process. In September, Zinch will be hosting sessions on the following topics:

- ✓ Tuesday, September 9: SAT Test-Taking Tips
- ✓ Tuesday, September 16: ACT Test-Taking Tips
- ✓ Tuesday, September 23: How to Survive College App Season
- ✓ Tuesday, September 30: What I Wish I Knew Before Senior Year



Attention Seniors!

USF Sarasota-Manatee is hosting several open houses this fall that you can attend to learn more about their programs and visit the campus. The dates are:

- ✓ October 2 from 5pm-7pm
USFSM Open House at the USFSM at North Port (5920 Pan American Blvd)
- ✓ October 18 from 9am-12pm
USFSM Open House at USFSM in Sarasota (8350 N. Tamiami Trail)
- ✓ November 13 from 5pm-7pm
USFSM Open House at USFSM in Sarasota (8350 N. Tamiami Trail)

Attention Seniors!

Florida International University is hosting two Fall Open House Showcase events for interested students. The first event will take place on October 4 and the second event will



take place on November 1. These events provide an opportunity for prospective students to meet current students and faculty, learn about student organizations and opportunities, participate in academic program sessions and be admitted on the spot. Space is limited, so students should RSVP now at go.fiu.edu/journey.

Ave Maria University is hosting a scholarship competition on November 14 and 15, 2014. On Friday, students have the opportunity to attend classes, stay in residence halls, meet the university president, meet current students and experience life on campus. On Saturday morning after brunch, students will participate in a general knowledge exam and attend a home football game. The first place winner will receive a full tuition, room and board scholarship to Ave Maria University for 8 semesters. The second and third place winners will receive a full tuition scholarship for 8 semesters. All students must apply and be accepted to Ave Maria University prior to November 1, 2014. The application fee is free.



Last weekend, Josh Judy, Destiny Garraus and Zach Desrosiers, along with Advisor, Mrs. T. Bailey, attended a Youth in Government activity at Camp Wewa in Apoka.

Students can apply online at www.avemaria.edu and RSVP for the scholarship competition by emailing Jennifer.speakman@avemaria.edu. If you are interested in attending Ave Maria University next fall, please be aware of the following events:

Ave Maria University Preview Weekends:

October 3-4, 2014

January 30-31, 2015

March 27-28, 2015

Please register at <http://www.avemaria.edu/AdmissionsAid/PreviewWeekend.aspx>

Senior Financial Aid Night

On Monday, September 29 at 6:00pm in room 701, college financial aid advisor Alisa Lannon will share vital information on funding your son or daughter's college education.

Attention Juniors!

Should you take the ACT or the SAT this spring? Get an answer to that question at our free upcoming Princeton Review events. On Saturday, September 20 at 8:00am, the Princeton Review will host a FREE Princeton Review Assessment (PRA) test **right here on the upper campus**. The PRA is designed to give students a chance to practice both ACT and SAT test questions. Students will receive a detailed score report that will give them a side by side comparison of their projected scores on the ACT and SAT.



2014-2015 National Honor Society Officers (l to r): Cynthia Fussell, Vice-President, Brianna Leslie, Treasurer, Dione Ramos, President, and Sophia Albritton, Secretary.

A follow up workshop will take place on Monday October 13 from 6:00-8:00pm in room 701. In their English classes this week, all 11th graders received a yellow flyer with information about these events and a form to reserve their spot. Any interested seniors or sophomores are invited to attend as well. Please see Mrs. Bailey in room 605 for more information.

Attention 10th—12th graders!

We have many college rep visits scheduled for September and October. Please see Mrs. Bailey in room 605 to sign up for these wonderful opportunities to talk to college reps right on our campus. Gain valuable information about the schools and the admissions process. The deadlines for signing up for these meetings is 24 hours prior to the scheduled visit.

All upper campus students who have participated in a volunteer service activity over the past year are eligible to apply for a **2015 Prudential Spirit of Community Award**. We suggest that you follow up and learn more about this program. Go to <http://spirit.prudential.com> or www.nassp.org/spirit to access the online application. Additional details and directions are also included later in this issue.



People to People Student Ambassador Program

Are you interested in traveling to the UK this summer with other students from Sarasota County? The full trip itinerary is available at <http://www.peopletopeople.com/find-a-trip/all-programs/europe/celtic-cultures?Grades=10&ZipCodes=34205>. If this sounds like something you would want to

do, please see Mrs. Bailey in the counseling office for an invitation to an event where you will learn more about this opportunity.

OUT OF FIELD

Individuals at the Upper Campus who are teaching out-of-field are certified in at least one area and are qualified to teach, but are required to take additional coursework or testing to add a coverage or an endorsement to their certificate. The state also requires a teacher to take coursework or in-service toward an English to Speakers of Other Languages (ESOL) endorsement, when the teacher is the primary language arts provider and/or reading teacher for an ESOL student. The following Upper Campus teachers have agreed to teach out-of-field while completing coursework/testing: Jeff Rapkin (Intensive Mathematics) and Corey Rose (ESOL).



NATIONAL HONOR SOCIETY FALL INDUCTION

National Honor Society eligibility letters went out on Friday, September 12. Candidate and recommendation forms are due back no later than September 26 to NHS Advisor, Mr. DiTucci. There will be an information session at 3:30pm on September 16 in Room 705. Candidates will be notified of their status by the selection committee on October 8.

SHOP WITH A COP

This program is a collaborative effort between the North Port Police Department, the North Port Police Explorers, and Wal-Mart. It provides money for elementary school students to buy gifts for their families who may otherwise not be able to do so. The selected children from each of North Port's elementary schools (including Imagine School at North Port), are escorted around Wal-Mart by a North Port Police Officer and Explorer. The child is given a \$100.00 gift card and encouraged to buy gifts for his/her family. Participants will be identified by school leaders at the elementary campus.

This program is funded completely by donations and all proceeds from the events go toward the Shop with a Cop program. Please see the Shop with a Cop Golf Tournament information later in this issue.

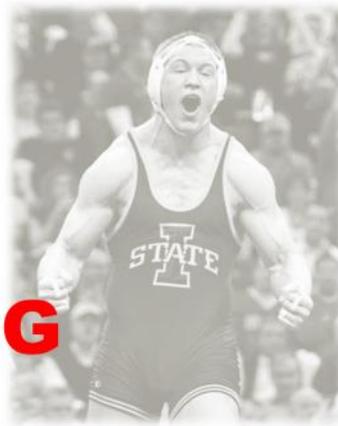
We are looking forward to seeing you at Open House on Wednesday evening.

Cher Gardner

Steve Black

WEEKLY SPORTS UPDATE			Week of Sept- 15TH through Sept- 20TH	
MONDAY 9/15	TUESDAY 9/16	WEDNESDAY 9/17	THURSDAY 9/18	FRIDAY 9/19
Varsity Volleyball	Varsity Volleyball Game 6pm	Varsity Volleyball	Varsity Volleyball	Varsity Volleyball
Practice 5-7pm	HOME vs. Bradenton Christian	Practice 5-7pm	Practice 5-7pm	Practice 5-7pm
M/S Volleyball	M/S Volleyball/Flag Football	M/S Volleyball	M/S Volleyball/Flag Football	M/S Volleyball
Practice 3:45-5:30pm	AWAY vs. ISPR 4pm	Practice 3:45-5:30pm	AWAY Vs. SSAS 4:30pm	Practice 3:45-5:30pm
	*Early release M/S teams		*Early release M/S teams	
Varsity/JV Cheer	2:30PM**	Varsity/JV Cheer	2:30PM**	Cross Country practice
3:45-5:30 pm Café	Varsity/JV Cheer	NO Practice	Varsity Cheer	3:30-4:45 Nat'l Run day (parents welcome)
GOLF Practice	3:45-5:00 gym		3:45-5:30 pm Coach Fournier's RM	
4-6pm Bobcat trail	Cross Country Practice		JV Cheer	GOLF Practice
Flag football Practice	3:30-4:45	Flag football Practice	5-8pm NP Gymnastics	4-6pm Bobcat trail
3:45-5pm	GOLF Match	3:45-5pm	GOLF Match	
	Vs. CCS 3:30 Bobcat trail		Vs. Lemon Bay 3:30 Bobcat trail	
	Early release 2:35	Baseball GAME	*Early release 2:35*	
Baseball practice	Baseball practice	Team A vs. Venice 5PM	Cross Country Practice	Girl's Soccer Conditioning
7:30AM weightroom	ALL Players	7:30AM weightroom	7 AM front field	4:30-6pm back field
w/Coach Dodd	Atwater Park 4:30-6:30	w/Coach Dodd	Baseball practice	Baseball practice
Pitchers/ Catchers Only		team B practice 4:30-6:30pm	All Players speed+agility	7:30AM weightroom
Atwater Park 4:30-6:30		Atwater Park	Atwater Park 7-8pm	w/Coach Dodd
	Wrestling Meeting		Girl's Basketball OPEN GYM	
	in Cafeteria 3:35-4:15		3:45-5PM	
				SATURDAY 9/20
				Girls basketball OPEN GYM
Girl's Soccer Conditioning	Girl's Soccer Conditioning	Girl's Soccer Conditioning	Girl's Soccer Conditioning	9-11 AM
4:30-6pm back field	4:30-6pm back field	4:30-6pm weight room	4:30-6pm back field	Boy's Basketball
				Off season Conditioning 11-1
				Cross Country
				MEET @NPHS 7:30am
	Girl's on the run practice		Girl's on the run practice	
	2:45-4:15 Elem. Campus		2:45-4:15 Elem. Campus	

ISNP SHARK WRESTLING



Want to be part of History?

- Join Coach McCabe and become a member of man's oldest sport.
- This year's wrestling team will be the first to compete in the State Series!
- Are you willing to become the first State competitor in ISNP history?
- If so, 6th-12th graders are invited to join us in the cafeteria after school on Tuesday, September 16, 2014 to receive information on the upcoming season!



**FROM OUR
ATHLETIC DIRECTOR
COACH Z**

IMAGINE SCHOOL AT NORTH PORT GOVERNING BOARD VACANCY

As a result of a change in his professional responsibilities, along with a much longer daily commute, Mr. Robson Powers has resigned from the Governing Board. Mr. Powers' term expires July 2015. The Governing Board is interested in hearing from anyone interested in assuming the responsibility of this role.



Interested individuals can learn more about the Governing Board's role by visiting the Imagine Schools Academic Excellence Framework Governing Boards page via email:

<http://visitimagineschools.com/home/wp-content/uploads/docs/2013-AcademicFramework-6-governing.pdf>

To indicate your interest.....

Kindly complete the questionnaire at the end of this notice and either e-mail, mail, or deliver with a copy of your resume to:

Ms. Aleischa Coover, Elementary Principal

1000 Innovation Avenue
North Port, Florida 34289
aleischa.coover@imagineschools.com
or

Dr. Steve Black, Upper Campus Principal

2757 Sycamore Avenue
North Port, Florida 34289
steve.black@imagineschools.com

The final day to submit your letter of interest and resume is Friday, October 17, 2014. Thank you very much.

Please note:

All applications are subject to public disclosure pursuant to Florida's Sunshine Laws. Wood v. Marston, 442 So. 2d 934 (Fla. 1983).

Personal Information

Date: _____

Name: _____

Address: _____

City: _____

State/Zip: _____ Primary Phone: _____

E-Mail Address: _____

Why do you have an interest in joining the Imagine Schools at North Port Governing Board?

Where are you currently employed, and what is your position?

What specific talents, skills, expertise, and experience do you believe you can share with the Imagine Schools at North Port's current Governing Board?

What professional or personal constraints on your time or service might you anticipate?

What do you hope to achieve while on the Governing Board at Imagine Schools at North Port?

What Board activities would be of interest to you?

Budget

Finance and Investment

Development

Marketing and Public Relations

Other: _____

What type of activities would you least like to do as a Board member?

What type of leader are you?

Is there anything else you would like to share with us about yourself? Please indicate if you are a parent of a current or prospective student.

"Shop with a Cop"

Annual Charity Golf Tournament

Oct 18th, 2014 8AM

SHOP WITH A COP

PRIZE ON EVERY HOLE

CALLAWAY TAYLORMADE CLUB GIVEAWAYS

4 man scramble
Lunch provided at Heron
Creek Golf & Country
Club following event

Proceeds to benefit
underprivileged kids for
Christmas

- *HOLE IN 1 • WIN A CAR!*
- *Prize on Every Hole*
- *50/50 Raffle*
- *Mulligans Purchase*
- *Skins Pot*
- *Goodie Bags*
- *Door Prizes*
- *Beverage Specials*
- *Putting contest*

Registration is at 07:00am and shotgun start is at 08:00am.

Putting contest put begins at 07:00am

Hole Sponsors: \$100.00.

Tournament Director: Floyd Davidson

For Information contact: 941-916-6630

email: fdavidson@northportpd.com

Location: Heron Creek Golf and Country Club

\$70.00 a person \$280.00 a team.

Registration deadline by October 15th

Team Captain:

Player 2:

Player 3:

Player 4:

Team Captain Contact info:





IMAGINE SCHOOL AT NORTH PORT

ELEMENTARY CAMPUS

"Excellence through Integrity"

1000 Innovation Avenue – North Port, Florida – 34289

MS. ALEISCHA COOVER, PRINCIPAL

aleischa.coover@imageschools.com

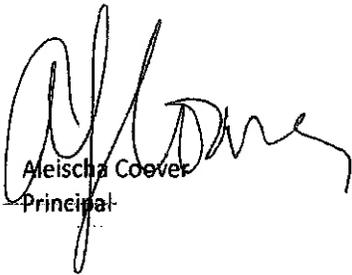
(941) 426-2050 extension 164

September 8, 2014

Parent/Guardian:

As required by the Florida Department of Education, we are notifying you that your child's teacher, _____ is currently teaching your child English Language Arts as Second Language (ESOL) strategies outside of her field of certification. I want to assure you that the teacher is fully certified by the State of Florida and is currently working to become certified in the area of this out of field assignment. Please feel free to contact me if you have any questions or concerns.

Sincerely,



Aleischa Coover
Principal