

Florida Choice Programs 21-22 Agreed Upon Procedures

By Brooke Bauerle Dawson, CPA

Florida Statute 1002.421(1)(q) requires schools participating in educational scholarship programs established pursuant to Chapter 1002, specifically, the Florida Tax Credit Scholarship, Family Empowerment, Family Empowerment-Unique Abilities (formally Gardiner), the John M. McKay Scholarships for Students with Disabilities, and the Hope Scholarship programs (the "Scholarships"), and receiving more than \$250,000 in funds from the Scholarships awarded during the fiscal year ended June 30, 2022, to undergo Agreed Upon Procedures.

What's New for '22?

The 2021-2022 Agreed Upon Procedures will not be significantly modified from the prior year as expected. For the 2021-2022 school year, schools that had excess funds in the prior fiscal year are required to provide a detailed accounting of how and when those funds were spent, a detail of which should be attached to the 2021-2022 report.

A reminder that the Agreed Upon Procedures engagement must be completed by a licensed Certified Public Accountant and submitted to the appropriate funding agencies by September 15, 2022. Do not forget to have your licensed CPA perform attendance checks prior to your school year end!

Look Out for Reportable Exceptions

Exceptions found while performing the AUPs fall into one of two categories depending on the significance of the attributes being tested to the integrity of the program: Material Exceptions or Reportable Exceptions. All Material Exceptions will be reported to the Commissioner of Education by the SFO or Department and will require preparation and submission of a Corrective Action Plan by the school to the SFO outlining the steps the school plans to take to correct the Material Exception.

Step Up for Students released a summary of exceptions noted in Florida schools over the past three years, with the most prevalent exceptions noted:

- School's cash balances exceeding \$250,000 and no associated review of bank ratings was performed, or the school's financial institution did not meet rating requirements.
- Annual budget was either not prepared or not reviewed periodically by the school's governing body.
- School does not follow a consistent tuition and fee schedule for all students.

If you have questions, Rivero, Gordimer & Company has extensive experience with these requirements. Please contact us for assistance.



About the Author:

Brooke Bauerle Dawson joined Rivero, Gordimer & Company in 2014. Prior to joining the company, Ms. Dawson spent 2 years in Forensic Accounting and Litigation support and has experience in both civil and criminal cases. She has experience in auditing governmental and not-for-profit organizations and specializes in Uniform Guidance and State of Florida Single Audit Acts.

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NEED MORE HELP? Contact Rivero, Gordimer & Company in Tampa, Florida by calling 813-875-7774 or visiting our website at www.rgcocpa.com.