

Triumph Gulf Coast, Inc.
Application for Funds
February 2023

Bay Haven Charter Academy, Inc



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***** IMPORTANT *****

Required for ALL Projects in Bay, Franklin, Gulf and Wakulla Counties

Hurricane Michael Application Addendum

For ALL regular project applications not yet approved by the Triumph Gulf Coast Board in Bay, Franklin, Gulf and Wakulla counties:

Please provide documentation of support or continued support for the proposal as a component of the county's post-Hurricane Michael recovery efforts made by the Board of County Commissioners (for each Hurricane Michael impacted county included in the project) on a date after October 10, 2018.

See table of content Appendix A - Letters of Support

Triumph Gulf Coast, Inc. Trust Fund Application for Funds

Proposal Instructions

The Triumph Gulf Coast, Inc. Trust Fund Grant Application (this document) must be completed by the entity applying for the grant and signed, as applicable, by either the individual applying for funds, an individual authorized to bind the entity applying for funds, a chief elected official, the administrator for the governmental entity or their designee. Please read the application carefully as some questions may require a separate narrative to be completed. In addition, please complete all Addendums that may be applicable to the proposed project or program.

Triumph Gulf Coast, Inc. will make awards from available funds to projects or programs that meet the priorities for economic recovery, diversification, and enhancement of the disproportionately affected counties. Triumph Gulf Coast, Inc. may make awards for:

- Ad valorem tax rate reduction within disproportionately affected counties;
- Local match requirements of s. 288.0655 for projects in the disproportionately affected counties;
- Public infrastructure projects for construction, expansion, or maintenance which are shown to enhance economic recovery, diversification, and enhancement of the disproportionately affected counties;
- Grants to local governments in the disproportionately affected counties to establish and maintain equipment and trained personnel for local action plans of response to respond to disasters, such as plans created for the Coastal Impacts Assistance Program;
- Grants to support programs that prepare students for future occupations and careers at K- 20 institutions that have campuses in the disproportionately affected counties. Eligible programs include those that increase students' technology skills and knowledge; encourage industry certifications; provide rigorous, alternative pathways for students to meet high school graduation requirements; strengthen career readiness initiatives; fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors; and, similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission of Education; encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue post-secondary education at a state university or a Florida College System institution within the disproportionately affected counties;
- Grants to support programs that provide participants in the disproportionately affected counties with transferable, sustainable workforce skills that are not confined to a single employer; and
- Grants to the tourism entity created under s. 288.1226 for the purpose of advertising and promoting tourism and Fresh From Florida, and grants to promote workforce and infrastructure, on behalf of all of the disproportionately affected counties.

Pursuant to Florida Law, Triumph Gulf Coast, Inc. will provide priority consideration to Applications for projects or programs that generates maximum estimated economic benefits, based on tools and models not generally employed by economic input-output analyses, including cost-benefit, return-on-investment, or dynamic scoring techniques to determine how the long-term economic growth potential of the disproportionately affected counties may be enhanced by the investment.

- Increase household income in the disproportionately affected counties above national average household income.
- Leverage or further enhance key regional assets, including educational institutions, research facilities, and military bases.
- Partner with local governments to provide funds, infrastructure, land, or other assistance for the project.
- Benefit the environment, in addition to the economy.
- Provide outcome measures.
- Partner with K-20 educational institutions or school districts located within the disproportionately affected counties as of January 1, 2017.
- Are recommended by the board of county commissioners of the county in which the project or program will be located.
- Partner with convention and visitor bureaus, tourist development councils, or chambers of commerce located within the disproportionately affected counties.

Additionally, the Board of Triumph Gulf Coast, Inc. may provide discretionary priority to consideration of Applications for projects and programs that:

- Are considered transformational for the future of the Northwest Florida region.
- May be consummated quickly and efficiently.
- Promote net-new jobs in the private sector with an income above regional average household income.
- Align with Northwest Florida FORWARD, the regional strategic initiative for Northwest Florida economic transformation.
- Create net-new jobs in targeted industries to include aerospace and defense, financial services/shared services, water transportation, artificial intelligence, cybersecurity, information technology, manufacturing, and robotics.
- Promote industry cluster impact for unique targeted industries.
- Create net-new jobs with wages above national average wage (*e.g.*, similar to EFI QTI program, measured on graduated scale).
- Are located in Rural Area of Opportunity as defined by the State of Florida (DEO).
- Provide a wider regional impact versus solely local impact.

- Align with other similar programs across the regions for greater regional impact, and not be duplicative of other existing projects or programs.
- Enhance research and innovative technologies in the region.
- Enhance a targeted industry cluster or create a Center of Excellence unique to Northwest Florida.
- Create a unique asset in the region that can be leveraged for regional growth of targeted industries.
- Demonstrate long-term financial sustainability following Triumph Gulf Coast, Inc. funding.
- Leverage funding from other government and private entity sources.
- Provide local investment and spending.
- Are supported by more than one governmental entity and/or private sector companies, in particular proposed projects or programs supported by more than one county in the region.
- Provide clear performance metrics over the duration of project or program.
- Include deliverables-based payment systems dependent upon achievement of interim performance metrics.
- Provide capacity building support for regional economic growth.
- Are environmentally conscious and business focused.
- Include Applicant and selected partners/vendors located in Northwest Florida.

Applications will be evaluated and scored based on compliance with the statutory requirements of the Triumph Gulf Coast legislation, including but not limited to the priorities identified therein and the geographic region served by the proposed project or program.

Applicant Information

Background of Applicant Individual/Entity/Organization:

Bay Haven Charter Academy, Inc. (BHCA, Inc.) opened in the fall of 2001 as an elementary school serving students K-5. Since then, the Haven organization has grown from one elementary school with approximately 250 students to five schools serving 3,379 students in grades K-12. There are two elementary schools, two middle schools, and one high school located on two campuses. Haven schools employ 374 people (201 teachers, 52 paraprofessionals, 101 non-instructional personnel, and 20 BHCA, Inc. staff). As schools of choice, BHCA Inc. accepts applications annually from any Bay County student. Applications are entered into an audited lottery from which students are randomly selected.

Over the last six years, Haven schools have experienced and persevered through many challenges that could have impacted our schools negatively. Despite the obstacles, Haven schools have risen to the challenge and maintained the level of excellence our stakeholders have come to expect. The Haven organization attributes our success to our vision of “High expectations, high achievement.” Haven schools continue to excel because of visionary leadership, high-quality teachers, and parent involvement, which have been our foundation since the beginning. It is difficult to express in words the incredible dedication, commitment, and care the instructional and non-instructional staff exhibit and continue to show despite challenges, both professionally and personally.

BHCA Inc. earned system accreditation in 2021 through Cognia, a nonprofit organization that provides quality assurance for schools, school districts, and education service providers. To achieve Cognia accreditation, BHCA Inc. implemented a continuous process of improvement and submitted to internal and external review. Cognia accreditation is a rigorous process that focuses the entire school system and its community on the primary goal of preparing lifelong learners in engaging environments where all students can flourish.

The Haven organization is well-positioned to implement and sustain the **North Bay Haven Career Academy project** for which we are applying to receive support for.

- Overall, Haven schools rank within the top 25% of all schools in the state. North Bay Haven Career Academy ranked in the top 3% of all high schools in the state in 2021. The graduation rate was 99 percent.
- Over 75% of North Bay Haven Career Academy students have earned at least one college credit, and 605 students have earned an industry certification. NBH students have several paths to graduation, including a Capstone diploma.
- All Haven schools have been recognized as high-performing schools and "Schools of Excellence" by the state every year since the recognition began in 2018. Florida statutes require the State Board of Education to designate a school as a School of Excellence if the school's percentage of possible points earned in its school grade calculation is in the 80th percentile or higher for schools comprised of the same grade groupings (elementary, middle, high and combination) for at least two of the last three school years.

Federal Employer Identification Number: 651121807

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Identify any co-applicants, partners, or other entities or organizations that will have a role in the proposed project or program and such partners proposed roles.

There are no co-applicants.

Total amount of funding requested from Triumph Gulf Coast: \$6,000,000 Has the applicant in the past requested or applied for funds for all or part of the proposed project/program?

Yes No

Describe the financial status of the applicant and any co-applicants or partners:

BHCA, Inc. has an excellent financial status with reserves and a positive fund balance. Internal and external audits are conducted annually.

In a separate attachment, please provide financial statements or information that details the financial status of the applicant and any co-applicants or partners.

See appendix B – BHCA, Inc. Annual Audit 2022

Has the applicant or any co-applicants, partners or any associated or affiliated entities or individuals filed for bankruptcy in the last ten (10) years?

Yes No

Eligibility

Pursuant to Section 288.8017, Triumph Gulf Coast, Inc. was created to make awards from available funds to projects or programs that meet the priorities for economic recovery, diversification, and enhancement of the disproportionately affected counties. The disproportionately affected counties are: Bay County, Escambia County, Franklin County, Gulf County, Okaloosa County, Santa Rosa County, Walton County, or Wakulla County. *See*, Section 288.08012.

1. From the choices below, please check the box that describes the purpose of the proposed project or program (check all that apply):
 - Ad Valorem tax rate reduction within disproportionately affected counties; Local match requirements of s. 288.0655 for projects in the disproportionately affected counties;
 - Public infrastructure projects for construction, expansion, or maintenance which are shown to enhance economic recovery, diversification, and enhancement of the disproportionately affected counties;
 - Grants to local governments in the disproportionately affected counties to establish and maintain equipment and trained personnel for local action plans of response to respond to disasters, such as plans created for the Coastal Impacts Assistance Program;
 - Grants to support programs that prepare students for future occupations and careers at K-20 institutions that have campuses in the disproportionately affected counties. Eligible programs include those that increase students' technology skills and knowledge; encourage industry certifications; provide rigorous, alternative pathways for students to meet high school graduation requirements; strengthen career readiness initiatives; fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors; and, similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission of Education, encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue post-secondary education at a state university or a Florida College System institution within the disproportionately affected counties;
 - Grants to support programs that provide participants in the disproportionately affected counties with transferable, sustainable workforce skills that are not confined to a single employer; and
 - Grants to the tourism entity created under s. 288.1226 for the purpose of advertising and promoting tourism and Fresh From Florida, and grants to promote workforce and infrastructure, on behalf of all of the disproportionately affected counties.

2. Provide the title and a detailed description of the proposed project or program, including the location of the proposed project or program, a detailed description of, and quantitative evidence demonstrating how the proposed project or program will promote economic recovery, diversification, and enhancement of the disproportionately affected counties, a proposed timeline for the proposed project or program, and the disproportionately affected counties that will be impacted by the proposed project or program.

Project Title: North Bay Haven Career Academy

- (i) Amount of Funds: BHCA, Inc. requests an investment of \$6 million (\$6,000,000) from Triumph Gulf Coast Inc.
- (ii) Other Sources of Funding: \$6,883,350 -The requested \$6 million will be matched through state FTE funding for schools. Other state, federal, and private grants; private donations; and funding may also be utilized.
- (iii) Location: The project will be located on the North Bay Haven Campus, 1 Buccaneer Dr., Panama City, FL 32404
- (iv) Summary of the program: See below.
- (v) Timeline: The project timeline will begin immediately upon approval. See tables: Summary of Activities and Milestones.

North Bay Haven Career Academy

BHCA, Inc. requests a \$6,000,000 Triumph Grant to construct classrooms and purchase materials, supplies, and equipment to expand the current marine, environmental science, and career and technical education (CTE) programs in technology, engineering, law, public safety, and health sciences. The proposed project will serve high school students in grades 9-12 and increase opportunities for our students to earn industry certifications and contribute to improving our surrounding community. The new North Bay Haven Career Academy building will include six classrooms and ancillary space on the North Bay Haven Charter School campus located at 1 Buccaneer Dr, Panama City, FL. The new building will replace temporary buildings that house four classes. The current facilities are not adequate to fully implement the programs as envisioned. The requested funding will:

- Provide a new state-of-the-art facility with cutting-edge equipment, supplies, and materials.
- Expand current environmental and marine science programs.
- Expand current career and technical programs which will provide opportunities for students to develop skills and obtain credentials that will increase their ability to meet the workforce's demands and provide services to the community to improve the environment.
- Prepare students to enter a career or post-secondary education after graduation. The courses offered are diverse and will develop transferable skills to multiple occupations.
- Give students environmental awareness about their local bay and the role it plays in both Bay County's ecosystem and economy.

- Establish partnerships with governing environmental agencies.
- Promote interest in careers in science, mainly marine and environmental science.
- An Advanced Placement course is offered environmental science.

The North Bay Haven Career Academy focuses on the following programs.

Marine Science

Focus Area Career: Hydroponics

Hydroponics aims to establish a renewable and reusable food source that can be self-contained with minimal intervention. This program will:

- Train students in using equipment to set up and maintain the hydroponics system.
- Train students to reproduce a sustainable garden via hydroponics.

This career choice does not need a college degree but a high school degree with specialized training in Hydroponics. The program will provide foundational knowledge to pursue a career in this area.
Careers: Hydroponics Farmer, Cultivation Manager.

Focus Area Career: Aquaponics

Aquaponics aims to establish a renewable and reusable food and energy source that can be self-contained with minimal intervention. This program will:

- Train students to develop a healthy fish community.
- Test, monitor, and change the PH, salinity, temperature, and nutrients within the system.

This training can branch off into many different career opportunities: fishery, aquaponics farmer, biologist, chemist, water quality engineer, environmentalist, marine biologist.

Focus Area Career: Florida Fish and Wildlife

This program aims to create a working relationship with the Florida Wildlife Commission (FWC) for training and long-term partnership. The purpose of this program is to:

- Manage fish and wildlife resources for their long-term well-being and the benefit of the community.

Careers include education specialist, biological scientist, fish/wildlife technician, research scientist, and environmental scientist.

Focus Area Career: Aquatic Tourism

The purpose is to train students to be competent around boats and marine equipment. This program would include the following:

- Establish partnerships with local shops and businesses for the purpose of certifications and licensing for students.

Careers include boat captain, deckhand, scuba certifications, and aquatic entrepreneurship.

Focus Area Volunteer: Living Shoreline Cleanup

The purpose is to train students in our local ecosystems to take ownership of keeping our living shorelines clean and healthy for future generations to enjoy. This would include training students to clean and respect the natural habitat by providing opportunities to work in and around the living shoreline.

Focus Area Career/Volunteer: Restore and Reestablishing Living Shorelines

The purpose of restoring and reestablishing living shorelines through the Grasses in Classes program is to reestablish the health of the marine ecosystems and estuaries in bays surrounding Panama City, FL. Working through a partnership with Bay Watch, students will develop environmental awareness about their local bays and the role the bays play in both the ecosystem and economy of Bay County. Students will gain experience with bagging oyster shells to create oyster reefs that sustain healthy and diverse ecosystems. Students also gain experience growing and caring for marsh grasses that will be used to create the living shorelines. These grasses prevent erosion and filter runoff from the watershed before pollutants can enter the bay.

Careers include environmental engineering, city planning, property management, marine scientist, environmental scientist.

Focus Area Career/Volunteer: Monitoring Living Shorelines

The goal of the living Shorelines program is to prevent coastal erosion and protect and enhance the coastal habitat. Monitoring the shorelines will allow students to measure and interpret the changes in habitat and environment caused by living shoreline installations. Students will gain experience in quadrat sampling and measuring fish and organism abundance. Students will also gain experience with new monitoring tools and technology like GIS systems.

Careers include GIS specialist or technician, environmental scientist, marine scientist, environmental engineer, environmental permitting, and compliance.

Environmental Science

Focus area: Greenhouse and Gardens

Within this program, students will:

- Develop an understanding that we are part of a living ecosystem.
- Develop skills surrounding a sustainable greenhouse or garden from the planning and development phases into the production and successful completion of the garden.
- Partner with the culinary department for a farm-to-table program.
- Implement new technologies, such as soil testing and growing techniques.
- Use sustainable watering techniques, like rain barrels, which will allow the students to use local weather to help with the overall theme of sustainability in the program.
- Learn how to develop and plan efficiently in both small and large spaces.
- Learn how to add the correct nutrients into the garden when needed and identify what nutrients are required.
- Grow and care for chickens to produce fertilizers and nutrients for gardens.
- Learn elements of pest control and ultimately cultivate insects for use, keeping a healthy

population at our disposal.

This program will encourage students to be aware of the current environment and instill sustainability, ultimately allowing them to reproduce a sustainable garden independently after the class. This can lead to a community garden and a love for a future career in science. Not only will the program help with future careers, but it will also improve the students' mental health and help reduce stress.

Focus area: Sustainable Building

Within this program, students will:

- Develop a passion for building sustainable buildings in the future.
- Learn the building process, including the building locations, wells, septic tanks, orientation, materials, energy, etc.
- Allow students to quickly add value to the local community and economy and improve the community's future for future buildings.
- Encompass solar power energy into everyday living.

The program will ultimately prepare students for the Leadership in Energy and Environmental Design (LEED) Green Associate exam, which can be taken once the student reaches 18 years of age. LEED certification is used by many professions: engineers, environmental engineers, architects, general contractors, real estate professionals, city and neighborhood planners, interior designers, property managers, facility maintenance staff, building inspectors, and construction superintendents.

Sea Cadets

This program is the Navy's youth development program and a leadership course that instills knowledge, skills, and confidence in students. For many projects, the Sea Cadet program partners with the marine and environmental science programs and the cybersecurity, law, and public safety programs.

Focus Area: Introduction to Naval Science

The Sea Cadet program will do the following:

- Introduce students to the meaning of citizenship, the elements of leadership, and the value of scholarship in attaining life goals.
- Promote an awareness of the importance of a healthy lifestyle, including physical fitness, a proper diet, and controlling stress.
- Provide the principles of health and first aid, geography, survival skills, and an overview of Naval ships and aircraft.

Focus Area: Leadership and Management

Students acquire the knowledge and develop the cognitive processes necessary to make decisions in the practice of management. They will learn the traditional foundations of management while developing skills to apply this knowledge in a real-world setting.

Focus Area: Navigation and Naval Engineering

The Sea Cadet program will offer the following in Navigation and Naval Engineering:

- Educate in basic ship navigation, which includes navigation methods, weather, laws of the sea, and maritime rules.
- Introduce the application of engineering principles in the research, development, design, construction, and operation of ships, weapons systems, and ocean structures, emphasizing thermodynamic processes and energy conversions.

Focus Area: Advanced Naval Science

This program will:

- Build on the general introduction provided in the intro course, further developing traits of citizenship and leadership.
- Broaden the understanding of the operative principles of military leadership, the concept and significance of teamwork, and the intrinsic value of good order and discipline in accomplishing objectives.
- Implement learned skills for life after high school. The intent is to assist seniors in understanding and planning for a future based on further education or potential careers in public, private and nonprofit sectors. This includes instruction in the theoretical and applied aspects of College and Career Readiness, Personal Finance, Leadership and Ethics, Cyber Security, and Space Exploration.

Focus Area: Application

Cadets will apply knowledge learned in the community by participating in community service activities.

Cybersecurity and Computer Science

Cybersecurity is a fast-growing workforce that is outpacing the availability of jobs nationwide. North Bay Haven Career Academy would like to assist in providing students with the information and certifications that would allow students to be able to obtain employment in our area without further education while also allowing other students that would like to receive higher education to be able to continue in both the cybersecurity and computer sciences field with essential knowledge and various certifications before entering higher education. The certifications obtained during the student's high school pathway will prepare them for a fulfilling career and a chance to further their educational experience with the proper certifications. By creating a dedicated computer lab, students will become familiar with all aspects of computers and be afforded hands-on experience. Currently, we have one computer lab, but it is being used as a classroom for the engineering program. It cannot be utilized for the cyber security and computer science program. To fully maximize the capabilities of this program, another computer lab is necessary. This lab will result in a state-of-the-art classroom for our students, providing a real-world learning experience.

Focus Area: IT Fundamentals (CompTIA ITF +)

CompTIA's IT Fundamentals (ITF+) certification introduces IT concepts and skills. As a "pre-career" certification, it is perfect for gaining basic IT support knowledge. Salaries among IT support specialists generally reflect this high demand. Note that lower salaries, such as those offered to inexperienced professionals, average \$38,990, or around \$19-20 per hour. This program will allow students to earn the CompTIA ITF+ industry certification.

Careers include Data Support Technician, Desktop Support Administrator, Help Desk Technician, System Support Specialist

Focus Area: Networking Essential (CompTIA A+)

The CompTIA A+ certification, issued by CompTIA, is a performance-based certification designed to demonstrate an individual's knowledge base and validate the skills required for an entry-level IT position. Unlike other certifications, which typically focus on one domain, CompTIA A+ covers a broad range of topics, making it applicable to various tech roles. The Cybersecurity and Computer Science program will also allow students to earn the CompTIA A+ industry certification.

Careers include Service Desk Analyst, Field Technician, Tier II Support Specialist, Associate Network Engineer, Junior Systems Administrator, Technical Support Specialist, Data Support Technician, End-User Computing Technician, System Support Specialist

Focus Area: Cybersecurity Essential (CompTIA Security +)

Security+ is the entry-level cyber security credential offered by the nonprofit trade association CompTIA. It is often the first certification in information security that an IT professional earns. By showing potential employers that one has the core skills required for a cybersecurity role, one may find more job opportunities as a more competitive candidate. According to the Certification Magazine 2022 Salary Survey, the average salary of a Security+ certified professional in the US is \$115,170 and \$106,910 worldwide. According to PayScale, the beginning salary for an employee with CompTIA Security+ certification can be up to \$78,000. This program will allow a student to earn a CompTIA Security+ industry certification.

Careers include Systems Administrator, Network Administrator, Security Administrator.

Focus Area: Advanced Placement Computer (AP) Science (College Credit)

AP Computer Science Principles is an introductory college-level computing course that introduces students to the breadth of the computer science field. Students learn to design and evaluate solutions and apply computer science to solve problems by developing algorithms and programs. They will incorporate abstraction into programs and use data to discover new knowledge. Students will also explain how computing innovations and computing systems, including the internet, work, as well as explore their potential impacts and contribute to a computing culture that is collaborative and ethical. In 2021, computer programmers earned a median salary of \$93,000. The range of salary ranged from \$62,840 to \$122,600. A student will be able to do the following:

- Earn college credit towards a program associated in Information Technology.
- Introduce a pathway into Computer/Software programming.

Engineering

Focus Area: Computer-Aided Design

This program allows students to develop solid modeling and drafting skills directly applicable to the architecture, engineering, manufacturing, and construction industries. Students will use industry-standard design software and take industry-standard certification tests. The current class, Introduction to Engineering Design, uses Autodesk Fusion 360. The grant will allow North Bay Haven to expand the program to include other design software packages, including Inventor, AutoCAD, and Revit.

Focus Area: Computer-Aided Manufacturing

The program develops machining and manufacturing skills directly applicable to engineering and manufacturing industries. Students will develop computer tooling paths from computer models; program and operate plasma, laser, and waterjet cutting tools; and utilize additive manufacturing processes. The grant will create a manufacturing lab to include 5-axis computer-controlled milling machines, plasma cutters, laser cutters, and metal additive machines.

Focus Area: Electronics

The program develops basic electronic knowledge and skills. The program offers the following:

- Identification of electronic components.
- Use of electronic tools, including multimeters, function generators, and oscilloscopes.
- Troubleshooting systems and circuit boards.
- Soldering and desoldering.

These skills will be directly applicable to any industry that uses electronic components. The current course, Digital Electronics, provides an introductory overview, but students require additional training to maximize the program's potential. The grant will purchase equipment and curriculum to expand the knowledge base. Industry-standard soldering certification testing will be offered.

Focus Area: Robotics

This program will develop skills directly applicable to any automated processes. This will include input-output, feedback control loops, servo motors, controllers, automation, autonomy, electro-mechanical actuators, sensors, motor and motor controllers, and programming. This area will expand to autonomous and remotely operated unmanned aerial vehicles (UAVs) and Unmanned Underwater Vehicles (UUVs). This program will partner with the Environmental Science program for mapping and GIS surveys and the Sea Cadets program for bottom topography and searches. This program will also coordinate with Florida Fish and Wildlife and Florida State University Underwater Crime Scene Investigation program.

The Academy of Law and Public Safety

This program allows students to have hands-on learning experiences within the public safety sector. The goal of this program is to encourage students to move into a public safety career path. This area is always in need of bright young minds and dedicated individuals. This program will equip students with realistic scenarios, training, and experience, allowing them to pass certification tests, resulting in them moving directly into a career right out of high school. Labs will include 911 simulators, patrol functions, MILO range simulators, and Forensics.

Focus Area: 911 Telecommunicator Certification

For students to sit for the 911 telecommunicator certification test, they must have 232 hours of hands-on training. This course will develop the skills to handle calls and dispatch all required personnel to a scene. Currently, there is a need for dispatchers in many areas. The demand for dispatchers is not only in the public safety sector but also in other industries. This certification will allow students to be hired in any field that requires dispatchers (i.e., public safety organizations, transportation companies, trucking and maintenance companies). According to employflorida.com, as of 1/18/2023, there are 503 jobs posted for telecommunicators in Florida. The average annual salary in the US is \$86,000.

Focus Area: Patrol Functions

The program will develop the skills and knowledge to prepare a student to serve as a patrol officer. Students will be given hands-on training to support their path to becoming law enforcement officers, security officers, and public safety officials. Students will be provided with a pathways program aligned to programs offered in local colleges.

Focus Area: Forensics

The Forensics program will provide students with the groundwork to move into a crime scene analyst career, an area of high demand. Students learn to properly collect, package, and analyze evidence from a crime scene. These skills can translate to career fields within public safety and other careers, such as Forensic Accountant, Forensic Engineer, and Forensic Entomologist, to name a few. According to employflorida.com, investigators are in high demand for the state of Florida.

Careers: Criminal Justice Operations, Firefighter I / II, Homeland Security Specialist, and Fire Officer Supervisor

Allied Health Program

A focused and energetic health sciences academy is essential for an institution of higher learning that offers career pathways for high school students. Healthcare is a market that is growing steadily and will continue to grow at exponential rates. Quality health care will always be a necessity. Bay County has spent much time recovering from Hurricane Michael. Shortly after, our healthcare employees suffered through the COVID-19 pandemic. Because of these events, our county needs healthcare employees. Therefore, we must invest in the younger generations who are eager and ready to learn.

Focus Area: Anatomy and Physiology

This course is part of the secondary health core curriculum, consisting of a study of the human body, both structurally and functionally, emphasizing the pathophysiology and transmission of disease. Students will interact with materials and primary sources of data or with secondary sources of data to observe and understand the natural world. Equipment and supplies will be used to enhance these hands-on experiences for students. Anatomy and physiology are necessary for further understanding the human body and directly aid in achieving industry certifications offered in the Allied Health Assisting class.

Focus Area: Health Science Foundations

This course is part of the secondary health core curriculum and is designed to provide the student with an in-depth knowledge of the healthcare system and associated occupations. Emphasis is placed on communication, interpersonal skills, the use of technology, ethics, and the development of critical thinking and problem-solving skills. Certifications provided in this class include cardiopulmonary

resuscitation (CPR), automatic external defibrillator usage (AED), and First Aid (Emergency Situations 6.0 Standards).

Focus Area: Allied Health Assisting 3

This program offers a sequence of courses that provides coherent and rigorous content aligned with challenging academic standards and relevant technical knowledge and skills needed to prepare for further education and careers in the Health Science career cluster. Major allied health areas are physical therapy, radiation, laboratory and respiratory medicine, and occupational therapy. Certifications applicable to this class include Certified Medical Administrative Assisting (CMAA), EKG Technician, and Certified Medical Assisting (CCMA).

Careers include Currently and updated available job positions (as of January 19, 2023): Patient Care Technicians, Echocardiography, and EKG (PRN and Full Time) with Ascension Sacred Heart Hospital in Panama City, Florida.

Currently available job positions (as of January 19, 2023): Monitor Technician and Patient Care Technician (Full Time) with HCA Gulf Coast Hospital in Panama City, Florida.

The average salary for EKG Technicians in Panama City, Fl. is \$21.26 per hour. (www.indeed.com) and the average salary for Patient Care Technicians in Panama City, Fl. is \$34,080 annually. (www.indeed.com).

3. Explain how the proposed project or program is considered transformational and how it will affect the disproportionately affected counties in the next ten (10) years.

The primary focus of this project is to provide students with transferable skills and the opportunity to leave high school and enter college or be career ready, which will result in an improved workforce that economically benefits the community. The goal of this project is to provide students with a state-of-the-art facility, equipment, and materials to develop expertise in specific areas with real-world instructional models through labs and activities, as well as the ability to earn industry certifications.

The North Bay Haven Career Academy proposed project mirrors many of the goals of Northwest Florida FORWARD by improving the vitality of all areas and populations in the region, high-wage employment growth, and a sustainable and enduring economic base. Northwest Florida FORWARD is a regional strategic initiative focused on driving economic vitality and development in the Florida Panhandle. Due to the fragile ecosystem in Florida, there is a need for a well-trained workforce in the areas of environmental science and marine biology. This project will build a solid program in these areas to ensure students become strong stewards of the environment and provide a foundation for further study toward jobs in this field.

The North Bay Haven Career Academy project will provide opportunities for students to earn industry certifications, participate in real-world problem solving and learn soft skills essential to productivity in the workforce. Over the next ten years, with the proposed project's approval, we expect to improve students' opportunities to graduate ready to enter the workforce in their area of expertise or ready to earn a college degree. We expect there will be an increase in the students' employability and earning potential, increasing median household income.

This project will be transformational for Bay County and surrounding counties in several ways:

- Increase students' earning potential and provide highly qualified employees for the workforce.
- Grow and enhance the CTE program. This will provide multiple paths for students to grow and

build their skills and will allow students to earn industry certifications, possibly in more than one area. Students can utilize these certifications to obtain a job and as a foundation for furthering their education in their chosen field. The effects of this project will continue beyond graduation and will grow the workforce exponentially, resulting in a highly qualified labor force, increased productivity, and higher job satisfaction.

- Increase student awareness of the careers available in marine and environmental science and educate students on the need to be aware and active in preserving Florida's fragile ecosystems.
- Increase opportunities for students to access higher education and careers.
- Provide transferable skills that can be used in multiple occupations.

4. Describe data or information available to demonstrate the viability of the proposed project or program.

BHCA, Inc. has a proven track record of developing and implementing programs that provide high-quality instruction for students. This proposed project will enhance and expand programs already in place. Data used to demonstrate the project's viability will include student enrollment, student completion rates, industry certification, graduation rates, job placements, and monetary savings for families as a result of students enrolled and successfully completing courses.

5. Describe how the impacts to the disproportionately affected counties will be measured long term.

- Impacts on Bay County and surrounding counties will be measured long-term as follows:
- Increase in the number of students entering post-secondary programs
- Increase in students earning industry certifications
- Increase the area's workforce with high-quality employees earning more than the average wage
- Increased awareness and focus on preserving the county's fragile ecosystems.
- Increase in median household income based on information from the U.S. Census Bureau

6. Describe how the proposed project or program is sustainable.

The funding for North Bay Haven Career Academy project is requested to build classroom facilities to replace the four portable buildings and expand the current CTE and environmental and marine science programs. Additionally, the funding will provide not only a state-of-the-art facility but provide up-to-date labs equipped with the latest technology and equipment. BHCA, Inc. will provide the personnel, maintenance, materials and supplies, utility resources, and all other fees and services required to sustain and expand the proposed project. Most of these programs provide opportunities to earn Florida CAPE Industry Certification, which is on the funding list paid for by the Florida Education Finance Program (FEFP).

7. Describe how the deliverables for the proposed project or program will be measured.

- Build six classrooms and ancillary space for the CTE and marine and environmental science program.
 - Certificate of Occupancy for the building and ancillary space
 - Equipment and instructional materials purchased and available for student use
 - Professionals hired for instruction
- Student enrollment in program courses
- Student industry certifications – track certificates earned annually
 - Job-ready workforce and placement rates
 - Provide opportunities for internships to students enrolled in the courses
 - Track student enrollment into post-secondary programs after graduation

Priorities

Please check the box if the proposed project or program will meet any of the following priorities (check all that apply):

1. Please check the box if the proposed project or program will meet any of the following priorities (check all that apply):
 - Generate maximum estimated economic benefits based on tools and models not generally employed by economic input-output analyses, including cost-benefit, return-on-investment, or dynamic scoring techniques to determine how the long-term economic growth potential of the disproportionately affected counties may be enhanced by the investment.
 - Increase household income in the disproportionately affected counties above the national average household income.
 - Leverage or further enhance key regional assets, including educational institutions, research facilities, and military bases.
 - Partner with local governments to provide funds, infrastructure, land, or other assistance for the project.
 - Benefit the environment, in addition to the economy.
 - Provide outcome measures.
 - Partner with K-20 educational institutions or school districts located within the disproportionately affected counties as of January 1, 2017.
 - Are recommended by the board of county commissioners of the county in which the project or program will be located.

1. **Please explain how the proposed project meets the priorities identified above.**

Increase household income in the disproportionately affected counties above national average household income.

According to the U.S. Census Bureau, the average median income in the United States in 2021 was \$70,784, \$63,062 in Florida, and \$60,557 in Bay County. The new North Bay Haven Career Academy facility will provide students with career preparation for future employment in the fields of marine and environmental science, military, cybersecurity, computer science, engineering, law, public safety, and healthcare. The programs will allow students to immediately enter the workforce with specific skills, industry certifications, and the ability to be competitive in the workforce. The United States Census Bureau shows a 2.3% increase in the population of Bay County during 2020-2021. 26.3% of this population is less than 18 years old. This project will serve a growing population to achieve increased household income in the coming years.

Leverage or further enhance key regional assets, including educational institutions, research facilities, and military bases.

Education is described as an asset due to its power to increase cash flow. Education enhances the value of human capital and future income and is the path to increasing income. The North Bay Haven Career Academy has and will continue to partner with Tyndall Air Force Base, Naval Support Activity Panama City, Florida Fish and Wildlife, local Law Enforcement Agencies, HCA Florida Gulf Coast Hospital, Ascension Sacred Heart Bay, as well as Gulf Coast State College, and Florida State University. These partnerships leverage opportunities for students to have on-the-job, hands-on experiences and the potential to provide participating partners with future employees and students.

Benefit the environment, in addition to the economy.

The new Marine and Environmental Science Lab to be housed in the proposed North Bay Haven Career Academy facility aims to restore and establish the health of the marine ecosystem in the bays surrounding Panama City, Florida. This will be accomplished by developing environmental awareness among students, and this interest will promote careers in science, especially marine and environmental science. Our Marine and Environmental Science program will form partnerships with St. Andrews Bay Watch, Marine Institute staff, Florida Fish and Wildlife scientists, and Gulf World Marine Institute Staff. Students will assist efforts to build shorelines, work with local ecosystems and wildlife, and clean, preserve, and grow oysters, sea grass, scallops, and more. The Marine and Environmental Science Lab will have immediate and measurable changes in our bays by managing a living shoreline project to ensure a resilient and sustainable shoreline ecosystem via a partnership with St. Andrews Bay and Florida Fish and Wildlife.

Partner with K-20 educational institutions or school districts located within the disproportionately affected counties as of January 1, 2017.

BHCA, Inc. works in partnership with Bay District Schools, our sponsoring district, and utilizes the articulation agreement with the technical college and local universities. For example, BHCA Inc. will partner with FSU to develop career pathways in cyber security, criminal justice, engineering, and robotics.

Are recommended by the board of county commissioners of the county in which the project or program will be located.

This project is recommended by the Bay County Board of Commissioners. See Appendix A

2. Please explain how the proposed project or program meets the discretionary priorities identified by the Board.

- This project is transformational for the Northwest Florida Region because it will provide the area businesses with skilled employees trained and certified in high-demand jobs. Participating students earn industry certification at no cost and graduate ready to enter the workforce. Additionally, students participating in the Marine and Environmental Science program and the Sea Cadets program learn to be stewards of the environment and contributing members of their communities and potentially be employable in these fields.
- This project will begin immediately after the application is approved.
- The Career Academy will promote new jobs that, over time, will increase wages above the regional average household income, measured by the US Census Bureau.
- The project mirrors many of the goals of Northwest Florida FORWARD, such as improving the vitality of all areas and populations in the region, high-wage employment growth, and a sustainable and enduring economic base.
- This project promotes jobs in cybersecurity, law enforcement, dispatching, information technology, robotics, health, and environmental-related fields. Job training and industry certifications provide employment opportunities regionally and nationally.
- BHCA Inc. utilizes BDS articulation agreements as a charter school organization. North Bay Haven Career Academy will work with local post-secondary institutions. Participation in these articulation agreements increases training opportunities for students and a potential increase in enrollment for local post-secondary institutions.
- Industry cluster impact is promoted by preparing and offering students opportunities to earn industry certifications in all CTE programs housed in the proposed facility.

The project's Marine and Environmental Science component recognizes the value of the environment and its impact on the economy. Students will leave the programs with a deep understanding of how to sustain and preserve the environment while building a strong economy and moving forward to high-demand high-wage jobs.

- The proposed project complements other regional efforts to build a more robust economy that produces jobs and skilled employees.

3. **In which of the eight disproportionately affected county/counties is the proposed project or program located? (Circle all that apply)**

Escambia Santa Rosa Okaloosa Walton **Bay** Gulf Franklin Wakulla

4. **Was this proposed project or program on a list of proposed projects and program submitted to Triumph Gulf Coast, Inc., by one (or more) of the eight disproportionately affected Counties as a project and program located within its county?**

Yes No

If yes, list all Counties that apply: Bay County

2. **Does the Board of County Commissioners for each County listed in response to question 5, above, recommend this project or program to Triumph?**

Yes No

****Please attach proof of recommendation(s) from each County identified. See Appendix A - Letters of Support:**

- Board of County Commissioners
- Bay EDA
- Bay County Chamber of Commerce
- CareerSource Gulf Coast
- City of Lynn Haven

Approvals and Authority

1. **If the Applicant is awarded grant funds based on this proposal, what approvals must be obtained before Applicant can execute an agreement with Triumph Gulf Coast, Inc.?**

BHCA, Inc. Board approval is required to execute the agreement with Triumph Gulf Coast Inc.

2. **If approval of a board, commission, council or other group is needed prior to execution of an agreement between the entity and Triumph Gulf Coast:**

- A. **Provide the schedule of upcoming meetings for the group for a period of at least six months.**

Bay Haven Charter Academy Inc. Board Meeting Dates

Meeting Times: 4:00 P.M.

January 12, 2023	May 4, 2023
February 2, 2023	June 1, 2023
March 2, 2023	Additional dates will be set at the June meeting
April 6, 2023	

- B. **State whether that group can hold special meetings, and if so, upon how many days' notice.**

Yes, special board meetings can be called with a forty-eight-hour notice.

3. **Describe the timeline for the proposed project or program if an award of funding is approved, including milestones that will be achieved following an award through completion of the proposed project or program.**

Summary Timeline of Activities and Milestones: Following funding award

Timeline	Activities	Milestones
	Design Complete	Blueprints/Budget
30 -60 days	Construction Starts	Construction manager selected
18 -24 months	Construction/ Purchasing/Setup	Building completion/Invoices and Receipts
24 -30 months	Begin classes	Student Enrollment
30 months on	Students complete courses, earn industry credentials and are employable	Student completion numbers/ Industry Certifications earned/students hired in the field of study or continuing education

4. **Attach evidence that the undersigned has all necessary authority to execute this proposal on behalf of the entity applying for funding. This evidence may take a variety of forms, including but not limited to: a delegation of authority, citation to relevant laws or codes, policy documents, etc. In addition, please attach any support letters from partners.**

BHCA, Inc. Bylaws, Section 5.5 states that the President of the Board of Directors shall be the Chief Executive Officer of the organization and subject to the control of the Board. They may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board, deeds, mortgages, bonds, contracts, or other instruments the Board has authority to execute.

See Appendix C - BHCA Inc. Bylaws

Funding and Budget

Pursuant to Section 288.8017, awards may not be used to finance 100 percent of any project or program. An awardee may not receive all of the funds available in any given year.

1. **Identify the amount of funding sought from Triumph Gulf Coast, Inc. and the time period over which funding is requested.**

\$6,000,000.00 is requested over two years for construction and purchasing.

2. **What percentage of total program or project costs does the requested award from Triumph Gulf Coast, Inc. represent? (Please note that an award of funding will be for a defined monetary amount and will not be based on percentage of projected project costs.)**

Total Projected Costs: \$12,883,350.00

Requested Amount from Triumph Grant: \$6,000,000.00 = 46.6%

Matching Funds from Bay Haven Charter Academy, Inc.: \$6,883,350.00 = 53.4%

3. **Please describe the types and number of jobs expected from the proposed project or program and the expected average wage.**

2022-2023 Regional Demand Occupation List

Program	Regional Industry Demand
Cybersecurity	Computer Network Support Specialists Computer Occupations, All Other Computer Systems Analysts Computer User Support Specialists Network and Computer Systems Administrators
Engineering	Electrical and Electronic Engineering Technologists and Technicians Machinists
Health Sciences	Licensed Practical and Licensed Vocational Nurses Phlebotomists

	Physical Therapy Assistants Radiologic Technologists and Technicians Registered Nurses Respiratory Therapists Surgical Technologists
Law & Public Safety	Police and Sheriff/ Patrol Officers Dispatchers

Source: The Florida Department of Economic Opportunity (DEO), Bureau of Labor Market Statistics (LMS) publishes Florida's statewide demand occupations list and 24 local area demand occupations lists of high growth/high wage occupations annually.

[Local Targeted Occupations List - FloridaJobs.org](http://FloridaJobs.org)

Program graduates will be qualified for employment in the associated program of study through industry certifications and/or completion of post-secondary programs. The anticipated salary range upon completion is between \$30,000 to \$80,000. There is a potential to serve up to 600 students, including the Marine and Environmental Science program. Each course within each program serves as an exit point that develops skills that have the potential to make each student employable from entry to skill level. Students can progress through each program to develop knowledge and skills that can be applied to multiple areas and provide them with opportunities for higher employment levels. There is a demand for highly skilled employees in healthcare, law and public safety, engineering, and technology locally, at the state level, and nationally.

4. **Does the potential award supplement but not supplant existing funding sources? If yes, describe how the potential award supplements existing funding sources.**

Yes No

The award from Triumph funds supplements funds from Bay Haven Charter Academy Inc. This project expands and enhances the school's ability to provide a state-of-the-art program we are not currently able to provide. Prior to 2022 -2023, as a charter school, our organization had no access to LCR or sales tax funds to adequately fund infrastructure. Hurricane Michael had a significant impact on the budgeting for infrastructure projects. This project is a priority; however, the organization's construction needs are substantial. Funding this project along with Bay Haven Charter Academy Inc. matching funds will allow us the opportunity to provide our students with opportunities that will improve their lives and the community as a whole.

5. **Please provide a Project/Program Budget. Include all applicable costs and other funding sources available to support the proposal.**

Matching funds for this grant will be provided by Bay Haven Charter Academy Inc. as indicated in the table below.

Bay Haven Charter Academy Inc. Matching Funds

Funds	Category	Description
\$4,550,000	Salary: Instructional	7 Teachers at \$65,000 (salaries + benefits) x 10 years
\$343,066	Salary: Administrative	1/3 of Administrator Salary (salary + benefits) x 10 years oversight
\$165,339	Salary: Custodial	1/3 of one Custodial Salary (salary + benefits) x 10 years
\$216,666	Salary: Maintenance	1/3 of one Maintenance Worker (salary + benefits) x 10 years
\$750,000	Salary: CTE Coordinator	1 CTE Coordinator at 75,000 (salary + benefits) x 10 years
\$91,850	Utilities	Utilities: Electrical, water, and gas x 10 years
\$31,429	Custodial Supplies	Custodial Supplies for Building for 10 years
\$215,000	Curriculum	\$35,000 first year; 20,000 each additional year
\$170,000	Industry Certification Costs	\$17,000 per year for 10 years
\$100,000	Supplies	Annual Cost for Consumables + Supplies for 10 years
\$150,000	Equipment	Current Value of Equipment already used
\$100,000	Property Value	Value of BHCA, Inc. Building Site
\$6,883,350	Total Matching Funds	BHCA, Inc.

A. Project/Program Costs: Example Costs

North Bay Haven Career Academy Proposed Project Budget

\$4,900,000	Construction
\$300,000	Design and Engineering
\$800,000	Equipment and Technology
\$6,883,350	BHCA Inc. five-year expenditures: Salaries, Utilities, Equipment and Supplies, Industry Certification Exams, Curriculum
\$12,888,350	Total Project Costs

B. Other Project Funding Sources

Example Funding Sources (Note: Sources.) Not an exhaustive list of possible funding:

Not Applicable

C. Provide a detailed budget narrative, including the timing and steps necessary to obtain the funding and any other pertinent budget-related information.

The two tables above (North Bay Haven Career Academy Proposed Project Budget and BHCA Inc. Matching Funds) provide a summary of expenses. Once the funding is approved, the project can begin as indicated in the table (Summary of Timeline Activities and Milestones) below:

Summary Timeline of Activities and Milestones: Following funding award

Timeline	Activities	Milestones
	Design Complete	Blueprints/Budget
30 -60 days	Construction Starts	Construction manager selected
18 -24 months	Construction/ Purchasing/Setup	Building completion/Invoices and Receipts
24 -30 months	Begin classes	Student Enrollment
30 months on	Students complete courses, earn industry credentials, and are employable	Student completion numbers/ Industry Certifications earned/Students hired in field of study or continue education

Applicant understands that the Triumph Gulf Coast, Inc. statute requires that the award contract must include provisions requiring a performance report on the contracted activities, must account for the proper use of funds provided under the contract, and must include provisions for recovery of awards in the event the award was based upon fraudulent information or the awardee is not meeting the performance requirements of the award.

Yes No

Applicant understands that the Triumph Gulf Coast, Inc. statute requires that the award contract must include provisions requiring a performance report on the contracted activities, must account for the proper use of funds provided under the contract, and must include provisions for recovery of awards in the event the award was based upon fraudulent information or the awardee is not meeting the performance requirements of the award.

Yes No

Applicant understands that awardees must regularly report to Triumph Gulf Coast, Inc. the expenditure of funds and the status of the project or program on a schedule determined by Triumph Gulf Coast, Inc.

Yes No

Applicant acknowledges that Applicant and any co-Applicants will make books and records and other financial data available to Triumph Gulf Coast, Inc. as necessary to measure and confirm performance metrics and deliverables.

Yes No

Applicant acknowledges that Triumph Gulf Coast, Inc. reserves the right to request additional information from Applicant concerning the proposed project or program.

Yes No

ADDENDUM FOR INFRASTRUCTURE PROPOSALS

Not Applicable

ADDENDUM FOR WORKFORCE TRAINING PROPOSALS

A. Will this proposal support programs that prepare students for future occupations and careers at K-20 institutions that have campuses in the disproportionately affected counties? If yes, please identify where the campuses are located and provide details on how the proposed programs will prepare students for future occupations and at which K-20 institutions that programs will be provided.

Yes

North Bay Haven Career Academy is located at 1 Buccaneer Drive in Panama City, FL 32404, in Bay County. This facility will support programs that prepare students for future occupations and careers in the disproportionately affected counties.

The programs housed in the facility will prepare students for future occupations through instruction and certification in multiple career and technical educational (CTE) and natural sciences pathways. The facility will house the Academy of Law and Public Safety, through which students will earn industry certification in the public safety sector, including but not limited to emergency dispatcher certification. Upon graduation from the Academy of Law and Public Safety, students can enter directly into the workforce or articulate earned hours into the telecommunications program at Florida State University Panama City.

Additionally, the facility will house the Marine and Environmental Science Laboratory, and students will be instructed on restoring and reestablishing the marine ecosystem's health in surrounding waterways. Notably, the facility will reside on Mill Bayou, lending students direct access to a living shoreline. Other programs housed in the facility include cybersecurity and computer science, engineering, and allied health. The knowledge, skills, and certifications gained via participation in these programs will prepare students to enter the workforce and recover, diversify, and enhance Bay County.

The following industry certifications will be offered at North Bay Haven Career Academy:

CAPE Industry Certifications

AutoDesk Certified User: Fusion 360	CompTIA ITF
AutoDesk Certified User: Inventor	CompTIA Security +
AutoDesk Certified User: Revit	CompTIA A+
CMAA- Certified Medical Admin. Assist.	911 Telecommunication
LEED Green Associate	

Certifications earned via programs at NBHCA will allow students to enter directly into the workforce or articulate into existing educational programs at Gulf Coast State College, Tom P. Haney Technical College, or Florida State University Panama City in the following career areas:

Program	Associated Careers
Engineering Academy	Applied Robotics and Engineering Pathways
Cybersecurity Academy	Cybersecurity Analyst, Software Developer, Cyber Security Consultant, Penetration & Vulnerability Tester, Cybersecurity Manager, Network Engineer, Systems Engineer, Senior Software Developer, Systems Administrator
Law & Public Safety Academy	Criminal Justice Operations, Homeland Security Specialist, 911 Dispatcher
Health Science Academy	Paramedic, Licensed Practical Nurse or Registered Nurse (RN), Home Health Aide, and Nursing Assistant
Marine and Environmental Science Academy	Hydroponics Farmer, Cultivation Manager, Fishery, Aquaponics farmer, Chemist, Water Quality Engineer, Marine Biologist, Education Specialist, Oceanographer, Fish/Wildlife Technician, Research Scientist, Environmental Scientist, Boat Captain Certification, Deckhand Certification, Scuba Certification, and Aquatic Entrepreneurship, Park Ranger, Environmental Engineering, City Planning, Marine Scientist, GIS specialist or technician, Environmental Permitting and Compliance, Architects, General Contractors, Real Estate Professionals, City and Neighborhood Planners, Interior Designers, Property Managers, Facility Maintenance Staff, building inspectors, and Construction Superintendents

B. Will the proposed program (check all that apply):

- ✓ Increase students' technology skills and knowledge
- ✓ Encourage industry certifications
- ✓ Provide rigorous, alternative pathways for students to meet high school graduation requirements
- ✓ Strengthen career readiness initiatives
- ✓ Fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors
- ✓ Encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue post-secondary education at a state university or a Florida College System institution within the disproportionately affected counties (similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission of Education)

For each item checked above, describe how the proposed program will achieve these goals.

Increase students' technology skills and knowledge:

The proposed programs will increase student skills in marine and environmental science and career and technical education in cybersecurity, computer science, engineering, law and public safety, and health science.

The marine and environmental science programs will allow students to realize positive growth in developing an understanding of and concern for Florida's unique environment, thereby ensuring a resilient and sustainable shoreline ecosystem.

Through discipline, accountability, and teamwork, the Sea Cadets program prepares students for leadership in various fields, including culinary arts, robotics, cyber security, and medical training.

The other programs will all follow the Florida Department of Education curriculum frameworks for Secondary-Career Preparatory Programs building foundational knowledge and skills apropos to the area of interest.

Encourage industry certification:

The cybersecurity and computer science, engineering, and allied health programs each include secondary-level industry certification, enabling students to join the workforce immediately. The law and public safety program equip students with post-secondary level industry certification.

Provide rigorous, alternative pathways for students to meet high school graduation requirements:

The proposed program will provide rigorous, alternative pathways for students to meet high school graduation requirements due to specific courses providing equally rigorous alternatives to math or science requirements.

Strengthen career readiness initiatives:

The proposal will strengthen career readiness initiatives by preparing students for direct entry into the workforce as certified employees in the career field. Additionally, the Career Technical Education (CTE) programs and related industry certifications included in this proposal are part of the Florida Career and Professional Education (CAPE).

Fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors:

The Career Technical Education (CTE) programs and related industry certifications included in this proposal are part of the Florida Career and Professional Education program and designated as a response to Florida's critical workforce needs providing state residents with access to high-wage and high-demand careers.

Each CTE student will have the opportunity to enroll in a post-secondary career program while in high school.

Encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue post-secondary education at a state university or a Florida College System institution within the disproportionately affected counties:

In support of continuing education and workforce training, the new Academy of Law and Public Safety will have an articulation agreement with Florida State University Panama City. North Bay Haven Career Academy has articulation agreements with all post-secondary institutions in the disproportionately affected county of Bay County: Florida State University Panama City, Gulf Coast State College, and Tom P. Haney Technical College as an extension of our sponsoring district.

Therefore, students interested in science, technology, engineering, mathematics, and medical disciplines will be encouraged to pursue post-secondary education at a local state university, college, or technical school. For example, the students in the Allied Health Academy will gain knowledge and certifications permitting entry-level employment in the medical field, and the students in the Engineering, Cybersecurity, and Computer Science Academies will gain knowledge and certifications, preparing them for entry into related occupations and areas of study.

C. Will this proposal provide participants in the disproportionately affected counties with transferable, sustainable workforce skills but not confined to a single employer? If yes, please provide details.

Yes

The proposal will provide participants in the disproportionately affected counties with transferable, sustainable workforce skills not confined to a single employer. The desired outcome for participating students is not only program completion but also industry certification allowing for employment statewide and nationally in the fields of marine and environment science, cybersecurity and computer science, engineering, law and public safety, and health science.

D. Identify the disproportionately affected counties where the proposed programs will operate or provide participants with workforce skills.

The instructional programs included in the proposal are executed in Bay County, supporting employability in each of the disproportionately affected areas Escambia, Santa Rosa, Okaloosa, Walton, Gulf, Franklin, and Wakulla counties.

E. Provide a detailed description of, and quantitative evidence demonstrating how the proposed project or program will promote:

- Economic recovery,
- Economic Diversification,
- Enhancement of the disproportionately affected counties,
- Enhancement of a Targeted Industry.

Economic Recovery

The combined impact of Hurricane Michael in 2018 and the subsequent economic shutdown due to COVID-19 devastated the economies of Bay and Gulf counties. Fifty thousand structures were affected across the Florida Panhandle, western Big Bend, southwest Georgia, and southeast Alabama. Of these, more than 3,000 structures were destroyed [weather.gov], resulting in at least \$6.23 billion in insurance claims [News-Herald, February 7, 2019] and losses to agriculture/forestland in excess of \$3 billion [Associated Press]. In addition to the massive cleanup and infrastructure repair cost, the largest employer, Tyndall Air Force Base, was utterly destroyed with a replacement cost of approximately \$6 billion. Reconstruction has just recently started. Two other major employers: Naval Support Activity Panama City and Smurfit-Stone were damaged and lost employees due to relocation. Housing shortages and increased costs for available housing forced a large portion of the labor force to leave the area. The loss of affordable housing and business closures also impacted the area's largest industry, tourism, and hospitality. When businesses could open again, a lack of staff curtailed operations.

Like much of Florida, Bay County has a large population of seniors, most on a fixed income, and damage to both local hospitals severely impacted the quality of care they have been able to receive. Repairs are continuing on both Gulf Coast and Ascension Sacred Heart Hospitals. Still, both face a severe lack of healthcare workers, including nurse practitioners, physician's assistants, registered nurses, licensed practical nurses, certified nursing assistants, respiratory therapists, occupational therapists, technicians, and technician's assistants.

Over the last four years, businesses have recovered, and Bay County's population has grown exponentially. Tyndall Air Force Base and other major businesses are thriving again, and the need for a skilled workforce is in high demand. The project's emphasis on technology, health services, public safety and law enforcement, engineering, and marine and environmental science will provide employees with skilled workers ready to enter the workforce.

Economic Diversification

In an effort to move away from single income sources to multiple income sources, the proposed programs will add to the career force by diversifying the labor force with certificated and knowledgeable civilians. The Association for Career Technical Education (2023) stated that 77% of employers from in-demand industries hired employees because of the knowledge and skills gained from their CTE experience. Also, the United States currently has a shortage of 6.5 million skilled workers in key, high-demand industries. The state of Florida currently has 700,000 students enrolled in CTE programs preparing students for entry into up to seventeen different career paths (<https://www.fldoe.org/newsroom/blogs/career-and-technical-education-a-solution-to-floridas-pandemic-wounded-economy.shtml>).

Becca Hardin, the President of The Bay County Economic Development Alliance, was quoted in an article stating that economic diversity is a major goal for the county and that the local community will experience an unprecedented level of growth in the next three to five years (<https://www.newsherald.com/story/news/local/2021/09/10/florida-bay-county-headed-for-economic-boom-over-next-few-years/5768464001/>).

The proposed programs will increase the number of students that graduate with job-ready skills by earning industry certification that may have been available to them due to cost. The facility will be located on the North Bay Haven campus, eliminating the need to travel for training and saving money and

time for students who lack adequate resources. Earning industry certifications and college credit(s) that lead to post-secondary certifications and degrees contribute to economic diversification.

Enhancement of the disproportionately affected counties

According to the U.S. Census Bureau, the median household income in 2021 in Bay County, FL, was \$60,473; therefore, the median salaries for the related fields impacted by the proposed program will enhance Bay County with wages at or above the average household income. Adding skilled jobs improves the overall tax base for the entire disproportionately affected region. Further, the proposed programs will increase the percentage of individuals in the civilian labor force.

The proposed program enhances the disproportionately affected area by increasing the number of individuals prepared to enter the workforce and matriculate into post-secondary bachelor's degree programs, thereby increasing the current percentage of residents with a bachelor's degree or higher. Overall, the primary enhancement will be the production of a highly trained workforce with relevant skills that transfer and grow, increasing the Bay County employment rate.

Median Salaries in Florida

Cybersecurity	\$95,190
Computer Science	\$52,277
Marine Science	\$57,061
Environmental Science	\$49,000
Engineering	\$86,741
911 Telecommunications	\$33,234
Medical Assistant	\$36,660

1. Additional Information

A. Is this an expansion of an existing training program? Is yes, describe how the proposed program will enhance or improve the existing program and how the proposal program will supplement but not supplant existing funding sources.

Yes No

Yes, this is an expansion of an existing training program. All the proposed programs currently exist; however, the Academy of Law and Public Safety will add the 911 Telecommunications course and certification. The proposal will provide much needed space for the academies, including space to train for the dispatching in the public safety program, implement aquaponics and hydroponics, areas for planning and construction for engineering students, and a state-of-the-art computer lab for the cybersecurity and computer science academy, allowing for hands-on training for students. Current barriers to the program

include a lack of classroom space, engineering shops, educational resources, and the necessary equipment to meet the academic requirements established by the Florida Department of Education curriculum frameworks and current industry standards. Funds will be used to improve existing programs and implement the 911 telecommunications course and certification.

- B. Indicate how the training will be delivered (e.g., classroom-based, computer based, other). If in-person, identify the location(s) (e.g., city, campus, etc.) where the training will be available. If computer-based, identify the targeted location(s) (e.g., city, county where training will be available).**

Training will be delivered in a classroom-based environment with face-to-face instruction on campus. Instruction will include traditional and online textbooks, as well as hands-on projects and learning in labs and shops under the guidance of the Florida Department of Education curriculum frameworks.

- C. Identify the number of anticipated enrolled students and completers.**

There is a potential for approximately 600 students to be enrolled in the course listed below per semester. If all students complete at least one course per year, they are considered course completers. Each program is made up of multiple courses, and program lengths vary between three to four courses. Students who complete three or more courses within the program are considered full program completers. Some programs offer more than one industry certification. For example, within the engineering program, four industry certifications are offered. All courses except for the marine and environmental science program generally lead to an industry certification. However, within the environmental science course, there is the potential to prepare students for LEED certification, the world's most widely used green building rating system. Available for virtually all building types, LEED provides a framework for healthy, efficient, and cost-saving green buildings. LEED certification is a globally recognized symbol of sustainability achievement and leadership.

D. Indicate the length of the program (e.g, quarters, semesters, weeks, months, etc.) including anticipated beginning and ending dates.

BHCA, Inc.'s school calendar runs from August to May. The duration of each course is a semester.

Program	Courses
Engineering Academy	Introduction to Engineering Design Principles of Engineering Civil Engineering and Architecture Engineering Design and Development
Cybersecurity Academy	IT Fundamentals Computer and Network Security Fundamentals Cybersecurity Essentials Operational Cybersecurity
Law & Public Safety Academy	Criminal Justice Operations 1 Criminal Justice Operations 2 Criminal Justice Operations 3 Public Safety Telecommunication
Health Science Academy	Medical Skills Health Science Anatomy and Physiology Health Science Foundations Allied Health Assisting 3
Marine and Environmental Science Academy	Marine Science 1 Marine Science 2 Honors Environmental Science or AP® Biology Regular and Honors and/or AP Biology/Genetics Honors

E. Describe the plan to support the sustainability of the proposed program.

The proposed program will be self-sustaining due to the Florida Department of Education FEFP funding allocations for full-time enrolled students and from CAPE industry certifications.

F. Identify any certifications, degrees, etc. that will result from the completion of the program.

1. Students who complete at least three full credits in a single CTE program, in addition to other requirements of the Bright Futures Scholarship Program, will be awarded the Florida Gold Seal Vocational Scholarship.
2. Students who complete at least three full credits in a single CTE program are eligible for a Tools for the Trade Grant awarded by the Bay Education Foundation.
3. Members of the National Technical Honor Society (NTHS) who complete at least three full credits in a single CTE program and graduate with a 3.5 GPA within the program are eligible for an NTHS graduation cord.
4. Merit Diploma Designation is awarded to students graduating with one or more CAPE industry certifications.
5. CTE students are eligible for nomination as a Sunshine State Scholar, gaining recognition from Florida colleges and universities and valuable internship opportunities in CTE and STEM fields.

CAPE Industry Certifications

AutoDesk Certified User: Fusion 360	CompTIA ITF
AutoDesk Certified User: Inventor	CompTIA Security +
AutoDesk Certified User: Revit	CompTIA A +
CMAA- Certified Medical Admin. Assist.	911 Telecommunication
LEED Green Associate	

Non-CAPE Industry Certifications

CPR, AED, FBAO, First Aid- Health Foundations Course Certifications

Other CAPE Industry Certifications for NBHCA Programs

Culinary Certification	Entrepreneurship Certifications
ServSafe - Certified Food Manager	Certiport - ESB V.2
	Intuit-Design for Delight
	*Master Certification in Entrepreneurship - awarded to students earning both ESB and Design for Delight certificates

It is anticipated that the five programs have the potential to reach up to 120 students each, for a total of 600 students overall. Therefore, over half of the school's population will be serviced by the proposed programs, gaining access to workforce and collegiate skills and high-demand knowledge and certifications designed to impact Bay County and neighboring counties positively. Additionally, current programs earn certifications at no less than a 50% pass rate allowing students qualifications for direct entry into the workforce. For example, CompTIA A+ certification recently gained multiple students with post-secondary job offers with salaries of \$55,000. Over the next ten years, the proposed programs and pathways offered will potentially allow students to earn 4500 industry certifications.

Does this project have a local match amount? If yes, please describe the entity providing the match and the amount.

Yes No

Bay Haven Charter Academy Inc. will provide the matching funds. Part of the funds will be in the form of equity. Additionally, matching funds will be based on annual expenses that include but are not limited to salary, benefits, utilities, supplies, industry credentials, maintenance, and curriculum. A table identifying matching funds is located under this application's Budget and Funding section.

ADDENDUM FOR AD VALOREM TAX RATE REDUCTION

Not Applicable

ADDENDUM FOR LOCAL MATCH REQUIREMENTS OF SECTION 288.0655, FLORIDA STATUTES

Not Applicable

ADDENDUM FOR LOCAL ACTION PLAN

Not Applicable

ADDENDUM FOR ADVERTISING/PROMOTION

Not Applicable

I, the undersigned, do hereby certify that I have express authority to sign this proposal on my behalf or on behalf of the above-described entity, organization, or governmental entity:

Name of Applicant: Bay Haven Charter Academy Inc. (BHCA, Inc.)

Name and Title of Authorized Representative: JON MCFATTER

Representative Signature:  BOARD PRES

Signature Date: 2-3-2023



BOARD OF COUNTY COMMISSIONERS

840 West 11th Street
Panama City, Florida 32401
Telephone: (850) 248-8140
Fax: (850) 248-8153

**BOARD OF COUNTY
COMMISSIONERS**

www.baycountyfl.gov

840 WEST 11TH STREET
PANAMA CITY, FL 32401

January 4, 2023

Chairman David M. Bear
Florida Triumph Gulf Coast, Inc.
P.O. Box 12007
Tallahassee, FL 32317

Dear Chairman Bear,

COMMISSIONERS:

TOMMY HAMM
DISTRICT I

ROBERT CARROLL
DISTRICT II

WILLIAM T. DOZIER
DISTRICT III

DOUGLAS MOORE
DISTRICT IV

CLAIR PEASE
DISTRICT V

ROBERT J. MAJKA
COUNTY MANAGER

The Bay County Board of County Commissioners supports and recommends the application submitted by Bay Haven Charter Academy Inc. to the Triumph Gulf Coast, Inc., as we believe this project will strengthen and diversify the importance of student learning in our community. The Bay County Commission supports Bay Haven Charter Academy due to the increase of student skill development. The program will assist in obtaining the credentials needed to increase the ability of meeting demands in the workforce and provide services to the local economy.

The proposed project will serve middle and high school students in grades 7-12 by increasing student opportunities to earn industry certifications and contribute to improving our surrounding Bay County community. The six classrooms and ancillary space would be built on the North Bay Haven campus, 1 Buccaneer Dr, Panama City, FL. It will also provide a state-of-the-art facility with cutting edge equipment and materials benefiting both students and the community.

The Bay County Board of County Commissioners believes the project will prepare students for a career, as well as continuing in post-secondary education after graduation. The courses offered are diverse and develop skills that are transferable to multiple occupations.

Sincerely,

Tommy Hamm, Chairman
Bay County Board of County Commissioners



December 19, 2022

To whom it may concern,

The Bay Economic Development Alliance is a public/private partnership working in conjunction with our community educational partners to promote job creation and capital investment in Bay County, Florida. To be competitive in a global economy, it is critical that we have a well-trained, available workforce.

Bay Haven Charter Academy Incorporated has a strong history of providing outstanding educational programs. We must continue to be proactive to support existing programs while looking for ways to fund new programs that are needed to meet the ever changing workforce demands of the prospective companies we are trying to recruit to our region.

With this in mind, we ask that you support the Bay Haven Charter Academy Incorporated request for funding to add a CTE (Career Technical Education) building on the campus of North Bay Haven Career Academy. This CTE center will serve as a "feeder" program for students who plan to attend Haney Technical College, Gulf Coast State College and Florida State University Panama City. The financial support of these programs is critical for us as a community to continue to meet the needs for trained employees in these areas.

Sincerely,

A handwritten signature in black ink that reads "Becca B. Hardin". The signature is written in a cursive, flowing style.

Becca Hardin
President, Bay EDA



BAY COUNTY
CHAMBER OF COMMERCE

December 19, 2022

To Whom It May Concern,

The Bay County Chamber of Commerce works to promote industrial and economic growth in the region. Our organization believes that education is a vital tool in retaining and recruiting businesses. In order for Bay County to be competitive in the job market and to prepare employees to fill needs in core industries, it is imperative that we have state of the art campus facilities and technology in our local schools.

The proposed expansion of facilities and programs at North Bay Haven Career Academy will be a significant resource for the community. Not only will it expand the current marine and environmental science programs, it will expand multiple Career and Technical Education (CTE) pathways and increase opportunities for students to earn industry certifications before high school graduation. Supporting the growth of CTE programs is a priority for our organization. CTE is for all students, therefore increasing students' exposure to a diverse range of technical education programs and preparing them for a wide range of high-wage, high -skill, high-demand careers is critical.

We wholeheartedly support this request for funding to expand North Bay Haven Career Academy's facilities and programs. The proposed expansion will provide cutting edge training and equipment as well as allow both middle and high school students the opportunity to develop skills, obtain credentials and prepare them to enter a career pathway or continue in post-secondary education upon graduation. The expanded programs would also increase the number of qualified candidates entering the health care, cybersecurity, law and public safety, and engineering workforce. We are excited about the positive impact this project will have on our community.

Sincerely,



Garrett Anderson
Chairman of the Board



Carol A. Roberts
President



5230 West Highway 98 | Panama City FL 32401
P: 850.913.3285 | F: 850.913.3269
careersourcegc.com

January 6, 2023

Larry R. Bolinger, Chief Education Officer
Bay Haven Charter Academy, Inc.
2501 Hawks Landing Blvd.
Panama City, FL 32405

Dear Mr. Bolinger,

CareerSource Gulf Coast is happy to support Bay Haven Charter Academy's proposal to Triumph Gulf Coast for the purpose of constructing classrooms and the purchase of materials and supplies necessary to expand existing career technical programs such as marine and environmental science, technology, engineering, law and public safety, business and health sciences. It is incredibly important to introduce our future workforce to career pathways early in life so that they can not only learn what their career interests are, but also to determine what academic classes will support those career interests.

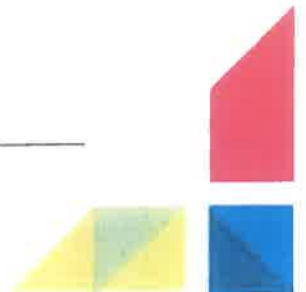
Each of the areas of training listed above are critical to providing a talent pipeline that supports our region and growing state. Technology jobs, especially those related to software development, Quality Assurance Analysts, and Testers are among the fastest-growing occupations across all this industry. The United States Bureau of Labor Statistics (USBLS) projects that jobs in this field will grow by roughly 22% between 2020 and 2030. The USBLS also indicates a good job outlook for Engineers showing a high demand for talent as large numbers of engineers retire and construction jobs both regionally and statewide experience growth due to a positive influx of new residents. While each of these fields are projected for growth, health sciences lead the pack in terms of projected growth for this region (Bay, Gulf, and Franklin Counties). Nurse Practitioner jobs are expected to increase in this region by more than 50%, registered nurses and Licensed Practical Nurses by approximately 10%, Respiratory Therapists by more than 19% and Sonographers by almost 15%. All these fields also yield salaries and benefits which will build both personal and community prosperity.

CareerSource Gulf Coast has long been an advocate for training as a way to level the playing field for any student, no matter their background, who will accept the opportunity and grab it. Without the most up to date technology, instruction and facilities it may be difficult to attract school aged youth to electives related to their future careers. We believe that this is a great investment in future talent and will entice students at a young age to try training programs that may lead to a lifelong career, and we fully support this proposal.

Sincerely,

A handwritten signature in blue ink that reads "Kimberly L. Bodine".

Kimberly L. Bodine
Executive Director



JESSE NELSON
MAYOR

VICKIE GAINER
CITY MANAGER

KEVIN OBOS
CITY ATTORNEY



COMMISSIONERS
BRANDON ALDRIDGE
PAT PERNO
JAMIE WARRICK
JUDY TINDER

January 20, 2023

Triumph Gulf Coast, Inc.

P.O. Box 12007

Tallahassee, FL 32317

Re: Letter of Support for Bay Haven Charter Academy, Inc.

Dear Triumph Gulf Coast, Inc.,

Please accept this letter of support for the application of Bay Haven Charter Academy, Inc. The request for funding the North Bay Haven Career Academy project is paramount for the construction of the facility to house this program. Without the construction of a new facility, it will be impossible to expand the current programs or implement new ones. The programs offered by this career academy are essential in preparing our community with a future workforce to meet the demands of our expanding industries through career technical education (CTE).

As a community, our students and families will benefit by being exposed to numerous learning opportunities and potential career paths in marine science, environmental science, engineering, law and public safety, business, health sciences, as well as developing trades and skills through the Career and Technical Education (CTE) programs.

As the Mayor of Lynn Haven, I know supporting this project will have an immediate and long-term impact for the economic stability and educational growth in our community. It enables our community to continue to be a unique and ideal location for new families and new commercial, industrial, and retail businesses because we are educating, equipping, growing, and providing a future workforce for years to come. Therefore, I humbly ask you to grant the requested funds for this project because our future depends on it.

For future generations and growth,

Jesse L. Nelson,

Mayor, City of Lynn Haven



Bay Haven Charter Academy, Inc.

FINANCIAL STATEMENTS

June 30, 2022



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Carr, Riggs & Ingram, LLC
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Panama City Beach, FL 32413

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Bay Haven Charter Academy, Inc.
Panama City, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, and the major fund of Bay Haven Charter Academy, Inc. (Company), as of and for the year ended June 30, 2022, and the related notes to financial statements, which collectively comprise the Company's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, and the major fund of the Company, as of June 30, 2022, and the respective changes in financial position, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in note 1, the Company has implemented GASB Statement No. 87, *Leases*, which establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. As such a lessee is required to recognize a lease liability and an intangible right-to-use lease asset. Implementation of this standard had no effect on beginning fund balance and an insignificant effect on beginning net position. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for

the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4 through 10, and the schedules of defined benefit pension plans on

pages 53 through 56, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Company's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2022, on our consideration of the Company's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Company's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Company's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

Certified Public Accountants
Panama City Beach, Florida
November 15, 2022

Management's Discussion and Analysis

Management's discussion and analysis provides an easily readable analysis of Bay Haven Charter Academy, Inc.'s (Company) financial activities. The analysis provides summary financial information for the Company and should be read in conjunction with the Company's financial statements.

Financial Highlights

- Total assets and deferred outflows of resources of the Company exceeded total liabilities and deferred inflows of resources by \$21,835,128 (total net position). Of this amount, \$7,290,608 is unrestricted net position of governmental activities. Total net position also includes \$11,357,657 net investment in capital assets in the governmental activities.
- Total net position increased by \$676,535 during the year ended June 30, 2022.
- As of June 30, 2022, the general fund unassigned fund balance was \$16,022,153 or 52% of total general fund expenditures for the year.
- Governmental activities' total revenues increased 8% to \$32,779,151, while governmental activities' total expenses decreased 1% to \$28,720,892. The Company also reported an extraordinary loss of \$3,381,724 related to a claim associated with damages from Hurricane Michael.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Company's basic financial statements. The Company's basic financial statements are comprised of three components: 1) *government-wide financial statements*, 2) *fund financial statements*, and 3) *notes to financial statements*. The *government-wide financial statements* present an overall picture of the Company's financial position and results of operations. The *fund financial statements* present financial information for the Company's major fund. The *notes to financial statements* provide additional information concerning the Company's finances that may not otherwise be disclosed in the government-wide or fund financial statements.

Government-wide Financial Statements

The *government-wide financial statements* include the *statement of net position* and the *statement of activities*. These statements are designed to provide readers with a broad overview of the Company's financial position in a manner similar to that of private-sector companies. Emphasis is placed on the net position of governmental activities as well as the change in net position. Governmental activities are the activities where the Company's programs and services are reported including, but not limited to, instruction, operation and maintenance of plants and facilities, pupil transportation, extracurricular activities, capital outlay, debt service, and other support services. The Company does not have any business-type activities.

The *statement of net position* presents information on all assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Company, with the difference between them

reported as *net position*. Increases or decreases in net position over time may serve as a useful indicator of the Company's improving or declining financial position.

The *statement of activities* presents information on all revenues and expenses of the Company and the preschools and the change in net position for the fiscal year. Changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement of activities for some items that will result in cash flows in future fiscal periods (e.g., uncollected fees).

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific purposes or objectives. Individual funds have been established by the Company to account for revenues that are restricted to certain uses or to comply with legal requirements. The major category of funds in the Company's *fund financial statements* includes: governmental funds.

Fund financial statements provide financial information for the Company's major fund and more detailed information about the Company's activities along with detailed information about the preschools. Governmental fund financial statements provide information on the *current* assets and liabilities of the fund, changes in *current* financial resources (revenues and expenditures), and *current* available resources.

Fund financial statements for the governmental fund includes a balance sheet and a statement of revenues, expenditures and changes in fund balance. The Company's general fund also includes a statement of revenues and expenditures - budget and actual.

The *government-wide financial statements* and the *fund financial statements* provide different presentations of the Company's financial position. Categorized by governmental activities and component units, the government-wide financial statements provide an overall picture of the Company's financial standing. The government-wide financial statements, which are comparable to private-sector companies, provide a good understanding of the Company's overall financial health and present the means used to pay for various activities, or functions provided by the Company. All assets and deferred outflows of resources of the Company, including buildings and land are reported in the statement of net position, as well as all liabilities and deferred inflows of resources, including outstanding principal on bonds and other long-term debt. The statement of activities includes depreciation on all long lived assets of the Company. The *fund financial statements* provide a presentation of the Company's major fund. In the case of the governmental fund, outlays for long lived assets are reported as expenditures and long-term liabilities, such as revenue bonds, are included as other financing sources in the fund financial statements in the year the liabilities are incurred. To facilitate a comparison between the *fund financial statements* and the *government-wide financial statements*, a reconciliation is provided.

Notes to financial statements provide additional detail concerning the financial activities and financial balances of the Company. Additional information about the accounting practices of the Company, investments of the Company, and long-term debt are just a few of the items included in the notes to financial statements.

Financial Analysis of the Company

The following schedule provides a summary of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the Company. At the end of the fiscal year 2022, the Company is able to report positive balances in all categories of net position, and for the government as a whole. The balances reported for fiscal year 2021, have been adjusted for implementation of GASB Statement No. 87, *Leases*.

Net Position Governmental Activities

<i>June 30,</i>	2022	2021
Current and other assets	\$ 22,730,523	\$ 24,360,054
Capital assets, net	43,597,452	42,797,198
Total assets	66,327,975	67,157,252
Deferred outflows of resources	5,252,574	5,488,890
Current liabilities	1,329,389	1,711,522
Noncurrent liabilities	40,982,658	49,234,081
Total liabilities	42,312,047	50,945,603
Deferred inflows of resources	7,433,374	541,945
Net position		
Net investment in capital assets	11,357,657	10,225,869
Restricted	3,186,863	2,374,472
Unrestricted	7,290,608	8,558,253
Total net position	\$ 21,835,128	\$ 21,158,594

Net investment in capital assets (e.g., land, buildings, and equipment), represents 52% of the Company's net position. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. It should be noted, that although the Company's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the Company's net position, \$3,186,863 (15%), represents resources that are subject to restrictions on how they may be used. The balance of unrestricted net position \$7,290,608, may be used to help meet the Company's ongoing obligations to citizens and creditors.

The following schedule provides a summary of the changes in net position. The balances reported for fiscal year 2021, have been adjusted for implementation of GASB Statement No. 87, *Leases*.

**Changes in Net Position
Governmental Activities**

<i>Year Ended June 30,</i>	2022	2021
Revenues		
Intergovernmental	\$ 24,911,564	\$ 24,843,824
Charges for services	1,602,117	1,209,826
Operating contributions and grants	2,929,080	1,926,128
Capital contributions and grants	790,746	998,762
Other revenue from local sources	1,517,888	706,150
Donations	163,523	147,142
Gain on disposal of capital assets	2,183	7,851
Sale of surplus assets	1,650	-
Miscellaneous	82,245	13,481
Insurance recoveries	771,741	468,410
Interest income	6,414	6,180
Total revenues	32,779,151	30,327,754
Expenses		
Instructional services	15,146,792	15,919,480
Support services	9,322,208	8,973,042
Depreciation and amortization	2,640,447	2,205,280
Interest	1,611,445	1,606,469
Debt services fees	-	337,216
Total expenses	28,720,892	29,041,487
Increase in net position before extraordinary item	4,058,259	1,286,267
Extraordinary item	(3,381,724)	-
Increase in net position	\$ 676,535	\$ 1,286,267

For the year ended June 30, 2022, governmental activities' revenues exceeded expenses by \$676,535. Total revenues increased \$2,451,397 over the previous year. Revenues increased primarily as a result of an increase in insurance proceeds related to Hurricane Michael as well as an increase in half cent sales tax funds and additional funds due to Covid-19 received from the Bay County District School Board. Total expenses decreased \$320,595 from the previous year. Expenses decreased primarily as a result of a decrease in debt service fees.

Intergovernmental receipts generated 76% of the revenues for governmental activities. Most of the governmental resources were expended for instructional services (53%) and support services (32%).

Financial Analysis of the Company's Funds

Governmental Funds

General Fund

The main operating fund of the Company is the general fund. As of June 30, 2022, total assets were \$22,719,097 and total liabilities were \$720,057. At the end of fiscal year 2022, unassigned fund balance of the general fund was \$16,022,153.

Analysis of General Fund Budget Variations

For the year ended June 30, 2022, the general fund appropriations budget exceeded actual expenditures by 5% and revenues were less than the final budget by 2%.

Capital Assets Activity

The following schedule provides a summary of the Company's capital assets. The Company's total investment in capital assets as of June 30, 2022, was \$43,597,452 (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, buildings, improvements, computers, furniture, fixtures and equipment, and intangible right-to-use assets.

Capital Assets (Net of Accumulated Depreciation and Amortization) Governmental Activities

June 30,	2022	2021
Land	\$ 2,612,870	\$ 2,612,870
Construction in progress	328,497	268,944
Buildings	30,539,249	31,137,899
Improvements other than buildings	6,283,050	5,561,052
Computers	1,303,159	947,254
Furniture, fixtures and equipment	2,346,432	2,100,199
Intangible right-to-use assets	184,195	168,980
Total	\$ 43,597,452	\$ 42,797,198

Additional information about the Company's capital assets can be found in note 3 of the notes to financial statements.

Debt Management

At the end of fiscal year 2022, the Company had total bond debt outstanding in the amount of \$33,820,000, which is shown on the financial statements net of \$416,596 in premiums and discounts.

Outstanding Bond Debt Payable Governmental Activities

June 30,	2022	2021
Revenue bonds payable	\$ 33,403,404	\$ 33,658,150

At the end of fiscal year 2022, the Company had total debt outstanding for a financed purchase liability in the amount of \$350,982.

Outstanding Financed Purchase Liability Governmental Activities

June 30,	2022	2021
Financed purchase liability	\$ 350,982	\$ 451,593

At the end of fiscal year 2022, the Company had total debt outstanding for a lease liability in the amount of \$188,109.

Outstanding Lease Liability Governmental Activities

June 30,	2022	2021
Lease liability	\$ 188,109	\$ 174,700

More detail on the Company's liabilities is presented in note 3 of the notes to financial statements.

Economic Factors and Next Year's Budget

In setting the budget for FY 2023, the School considered a number of issues, among them:

- Increased curriculum costs due to the need to address learning loss because of the Covid-19 pandemic
- Increased technology costs due to the need of student instruction both in and out of the classroom
- Increased professional development to address the needs of the educators in the classroom
- Increased facility costs in order to meet the needs of the students
- Increased maintenance costs due to aging of facility

- Increased salary and benefit costs due to higher salary and rising FRS, both statutory requirements
- Increased CARES Act Funding
- Increased ½ cent sales tax funding
- Increased salary costs due to increase in positions funded by the CARES Act

Contacting the Company's Finance Department

This financial report is designed to provide a general overview of Bay Haven Charter Academy, Inc.'s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Bay Haven Charter Academy, Inc.'s Finance Department, 2501 Hawks Landing Blvd, Panama City, Florida 32405. You may visit the Company's website at <http://www.bayhaven.org>.

Bay Haven Charter Academy, Inc.
Statement of Net Position
June 30, 2022

	Governmental Activities	Component Unit
Assets		
Cash and cash equivalents	\$ 17,559,647	\$ 95,854
Investments	842,624	-
Restricted investments	3,230,580	-
Accounts receivable, net	859,256	-
Prepays	216,537	-
Inventory	10,453	-
Other assets	11,426	-
Capital assets, net	43,597,452	-
Total assets	66,327,975	95,854
Deferred outflows of resources		
Deferred outflows related to pensions	5,153,530	-
Deferred outflows from loss on bond refunding	99,044	-
Total deferred outflows of resources	5,252,574	-
Total assets and deferred outflows of resources	71,580,549	95,854
Liabilities		
Accounts payable and accrued expenses	340,686	-
Accrued salaries and benefits	52,618	-
Unearned revenue	326,753	-
Interest payable	519,107	-
Long-term liabilities		
Due within one year		
Lease liability, current portion	90,225	-
Financed purchase liability, current portion	106,817	-
Accrued compensated absences, current portion	255,734	-
Revenue bonds, current portion	610,000	-
Due in more than one year		
Lease liability, net of current portion	97,884	-
Financed purchase liability, net of current portion	244,165	-
Accrued compensated absences, net of current portion	124,502	-
Net pension liability	6,750,152	-
Revenue bonds, net of current portion and discount/premium	32,793,404	-
Total liabilities	42,312,047	-

(Continued)

See accompanying notes.

Bay Haven Charter Academy, Inc.
Statement of Net Position (Continued)
June 30, 2022

	Governmental Activities	Component Unit
Deferred inflows of resources		
Deferred inflows related to pensions	\$ 7,433,374	\$ -
Total deferred inflows of resources	7,433,374	-
<hr/>		
Total liabilities and deferred inflows of resources	49,745,421	-
<hr/>		
Net position		
Net investment in capital assets	11,357,657	-
Restricted	3,186,863	95,854
Unrestricted	7,290,608	-
Total net position	\$ 21,835,128	\$ 95,854

See accompanying notes.

Bay Haven Charter Academy, Inc.
Statement of Activities
Year Ended June 30, 2022

	Program Revenues				Net (Expenses) Revenues and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions	Governmental Activities
			Operating Grants and Contributions	Capital Grants and Contributions		
Governmental activities						
Instructional services	\$ 15,146,792	\$ 835,678	\$ 868,628	\$ 380,499	\$ (13,061,987)	\$ -
Support services	9,322,208	766,439	2,060,452	410,247	(6,085,070)	-
Depreciation and amortization	2,640,447	-	-	-	(2,640,447)	-
Interest on long-term debt	1,611,445	-	-	-	(1,611,445)	-
Total primary government	\$ 28,720,892	\$ 1,602,117	\$ 2,929,080	\$ 790,746	(23,398,949)	-
Component unit	\$ 30,654	\$ -	\$ -	\$ -	-	(30,654)
General revenues						
Intergovernmental revenue					24,911,564	-
Other revenue from local sources					1,517,888	-
Donations					163,523	21,885
Sale of surplus assets					1,650	-
Gain on disposal of capital assets					2,183	-
Insurance recoveries					771,741	-
Miscellaneous					82,245	-
Total general revenues					27,450,794	21,885

(Continued)

See accompanying notes.

Bay Haven Charter Academy, Inc.
Statement of Activities (Continued)
Year Ended June 30, 2022

	Net (Expenses) Revenues and Changes in Net Position	
	Primary Government	Component Unit
Interest income	\$ 6,414	\$ 49
Total general revenues and interest	27,457,208	21,934
Extraordinary item	(3,381,724)	-
Total general revenues, interest and extraordinary item	24,075,484	21,934
Change in net position	676,535	(8,720)
Net position - beginning (as originally reported)	21,164,314	104,574
Restatement adjustment	(5,721)	-
Net position - beginning (as restated)	21,158,593	104,574
Net position - ending	\$ 21,835,128	\$ 95,854

See accompanying notes.

Bay Haven Charter Academy, Inc.
Balance Sheet – Governmental Fund
June 30, 2022

	General Fund
Assets	
Cash and cash equivalents	\$ 17,559,647
Investments	842,624
Restricted investments	3,230,580
Accounts receivable, net	859,256
Prepays	216,537
Inventory	10,453
Total assets	22,719,097
Liabilities	
Accounts payable and accrued expenses	340,686
Accrued salaries and benefits	52,618
Unearned revenue	326,753
Total liabilities	720,057
Fund balance	
Nonspendable	226,990
Restricted	5,309,626
Assigned	440,271
Unassigned	16,022,153
Total fund balance	21,999,040
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets and other noncurrent assets are used in governmental activities are not financial resources and, therefore, are not reported in the funds.	43,608,878
Deferred outflows and inflows of resources are not financial resources or liabilities and therefore are not reported in the funds.	(2,180,800)
Long-term liabilities, including bonds payable and capital leases, are not due and payable in the current period and, therefore, are not reported in the funds.	(41,591,990)
Net position of governmental activities	\$ 21,835,128

See accompanying notes.

**Bay Haven Charter Academy, Inc.
Statement of Revenues, Expenditures
and Changes in Fund Balance – Governmental Fund
Year Ended June 30, 2022**

	General Fund
Revenues	
Intergovernmental	\$ 29,247,074
Charges for services	686,454
Before and aftercare fees	620,250
Lunchroom fees	146,189
Other fees	149,224
Other revenue from local sources	1,517,888
Donations	109,523
Interest	6,414
Miscellaneous	82,245
Total revenues	32,565,261
Expenditures	
Instructional	
Regular instruction	13,163,358
Exceptional instruction	1,177,786
Prekindergarten instruction	351,845
Other instruction	951,757
Support services	
Pupil services	790,734
Instructional media services	73,318
Instructional staff training services	336,732
Instructional related technology	320,165
Board services	176,772
General administrative services	1,587,055
Facilities acquisition and construction	58,131
School administrative services	1,993,416
Fiscal services	26,294
Food services	1,020,665
Pupil transportation services	303,344
Plant operations	2,052,561
Maintenance services	465,310
Community services	316,474
Capital outlay	
Site, building and equipment	3,413,959

(Continued)

See accompanying notes.

Bay Haven Charter Academy, Inc.
Statement of Revenues, Expenditures
and Changes in Fund Balance – Governmental Fund (Continued)
Year Ended June 30, 2022

	General Fund
<hr/>	
Debt service	
Principal and interest	\$ 2,049,532
Total expenditures	30,629,208
<hr/>	
Excess of revenues over expenditures	1,936,053
<hr/>	
Other financing sources	
Insurance recoveries	771,741
Sale of surplus assets	1,650
Proceeds from debt	126,955
<hr/>	
Total other financing sources	900,346
<hr/>	
Extraordinary item	(3,381,724)
<hr/>	
Net change in fund balance	(545,325)
<hr/>	
Fund balance	
Beginning of year	22,544,365
<hr/>	
End of year	\$ 21,999,040
<hr/>	

See accompanying notes.

Bay Haven Charter Academy, Inc.
Reconciliation of the Governmental Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance to the Statement of Activities
Year Ended June 30, 2022

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

Net change in fund balance - total governmental fund (page 17)	\$ (545,325)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation and amortization in the current period.	773,512
Certain grant receivables were recognized as revenues in the government-wide statements in the prior year but recognition was deferred in the governmental funds.	(615,684)
The net effect of miscellaneous noncash transactions involving capital assets (e.g. sales, trade-ins, adjustments, donations, and impairments) is to decrease net position.	56,183
The issuance of long-term debt (i.e. bonds, leases) 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. Also governmental funds report the effect of the issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	311,132
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds (i.e. compensated absences and pension expense).	696,717
Change in net position of governmental activities (page 14)	\$ 676,535

See accompanying notes.

Bay Haven Charter Academy, Inc.
Statement of Revenues and Expenditures –
Budget and Actual – General Fund
Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 27,950,648	\$ 27,950,648	\$ 29,247,074	\$ 1,296,426
Charges for services	632,584	632,584	686,454	53,870
Before and aftercare fees	464,140	464,140	620,250	156,110
Lunchroom fees	234,245	234,245	146,189	(88,056)
Other fees	94,092	94,092	149,224	55,132
Other revenue from local sources	1,158,388	1,158,388	1,517,888	359,500
Donations	25,214	25,214	109,523	84,309
Interest	4,258	4,258	6,414	2,156
Miscellaneous	2,546,735	2,546,735	82,245	(2,464,490)
Total revenues	33,110,304	33,110,304	32,565,261	(545,043)
Expenditures				
Instructional	17,707,706	17,707,706	15,644,746	2,062,960
Support services	9,019,021	9,019,021	9,520,971	(501,950)
Capital outlay	3,262,579	3,262,579	3,413,959	(151,380)
Debt service	2,243,019	2,243,019	2,049,532	193,487
Total expenditures	32,232,325	32,232,325	30,629,208	1,603,117
Excess of revenues over expenditures	877,979	877,979	1,936,053	1,058,074
Other financing sources (uses)				
Insurance recoveries	-	-	771,741	771,741
Sale of capital assets	-	-	1,650	1,650
Proceeds from debt	-	-	126,955	126,955
Total other financing sources (uses)	-	-	900,346	900,346
Extraordinary item	-	-	(3,381,724)	(3,381,724)
Net change in fund balance	\$ 877,979	\$ 877,979	\$ (545,325)	\$ (1,423,304)

See accompanying notes.

Bay Haven Charter Academy, Inc. **Notes to Financial Statements**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Bay Haven Charter Academy, Inc. (Company), was organized in April 2001 as a Florida nonprofit corporation. The Company consists of five individual charter schools (schools). The individual schools are granted charters from Bay County District School Board (District) to operate public schools, grades kindergarten through 12th within the District. Each of the five charters expire in March 2029. The District has the option to renew the charters or to terminate them upon expiration, or before their expiration date, based on circumstances defined in the agreement.

Reporting Entity

The Company and the schools: Bay Haven Charter Academy Elementary School, Bay Haven Charter Academy Middle School, North Bay Haven Charter Elementary School, North Bay Haven Charter Middle School and North Bay Haven Charter Career Academy, all have a common board of directors and common management. The schools are component units of the District.

These financial statements include only the balances and activity of Bay Haven Charter Academy, Inc. and its component unit, entities for which the Company is considered to be financially accountable or for which the nature and significance of the relationship with the primary government are such that their exclusion would cause the Company's financial statements to be misleading or incomplete. They are not intended to be a complete presentation of the financial position or the changes in financial position of Bay County District School Board in conformity with accounting principles generally accepted in the United States of America (GAAP). The accounting policies of the Company and the schools conform to GAAP, as applicable to governmental units and charter schools in the State of Florida.

In evaluating the Company as a reporting entity, management has considered all potential component units in accordance with Section 2100: *Defining the Financial Reporting Entity* of the Governmental Accounting Standards Board Codification.

Discretely Presented Component Unit – Bay Haven Charter Academy Foundation, Inc.

Bay Haven Charter Academy Foundation, Inc. (Foundation) was formed as an educational support organization to solicit tax deductible contributions for construction of the school building and subsequent capital outlay projects for Bay Haven Charter Academy, Inc. The Foundation is operated solely for the benefit of the schools. The Foundation is presented as a governmental fund type with fiscal year end of June 30. Due to the nature and significance of the Foundation's relationship with the Company, exclusion of the Foundation's financial operations would render the Company's financial statements incomplete or misleading. The Foundation is disclosed using the discrete presentation method to emphasize that it is a legally separate entity from the Company.

Government-wide 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 nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes, intergovernmental

Bay Haven Charter Academy, Inc. Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the general fund which is the only governmental fund. The Company does not have any proprietary funds or fiduciary funds.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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 related cash flows. Grants, insurance recoveries, and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The 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 (other than insurance recoveries and grants) to be available if they are collected within 60 days of the end of the current fiscal period. The Company considers insurance recoveries and grants available if approved by the third party within 90 days of the end of the current fiscal period and collected within one year of year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Bay Haven Charter Academy, Inc. Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intergovernmental revenues (except grants) and interest are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants and insurance recoveries are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within one year of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Company.

Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for the governmental fund.

As discussed earlier, the Company has one discretely presented component unit. While the Foundation is considered to be a major component unit, it is nevertheless shown in separate column in the government-wide financial statements.

Fund Financial Statements

The fund financial statements provide information about the Company's funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented when applicable. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The Company reports the following major governmental fund:

The *general fund* is the Company's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Budgetary Information

Budgetary basis of accounting

An operating budget is adopted and maintained by the governing board of the Company pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in the preparation of the fund financial statements.

Appropriations lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year-end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

Cash and cash equivalents

The Company's cash and cash equivalents include demand deposits and short-term highly liquid debt instruments with original maturities of three months or less.

Investments

The Company's investments meet the specified criteria in GASB Codification Section 150: *Investments* to qualify to elect to measure their investments at amortized cost. Accordingly, the fair value of the Company's position in investments is equal to the value of the pooled shares.

Receivables and payables

Allowance for doubtful accounts – Accounts receivable have been reported net of the allowance for doubtful accounts. There was no allowance for uncollectible amounts considered necessary at June 30, 2022.

Unearned revenue – Unearned revenue represents amounts received before eligibility requirements have been met.

Inventory and prepaids

Inventory is stated at net realizable value determined by using the first-in/first-out method and consists of food service supplies. The cost of such inventory is recorded as an expenditure/expense when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. The cost of prepaids are recorded as an expenditure/expense when consumed rather than when purchased.

Restricted assets

Certain assets of the Company are classified as restricted assets on the statement of net position and governmental fund balance sheet because their use is limited by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributors or laws or regulations of other governments. Special restricted asset accounts have been established to account for the sources and uses of these limited use assets as follows:

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Bond and capital lease debt service accounts – includes certain proceeds from issuance of revenue bonds, as well as certain resources set aside for the repayment of bonds or capital lease obligations.

Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. athletic fields and outside structures), are reported in the governmental activities column in the government-wide financial statements. Capital assets, are typically defined by the Company as assets with an initial, individual cost of more than \$750 and an estimated useful life in excess of two years.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the Company has chosen to include all such items regardless of their acquisition date or amount. The Company was able to estimate the historical cost for the initial reporting of these assets through back-trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the Company constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated fair market value at the date of donation.

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the primary government are depreciated using the straight-line method generally over the following estimated useful lives:

Buildings	40 Years
Furniture, fixtures and equipment	5 - 10 Years
Computers	3 - 5 Years
Improvements other than buildings	5 - 40 Years

Lease assets – lessee

The Company has recorded intangible right-to-use lease assets. The lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus ancillary charges necessary to place the lease into service, when applicable. Lease assets are amortized on a straight-line basis over the shorter of the useful life of the underlying asset or the lease term.

Deferred outflows/inflows of resources

In addition to assets, the statement of net position sometimes reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then.

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company has two items that qualify for reporting as deferred outflows of resources, the *deferred outflows related to pensions* and the *deferred outflows from loss on bond refunding*, which are reported in the government-wide statement of net position. The deferred outflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria*. The deferred outflows related to pensions will be recognized as either pension expense or a reduction in the net pension liability in future reporting years. The deferred outflows from loss on bond refunding results from the difference in the carrying value of refunded bond and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding bond.

In addition to liabilities, the statement of net position sometimes reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Company has one item that qualifies for reporting as deferred inflows of resources. The *deferred inflows related to pensions* are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria*. The deferred inflows related to pensions will be recognized as a reduction to pension expense in future reporting years.

Accrued compensated absences

The Company's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. Accumulated sick leave lapses when employees leave the employ of the Company and, accordingly upon separation from service, no monetary obligation exists.

Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds and are recorded as an adjustment to interest expense. Bonds payable are reported net of the applicable bond premium or discount. In accordance with GASB Codification Section I30: *Interest Costs – Imputation*, bond issuance costs are expensed in the period incurred except for prepaid insurance costs.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Lease obligations

Obligations arising from leases are reported as long-term liabilities.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Categories and classification of fund equity

Net position flow assumption – Sometimes the Company will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Company's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund balance flow assumptions – Sometimes the Company will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Company's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policies – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Company itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, specifies the following classifications:

Nonspendable fund balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Bay Haven Charter Academy, Inc. Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted fund balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Company's highest level of decision-making authority, which is the board of directors. Once a commitment is made, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation.

Assigned fund balance – Amounts in the assigned fund balance classification are intended to be used by the Company for specific purposes but do not meet the criteria to be classified as committed. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned fund balance – Unassigned fund balance is the residual classification for the general fund.

Revenues and Expenditures/Expenses

Revenues for current operations are received primarily from the State of Florida through the District pursuant to the funding provisions included in the Schools' charters. In accordance with the funding provisions of the charter and Section 1002.33(17), Florida Statutes, the Company reports the number of full-time equivalent students and related data to the District.

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

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

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

Bay Haven Charter Academy, Inc. Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

State revenue funding is recorded as intergovernmental revenue. An administrative fee retained by the District is recorded as an other school administrative expense. This funding is received on a pro rata basis over a twelve month period and is adjusted for changes in the full-time equivalent (FTE) student population. Revenues that are earned but not available are reported as deferred inflows of resources until such time as they become available.

The Company 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.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditure of monies are recorded as reservations of budget, is employed as an extension of the statutory required budgetary process. At year-end, outstanding encumbrances represent material purchase commitments for goods and services which were ordered, budgeted, and appropriated, but had not been received or completed at date. Although encumbrances lapse at year-end, it is the intention to substantially honor these encumbrances under authority provided in the subsequent year's budget. At year-end encumbrances in the general fund totaled \$60,153.

Income Taxes

Bay Haven Charter Academy, Inc. (Company) is responsible for the income taxes of the schools under its control. The Company is a nonprofit corporation whose revenue is derived primarily from its five charter schools. The Company is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in these financial statements. The Company has no unrelated business taxable income for the year ended June 30, 2022. The Company's federal income tax returns for 2019, 2020, and 2021 are subject to examination by the Internal Revenue Service. Tax returns are generally subject to examination for three years after they are filed.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has evaluated subsequent events through November 15, 2022, the date that the financial statements were available to be issued. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recently Issued and Implemented Accounting Pronouncements

During fiscal year 2022, the Company implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases. This statement increases the usefulness of the Company's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the lease. As of July 1, 2021, the Company had one lease that qualified for reporting. As such, the following restatement is reported:

	Net Position
Net position - beginning (as originally reported)	\$ 21,164,314
Restatement adjustment	
Intangible right-to-use asset, net of accumulated amortization	168,979
Lease liability	(174,700)
Net restatement adjustment	(5,721)
Net position - beginning (as restated)	\$ 21,158,593

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, GASB Statement No. 92, *Omnibus 2020*, and GASB Statement No. 93, *Replacement of Interbank Offered Rates*, also became effective this year but had no effect on the Company's financial statements.

GASB has issued the following statement that will become effective in future years.

In May 2020, GASB issued Statement No. 96, *Subscription-based Information Technology Arrangements (SBITA)*. The objectives of this statement (1) define a SBITA; (2) establish that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provide the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) require note disclosures regarding a SBITA. The requirements of this statement are effective for reporting periods beginning after June 15, 2022.

The Company is evaluating the requirements of the above statement and its impact on reporting.

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 2: RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The following is an explanation of differences between the general fund balance sheet and statement of net position.

The total fund balance of the Company's general fund (\$21,999,040) on the governmental funds balance sheet differs from the net position of governmental activities (\$21,835,128) reported in the statement of net position. This difference results primarily from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental funds balance sheet. Details of this difference are as follows:

Other Assets

Long-term assets related to utility deposits are not reported as fund assets. All assets are reported in the statement of net position.

Utility deposits	\$ 11,426
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Capital Related Items

When capital assets that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the statement of net position includes those capital assets of the Company.

Cost of capital assets	\$ 59,648,858
Accumulated depreciation and amortization	(16,051,406)
Capital assets, net of accumulated depreciation and amortization	\$ 43,597,452

Long-term Debt

Long-term liabilities applicable to the Company's governmental activities are not reported as fund liabilities. All liabilities are reported in the statement of net position.

Bonds payable	\$ (33,820,000)
Financed purchase liability	(350,982)
Lease liability	(188,109)
Accrued compensated absences	(380,236)
Net pension liability	(6,750,152)
Premium/discount on bonds payable	416,596
Total long-term liabilities	\$ (41,072,883)

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 2: RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

Interest on Long-term Liabilities

Interest due on long-term liabilities applicable to the Company's governmental activities are not reported as fund liabilities. All liabilities are reported in the statement of net position.

Interest payable	\$ (519,107)
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Deferred Outflows of Resources from Loss on Bond Refunding

The deferred loss from bond refunding is not expensed in the government-wide statements but is reported as deferred outflows of resources and amortized over the life of the debt.

Deferred outflows from loss on bond refunding	\$ 99,044
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Deferred Inflows and Outflows of Resources Related to Pensions

Deferred inflows and outflows of resources related to the net pension liability applicable to the Company's governmental activities are not reported in the fund financial statements. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources are reported in the statement of net position.

Deferred outflows of resources	\$ 5,153,530
Deferred inflows of resources	(7,433,374)
Deferred inflows and outflows of resources related to pensions	\$ (2,279,844)

The following is an explanation of differences between the governmental funds statement of revenues, expenditures and changes in fund balance and the government-wide statement of activities.

The statement of activities and governmental fund revenues, expenditures and changes in fund balance includes a reconciliation between net change in fund balance - total governmental funds and change in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation is governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of these assets are allocated over their estimated useful lives and reported as depreciation and amortization expense. The details of this difference are as follows:

Capital outlay	\$ 3,413,959
Depreciation and amortization expense	(2,640,447)
Net adjustment to increase net change in fund balance - total governmental funds to arrive at change in net position of governmental activities	\$ 773,512

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 2: RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

Another element of that reconciliation is some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. The details of this difference are as follows:

Compensated absences	\$ (41,533)
Pension expense	738,250
Net adjustment to increase net change in fund balance - total governmental funds to arrive at change in net position of governmental activities	\$ 696,717

Certain grants were recognized as revenue in the government-wide statements in the prior year but reported in the governmental funds in the current year, as they were not considered available as of June 30, 2021.

Grant revenue	
Net adjustment to decrease net change in fund balance - total governmental funds to arrive at change in net position of governmental activities	\$ (615,684)

Another element of that reconciliation is the net effect of miscellaneous noncash transactions involving capital assets (e.g. sales, trade-ins, adjustments, donations, and impairments) that do not effect current financial resources is not reported in the governmental funds. The details of this difference are as follows:

Donated assets	\$ 54,000
Gain on disposal of capital assets	2,183
Net adjustment to increase net change in fund balance - total governmental funds to arrive at change in net position of governmental activities	\$ 56,183

Another element of that reconciliation is the issuance of long-term debt (i.e., bonds, leases) 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. Also, the statement of net position reports interest accrued on long-term debt, whereas only the current interest expense is reported in the general fund. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of this difference are as follows:

Principal payments	\$ 454,717
Amortization of bond premium/discount	(15,255)
Change in accrued interest	3,836
Debt proceeds	(126,955)
Amortization of loss on bond refunding	(5,211)
Net adjustment to increase net change in fund balance - total governmental funds to arrive at changes in net position of governmental activities	\$ 311,132

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS

Deposits and Investments

Up to \$250,000 of the Company's bank balances, per financial institution, are covered by federal depository insurance (FDIC). Monies invested in amounts greater than the FDIC coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the Company pursuant to Section 280.08, Florida Statutes.

The Company does not have an investment policy. Florida Statutes, Section 218.415, authorizes the Company to invest surplus funds in the following:

- The Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in Section 163.01
- Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency
- Interest bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02
- Direct obligations of the U.S. Treasury

The Company's investments are held by a Securities Investor Protection Corporation (SIPC) member which insures the Company's balances up to \$500,000 with a \$250,000 limit on cash. The Company's investments are included in the Company's investments in government money market funds, with a single brokerage firm, which qualifies as an external investment pool. At June 30, 2022, the Company's investment total was \$4,073,204. The fair value of the Company's position in the pool is equal to the value of the pooled shares or net asset value. Under GASB Codification 150: *Investments*, if a participant has an investment in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost it should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates) in notes to the financial statements. As of June 30, 2022, there were no withdrawal limitations or maximum transaction amounts, or any other requirements that serve to limit the School's access to 100 percent of their account value. The credit rating of the investments is AAAM with a weighted average maturity of 39 days.

Custodial credit risk – Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. The financial institutions in which the Company places its deposits are certified as "qualified public depositories," as required under the Florida Security for Public Deposits Act. For an investment, this is the risk that, in the event of the failure of the counterparty, the Company will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

Interest rate risk – Interest rate risk is the possibility that interest rates will rise and reduce the fair value of an investment. The Company follows Florida Statutes 218.415(17) as their investment policy which limits interest rate risk by allowing only certain investments.

Credit risk – Section 150: *Investments* of the GASB Codification requires that governments provide information about credit risk associated with their investments by disclosing the credit rating of investments in debt securities as described by nationally recognized statistical rating organizations. The Company follows Florida Statutes 218.415(17) as their investment policy which limits investments to securities with specific ranking criteria.

Concentration risk – Section 150: *Investments* of the GASB Codification requires disclosures of investments in any one issuer that represents five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S government, investments in mutual funds, external investments pools and other pooled investments. The Company’s investment policy does not address concentration risk. As of June 30, 2022, the Company had investments of \$3,573,205 which were uninsured. However, all cash deposits were collateralized through Florida’s multiple institution collateralized pool.

Restricted Investments

At June 30, 2022, the Company had \$3,230,580 in restricted investments for sinking fund and reserve requirements related to their outstanding debt.

Accounts Receivable, Net

As of June 30, 2022, the Company’s accounts receivable, net of the allowance for doubtful accounts, is summarized as follows:

	General Fund Accounts Receivable	Governmental Activities' Accounts Receivable
District revenues	\$ 776,974	\$ 776,974
Employee deduction	58,755	58,755
Food service	13,255	13,255
Other	10,272	10,272
Total accounts receivable	859,256	859,256
Allowance for doubtful accounts	-	-
Accounts receivable, net	\$ 859,256	\$ 859,256

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets

Capital assets balances and activity for the year ended June 30, 2022 are as follows:

	Balance June 30, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Nondepreciable capital assets					
Land	\$ 2,612,870	\$ -	\$ -	\$ -	\$ 2,612,870
Construction in process	268,944	59,553	-	-	328,497
Total nondepreciable capital assets	2,881,814	59,553	-	-	2,941,367
Depreciable capital assets					
Buildings	39,252,804	556,267	-	-	39,809,071
Improvements other than buildings	7,402,268	1,313,381	-	-	8,715,649
Furniture, fixtures and equipment	4,319,612	631,847	-	-	4,951,459
Computers	2,119,970	779,956	-	-	2,899,926
Total capital assets	53,094,654	3,281,451	-	-	56,376,105
Less accumulated depreciation					
Buildings	(8,114,905)	(1,154,917)	-	-	(9,269,822)
Improvements other than buildings	(1,841,216)	(591,383)	-	-	(2,432,599)
Furniture, fixtures and equipment	(2,219,413)	(385,614)	-	-	(2,605,027)
Computers	(1,172,716)	(424,051)	-	-	(1,596,767)
Total accumulated depreciation	(13,348,250)	(2,555,965)	-	-	(15,904,215)
Total depreciable capital assets, net of accumulated depreciation	39,746,404	725,486	-	-	40,471,890
Intangible right-to-use assets					
Leased portable	182,031	-	-	-	182,031
Leased equipment	112,786	126,955	(90,386)	-	149,355

(Continued)

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets (Continued)

	Balance June 30, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Less accumulated amortization	\$ (125,837)	\$ (84,482)	\$ 63,128	\$ -	\$ (147,191)
Net intangible right-to-use assets	168,980	42,473	(27,258)	-	184,195
Total capital assets, net of accumulated depreciation and amortization	\$ 42,797,198	\$ 827,512	\$ (27,258)	\$ -	\$ 43,597,452

Depreciation and amortization expense of \$2,640,447 was charged to governmental activities. Depreciation expense was not allocated to specific functions as their capital assets essentially serve all functions.

Long-term Debt and Liabilities – Direct Borrowings

On July 1, 2004, Bay County issued \$11,600,000 Educational Facilities Revenue Bonds, series 2004 for Bay Haven Charter Academy, Inc. The bonds were issued for the purpose of: (i) paying the costs to acquire and construct a school facility and (ii) paying the costs and expenses related to the issuance of the bonds. The bonds bear interest at the Weekly Rate. Amortization is forecasted using an average interest rate of 4.5%.

On September 14, 2010 Bay Haven Charter Academy, Inc. refinanced its outstanding 2004 bonds in the amount of \$11,755,000 at a rate starting at 3.5% increasing over the life of the bond to 6.0% that matures September 1, 2040. The bonds are secured by a lien on the land on which the schools sit and all assets thereon and a pledge of all capital funds and charter school operating funds appropriated each year to the District for operation of the Company and any additional revenues generated by the operation of the schools or leasing of the schools.

On October 1, 2020 Bay Haven Charter Academy, Inc. refinanced its outstanding 2010 bonds in the amount of \$9,510,000 at a rate starting at 3.0%. The bonds are secured by a lien on the land on which the schools sit and all assets thereon and a pledge of all capital funds and charter school operating funds appropriated each year to the District for operation of the schools and any additional revenues generated by the operation of the schools or leasing of the schools. The remaining principal and interest payments on this debt as of June 30, 2022 total \$13,018,971. For the year ended June 30, 2022, principal and interest payments on the bond required 4% of pledged revenues. Principal and interest payments paid and pledged revenues for the year were \$459,656 and \$12,655,655 respectively.

In the event of default occurring and continuing, the trustee may declare the principal of all bonds to be due and payable immediately.

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Long-term Debt and Liabilities – Direct Borrowings (Continued)

Future debt service requirements on the revenue bonds at June 30, 2022 are as follows:

Year ending June 30,	Principal	Interest	Total
2023	\$ 440,000	\$ 344,438	\$ 784,438
2024	455,000	327,656	782,656
2025	475,000	310,219	785,219
2026	405,000	293,719	698,719
2027	390,000	278,813	668,813
2028-2032	2,175,000	1,159,219	3,334,219
2033-2037	2,610,000	712,125	3,322,125
2038-2041	2,455,000	187,782	2,642,782
Total	\$ 9,405,000	\$ 3,613,971	\$ 13,018,971

On December 3, 2004, Bay Haven Charter Academy, Inc. entered into a financed purchase liability with Geo-Energy for a geothermal heating and air conditioning system. Of the financed purchase agreement 65% is allocated to the School. Payments began on August 1, 2005, with monthly payments due in the amount of \$10,414 for 240 months, which includes interest of 6%. \$6,769 of the monthly payments are allocated to the School. In the event of default, or the Academy enters bankruptcy or insolvency proceedings, Geo-Energy can declare the entire amount hereunder immediately due and payable without notice or demand to the Academy.

Future debt service requirements on the financed purchase liability at June 30, 2022 are as follows:

Year ending June 30,	Principal	Interest	Total
2023	\$ 106,817	\$ 18,153	\$ 124,970
2024	113,405	11,565	124,970
2025	120,400	4,570	124,970
2026	10,360	4	10,364
Total	\$ 350,982	\$ 34,292	\$ 385,274

On April 17, 2013, Bay County issued \$19,800,000 Educational Facilities Revenue Bonds, series 2013A and \$465,000 Taxable Educational Facilities Revenue Bonds, series 2013B for Bay Haven Charter Academy, Inc. The bonds were issued in order to: (i) finance, acquire and construct new facilities for the North Bay Haven Charter Middle School and the North Bay Haven Charter Career Academy (the "North Bay Haven Relocation Project"), (ii) refund the outstanding principal amount of a taxable land loan incurred by the Company with Branch Banking and Trust Company for purposes of financing the related land acquisition, (iii) fund general working capital needs of the Company, (iv) fund the reserve requirement to the reserve account in the bond fund, (v) fund capitalized interest with respect to the Series 2013 Bonds, and (vi) pay a portion of certain

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Long-term Debt and Liabilities – Direct Borrowings (Continued)

expenses incurred. The bonds bear interest at a rate of 5% for the 2013A series and 5% on the 2013B series and the bonds are set to mature starting September 1, 2033 and the last bonds will mature September 1, 2048. The bonds are secured by a lien on the land on which the schools sit and all assets thereon and a pledge of all capital funds and charter school operating funds appropriated each year to the District for operation of the schools and any additional revenues generated by the operation of the schools or leasing of the schools. The remaining principal and interest payments on the Company's debt as of June 30, 2022 total \$40,219,628. For the year ended June 30, 2022, principal and interest payments on the bond required 5% of pledged revenues. Principal and interest payments paid and pledged revenues for the year were \$1,064,720 and \$19,932,156 respectively.

In the event of default occurring and continuing, the trustee may declare the principal of all bonds to be due and payable immediately.

Future debt service requirements on the revenue bonds payable at June 30, 2022 are as follows:

Year ending June 30,	Principal	Interest	Amortization of Discounts	Total
2023	\$ 75,000	\$ 990,578	\$ (16,825)	\$ 1,048,753
2024	80,000	988,500	(16,825)	1,051,675
2025	80,000	982,500	(16,825)	1,045,675
2026	170,000	976,250	(16,825)	1,129,425
2027	220,000	966,500	(16,825)	1,169,675
2028-2032	1,300,000	4,650,050	(84,125)	5,865,925
2033-2037	1,655,000	4,281,125	(84,125)	5,852,000
2038-2042	2,965,000	3,790,625	(84,125)	6,671,500
2043-2047	7,620,000	2,410,750	(84,125)	9,946,625
2048-2049	5,680,000	337,750	(33,650)	5,984,100
Total	\$ 19,845,000	\$ 20,374,628	\$ (454,275)	\$ 39,765,353

On October 1, 2016, Bay County issued \$5,000,000 Educational Facilities Revenue Bonds, series 2016 for Bay Haven Charter Academy, Inc. The bonds were issued in order to: (i) finance, acquire and construct new facilities for the relocation of the North Bay Haven Charter Elementary School to the North Bay Haven Elementary Relocation Site (the "North Bay Haven Elementary Relocation Project"), and (ii) fund a required deposit to the Reserve Account in the Bond Fund. The bonds bear interest at varying rates from 3.625% to 5% and the bonds are set to mature starting September 1, 2026 and the last bonds will mature September 1, 2046. The bonds are in parity with the Company's other bonds and are secured by a lien on the land on which the schools sit and all assets thereon and a pledge of all capital funds and charter school operating funds appropriated each year to the District for operation of the schools and any additional revenues generated by the operation of the schools or leasing of the schools. The remaining principal and interest payments on this debt as of June 30, 2022 total \$7,956,074. For the year ended June 30, 2022, principal and interest payments on the bond were 4% of pledged revenues. Principal and interest payments paid and pledged revenues for the year were \$308,697 and \$7,214,499, respectively.

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Long-term Debt and Liabilities – Direct Borrowings (Continued)

In the event of default occurring and continuing, the trustee may declare the principal of all bonds to be due and payable immediately.

Future debt service requirements on the revenue bonds at June 30, 2022 are as follows:

Year ending June 30,	Principal	Interest	Amortization of Premiums	Total
2023	\$ 95,000	\$ 210,253	\$ 1,569	\$ 306,822
2024	100,000	206,719	1,569	308,288
2025	105,000	203,003	1,569	309,572
2026	110,000	199,106	1,569	310,675
2027	110,000	195,119	1,569	306,688
2028-2032	625,000	895,624	7,845	1,528,469
2033-2037	805,000	729,375	7,845	1,542,220
2038-2042	1,015,000	514,594	7,845	1,537,439
2043-2047	1,605,000	232,281	6,299	1,843,580
Total	\$ 4,570,000	\$ 3,386,074	\$ 37,679	\$ 7,993,753

Leases

The School has entered into agreements to lease copiers and portable classrooms. The lease agreements have been recorded at the present value of the future lease payments as of the date of their inception or, for leases existing prior to the implementation of GASB 87, at the remaining terms of the agreement, using the facts and circumstances available at July 1, 2021.

Lease agreement details for the year ended June 30, 2022 are as follows:

	Net Book Value	Lease Liability
Portable classrooms lease was executed by the Company in April 2018. The lease began July 2020 with expected termination in June 2023, and requires 36 monthly payments of \$5,400. There are no variable components of the lease agreement. The lease liability was measured at the discount rate of 4.32%.	\$ 60,677	\$ 63,310

(Continued)

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Leases (Continued)

	Net Book Value	Lease Liability
Copier lease was executed by the Company in April 2018. The lease began May 2018 with expected termination in August 2023, and requires 63 monthly payments of \$398. There are no variable components of the lease agreement. The lease liability was measured at the discount rate of 4.32%.	\$ 4,622	\$ 5,046
Copier lease was executed by the Company in June 2018. The lease began August 2018 with expected termination in November 2023, and required 63 monthly payments of \$1,606. There are no variable components of the lease agreement. The lease liability was measured at the discount rate of 4.32%. During fiscal year 2022, this lease was cancelled prematurely and replaced with the following new lease.		
Copier lease agreement was executed by the Company in August 2021. The lease term began in March 2022 with expected termination in June 2027, and requires 63 monthly payments of \$2,266. There are no variable components of the lease agreement. The lease liability was measured at the discount rate of 4.50%.	118,896	119,753
Total	\$ 184,195	\$ 188,109

The future minimum lease obligations and the minimum lease payments on the lease as of June 30, 2022, were as follows:

Year ending June 30,	Principal	Interest	Total
2023	\$ 90,225	\$ 6,546	\$ 96,771
2024	23,683	3,910	27,593
2025	24,355	2,838	27,193
2026	25,473	1,721	27,194
2027	24,373	551	24,924
Total	\$ 188,109	\$ 15,566	\$ 203,675

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Short-term Debt

At June 30, 2022, Bay Haven Charter Academy, Inc. has two lines of credit for a total of \$750,000. Both lines have variable interest rates. The first line of credit which matured in August 2022, has an interest rate of 0.25% under the lender's prime rate, which was 6% at June 30, 2022, and is secured by a second lien on assignments and pledged revenues. The second line of credit, which matures in May 2023 has an interest rate 1% above the lender's prime rate, which was 6.25% at June 30, 2022, and is secured by a money market account with a balance of \$351,319. During the year, there were no proceeds or repayments on the lines of credit and the balance outstanding at June 30, 2022 was \$0.

Accrued Compensated Absences

The Company's policy is to grant paid absences for vacation and sick leave. Employees are encouraged to use vacation time in the benefit period in which it is earned. There are two categories of employees, twelve-month employees and ten-month employees.

- Twelve-month employees: All exempt twelve-month employees are able to carryover and accrue up to a maximum of 40 hours of current year vacation time each year. If the employee has been employed by the Company at least five years they may sell back their unused vacation time over the maximum allowed rollover hours for that particular benefit period. No employee is permitted to carry over more than 240 accrued hours of vacation to the next benefit period. After five years of service, upon termination of employment, these employees are eligible to receive pay for accrued unused vacation time.
- Ten-month employees: All ten-month employees are able to carryover and accrue up to a maximum of 16 hours of current year personal leave time. All unused personal leave in excess of 16 hours for that benefit period will be paid out at the employee's rate of pay at the end of the contract. No ten-month employee is permitted to carry over more than 22 accrued personal leave days to the next benefit period.

As of June 30, 2022, the Company had \$380,236 in accrued compensated absences, of which \$255,734 was estimated to be current and \$124,502 was long-term.

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2022, was as follows for governmental activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Financed purchase liability	\$ 451,593	\$ -	\$ (100,611)	\$ 350,982	\$ 106,817
Revenue bonds - direct borrowings	33,658,150	-	(254,746)	33,403,404	610,000

(Continued)

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Changes in Long-term Liabilities (Continued)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lease liability	\$ 174,700	\$ 126,955	\$ (113,546)	\$ 188,109	\$ 90,225
Accrued compensated absences	338,703	41,533	-	380,236	255,734
Net pension liability	14,610,935	-	(7,860,783)	6,750,152	-
Total governmental activity long-term liabilities	\$ 49,234,081	\$ 168,488	\$ (8,329,686)	\$ 41,072,883	\$ 1,062,776

Fund Balance and Net Position Restrictions

The statement of net position and governmental fund balance sheet report a restricted net position and fund balance of \$3,186,863 and \$5,309,626, respectively. Of these amounts \$1,574,699 is restricted by enabling legislation. The following is a description of reported restrictions at June 30, 2022.

Restricted debt service – This restriction was established in conjunction with the issuance of debt and funded by initial deposits from the proceeds of such debt and by transfers from operating funds into sinking funds. The amount restricted for debt service for fund balance and net position are \$2,631,691 and \$508,928, respectively. The difference is \$1,603,656 of the restricted fund balance related to net investment in capital assets and \$519,107 of accrued interest on the statement of net position.

Restricted insurance proceeds – This restriction was established based on debt agreements which require all insurance proceeds in excess of \$50,000 for encumbered property be paid directly to the Trustee and then paid out similar to the original project proceeds through requisitions. The amount restricted for insurance proceeds for fund balance restricted and net position are \$842,653.

Restricted food service – This restriction was established based on 7 CFR Section 210.14 which requires that revenues received by food service be used only for the operation or improvement of the food service program. The amount restricted for food service is \$1,574,699.

Restricted school activities – This restriction was established based on third party restrictions associated with funds received by various school activity groups that can only be used by the group who raised the funds. The amount restricted for school activities is \$260,583.

Fund Balance Assignments and Nonspendable Balances

The governmental fund balance sheet reports a nonspendable balance of \$226,990. This is made up of \$216,537 in prepaids and \$10,453 in inventory.

The governmental fund balance sheet reports an assigned balance of \$440,271. This is made up of \$60,153 in assigned purchased orders and \$380,118 in funds assigned to school activities.

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Net Investment in Capital Assets

The elements of net investment in capital assets as of June 30, 2022 were; capital assets (net of accumulated depreciation and amortization) of \$43,597,452, less long-term liabilities for revenue bonds and financed purchase liabilities of \$33,754,386 and lease liability of \$188,109, plus reserve cash financed by debt of \$1,603,656, and deferred loss from bond refunding of \$99,044.

Note 4: DEFINED BENEFIT PENSION PLANS

General Information

The Florida Retirement System (FRS) was created pursuant to Chapter 121, Florida Statutes, in order to provide a defined benefit pension plan for participating public employees. FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan (the FRS Investment Plan) alternative to the defined benefit plan for FRS members. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of state-administered retirement systems in paying health insurance costs.

Essentially all regular employees of the Company are eligible to enroll as members of the state-administered FRS. Provisions relating to FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing multiple-employer defined benefit plans and other nonintegrated programs. An annual comprehensive financial report of FRS, which includes its financial statements, required supplementary information, actuarial reports, and other relevant information, is available from the Florida Department of Management Services website (www.dms.myflorida.com).

Florida Retirement System Pension Plan

Plan Description

The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a DROP for eligible employees. The general classes of membership are as follows:

- Regular – Members of FRS who do not qualify for membership in the other classes
- Drop – Members of FRS who have effectively retired and continue covered employment for up to five years
- Reemployed – Members of FRS who are employed after previous retirement under FRS

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 4: DEFINED BENEFIT PENSION PLANS (Continued)

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the Plan may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

The DROP program, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided

Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following table shows the percentage value for each year of service credit earned:

<u>Class, initial enrollment, and retirement age/years of service</u>	<u>Percent Value</u>
Regular members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 4: DEFINED BENEFIT PENSION PLANS (Continued)

As provided in Section 121.101, Florida Statutes, if the member was initially enrolled in FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member was initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Health Insurance Subsidy Program

Plan Description

The Health Insurance Subsidy (HIS) Program is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended June 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Federal Medicare.

Contributions

The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2021-2022 fiscal year were as follows:

	Percentage of Gross Salary	
	Employee	Employer (1)
Regular class	3.00%	10.82%
DROP plan participants	0.00%	18.34%
FRS, reemployed retiree	note (2)	note (2)

Notes:

- 1) Employer rates include 1.66 percent for HIS. Employer rates, other than for DROP participants, include 0.06 percent for administrative/educational fees.
- 2) Contribution rates are dependent upon retirement class in which reemployed.

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 4: DEFINED BENEFIT PENSION PLANS (Continued)

HIS is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2022, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. HIS contributions are deposited in a separate trust fund from which payments are authorized. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The Company's contributions for the year ended June 30, 2022, were \$1,195,891 to FRS and \$244,867 to HIS.

Pension Liabilities and Pension Expense

The Company reports a liability for its proportionate share of net pension liabilities. Net pension liabilities were measured as of June 30, 2021, and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation dated July 1, 2021 for FRS and an actuarial valuation date July 1, 2020 for HIS. The Company's proportions of the net pension liability was based on the Company's actuarially determined share of contributions to the pension plans, relative to the contributions of all participating entities.

Year ended June 30, 2022	FRS	HIS
Net pension liability	\$ 2,007,218	\$ 4,742,934
Proportion at:		
Current measurement date	0.026572078%	0.038665741%
Prior measurement date	0.023123000%	0.037585152%
Pension expense (benefit)	\$ (267,984)	\$ 421,079

Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2022, the Company reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Effect of economic/demographic gains or losses (difference between expected and actual experience)	\$ 344,040	\$ -
Effect of assumptions changes or inputs	1,373,438	-

(Continued)

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 4: DEFINED BENEFIT PENSION PLANS (Continued)

	FRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	\$ -	\$ 7,002,681
Changes in proportion and differences between contributions and proportionate share of contributions	1,101,146	107,613
Contributions subsequent to the measurement date	1,195,891	-
Total	\$ 4,014,515	\$ 7,110,294

	HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Effect of economic/demographic gains or losses (difference between expected and actual experience)	\$ 158,711	\$ 1,987
Effect of assumptions changes or inputs	372,688	195,421
Net difference between projected and actual investment earnings	4,944	-
Changes in proportion and differences between contributions and proportionate share of contributions	357,805	125,672
Contributions subsequent to the measurement date	244,867	-
Total	\$ 1,139,015	\$ 323,080

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year-end will be recognized as a reduction of the net pension liability in the reporting period ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension expense will be recognized as follows:

Measurement period ending June 30,	FRS Expense	HIS Expense
2022	\$ (711,542)	\$ 171,529
2023	(868,252)	71,282
2024	(1,228,417)	97,338
2025	(1,627,263)	111,729
2026	143,804	95,995
Thereafter	-	23,195
Total	\$ (4,291,670)	\$ 571,068

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 4: DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2021. The total pension liability for FRS was determined by an actuarial valuation dated July 1, 2021. The total pension liability for HIS was determined by an actuarial valuation dated July 1, 2020. The total pension liability for each of the plans was determined using the individual entry-age normal actuarial cost method and the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary increases	3.25%	3.25%
Investment rate of return	6.80%	N/A
Discount rate	6.80%	2.16%

Mortality assumptions for both plans were based on the PUB-2010 based table projected generationally with Scale MP-2018. The actuarial assumptions used in the FRS valuation dated July 1, 2021 were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018. No experience study has been completed for the HIS valuation, as it is on a pay-as-you-go basis, but the actuarial assumptions used for the valuation were based on certain results from the most recent experience study for FRS.

The following changes in key actuarial assumptions occurred in 2021:

- FRS: Decreasing the maximum amortization period to 20 years for all current and future amortization bases.
- HIS: The municipal bond index rate and the discount rate used to determine the total pension liability decreased from 2.21% to 2.16%.

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. For FRS, the table below summarizes the target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class.

	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.1%	2.1%	1.1%
Fixed income	20.0%	3.8%	3.7%	3.3%
Global equity	54.2%	8.2%	6.7%	17.8%
Real estate (property)	10.3%	7.1%	6.2%	13.8%
Private equity	10.8%	11.7%	8.5%	26.4%
Strategic investments	3.7%	5.7%	5.4%	8.4%
	<u>100%</u>			

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 4: DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate

The discount rate used to measure the total pension liability for FRS was 6.8%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because HIS is essentially funded on a pay-as-you-go basis, a municipal bond rate of 2.16% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the Company's proportionate share of the net pension liability if the discount rate was 1% higher or 1% lower than the current discount rate.

FRS Net Pension Liability			HIS Net Pension Liability		
Current			Current		
1 % Decrease	Discount Rate	1 % Increase	1 % Decrease	Discount Rate	1 % Increase
5.80%	6.80%	7.80%	1.16%	2.16%	3.16%
\$ 7,510,131	\$ 2,007,218	\$ (3,194,543)	\$ 5,158,913	\$ 4,742,934	\$ 3,891,679

Pension Plans' Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the State's separately issued financial reports.

Payables to the Pension Plan

As of June 30, 2022, the Company reported no payable to either pension plan.

Note 5: DEFINED CONTRIBUTION PLAN

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida's Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 5: DEFINED CONTRIBUTION PLAN (Continued)

part on the performance of investment funds. Retirement benefits are based upon the value of the member’s account upon retirement. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates, based on salary and membership class, as the FRS defined benefit plan. Contributions are directed to individual member accounts and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. Allocations to the Investment Plan member accounts during the 2021-2022 fiscal year were as follows:

	Percentage of Gross Salary	
	Employee	Employer
FRS, Regular	3.00%	3.30%

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings, regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5 year period, the employee will regain control over their account. If the employee does not return within the 5 year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2022, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Company.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided in which the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

The Company’s Investment Plan pension expense totaled \$141,481 for the fiscal year ended June 30, 2022.

Note 6: CAPITAL APPROPRIATIONS FUNDING

The Florida Department of Education has approved a Charter School Capital Outlay (CSCO) award for the schools. In each year that funds are appropriated by the State for charter school capital outlay purposes, those funds are allocated among eligible charter schools. The funds for the schools’ allocation are transferred to the schools once a CSCO Plan has been provided to and approved by the sponsoring

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 6: CAPITAL APPROPRIATIONS FUNDING (Continued)

district. For the year ended June 30, 2022, the schools' CSCO award totaled \$1,759,013. CSCO funds of \$1,759,013 have been recognized in the accompanying statement of revenues, expenditures and changes in fund balance that relate to various capital expenditures, repairs and maintenance. If the CSCO funds are used to acquire tangible property assets, Bay County District School Board has a reversionary interest in those assets. In the event of nonrenewal, termination, or breach of the charter school agreements, ownership of the assets would revert to the District.

Note 7: RISK MANAGEMENT

The Company is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. There have been no claims in excess of insurance coverage limits during the past three years.

The Company purchases separate commercial insurance coverage for workers' compensation, liability, and property damage. Coverage for workers' compensation and automobile claims are limited to the maximum liability exposure the Company faces under Florida statutes. Coverage for general liability claims is a maximum of \$1,000,000 and coverage for umbrella liability claims is a maximum of \$9,000,000.

The commercial insurance carried is a claims incurred policy for which the Company is covered for claims originating against the Company during the policy period. The amount of coverage is dependent on the date of the liability-imposing event. The Company has maintained continuous coverage and does not believe it has any exposure to events which occurred prior to the year ended June 30, 2022.

Note 8: COMMITMENTS AND CONTINGENCIES

During the ordinary course of its operation, the Company is party to various claims, legal actions, and complaints. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the Company, the liabilities which may arise from such actions would not result in losses which would exceed the liability insurance limits in effect at the time the claim arose or otherwise materially affect the financial condition of the Company or results of activities.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund(s). The amount, if any, of expenditures from current or prior years which may be disallowed by the grantor cannot be determined at this time although the Company expects such amounts not recorded, if any, to be immaterial.

Bay Haven Charter Academy, Inc.
Notes to Financial Statements

Note 8: COMMITMENTS AND CONTINGENCIES (Continued)

The Company has active construction projects as of June 30, 2022. At year-end, the Company's commitments with contractors are as follows:

	Total Contract Commitments	Remaining Commitments as of June 30, 2022
PE Pavillion	\$ 171,125	\$ 43,661
Marine science and administration building	275,000	72,881
Total	\$ 446,125	\$ 116,542

Note 9: EXTRAORDINARY ITEM

The Company reported an extraordinary item in the current year of \$3,381,724 for a judgment against the Company related to unpaid invoices from a third party related to damages from Hurricane Michael. These invoices were in dispute and, therefore unpaid, due to claims of overbilling and billing errors identified by the School and their insurance carrier. A judgment was finalized during the current year that required the Company to pay the third party. The Company is currently in litigation against the insurance carrier in an attempt to obtain reimbursement for the invoice paid through the judgment.

REQUIRED SUPPLEMENTARY INFORMATION

Bay Haven Charter Academy, Inc.
Schedule of the Company's Proportionate Share of the Net Pension Liability –
Florida Retirement System
Last 10 Fiscal Years

June 30,	2021	2020	2019	2018	2017	2016	2015	2014	2013 *	2012 *
Company's proportion of the net pension liability	0.0265721%	0.0231230%	0.0222316%	0.0229118%	0.0226247%	0.0223144%	0.0225878%	0.0194227%	N/A	N/A
Company's proportionate share of the net pension liability	\$ 2,007,218	\$ 10,021,849	\$ 7,656,241	\$ 6,901,168	\$ 6,694,540	\$ 5,634,403	\$ 2,917,514	\$ 1,185,073	N/A	N/A
Company's covered payroll	\$ 13,694,614	\$ 13,053,885	\$ 12,170,995	\$ 12,100,420	\$ 11,657,264	\$ 11,262,064	\$ 10,313,124	\$ 8,834,316	N/A	N/A
Company's proportionate share of the net pension liability as a percentage of its covered payroll	14.66%	76.77%	62.91%	57.03%	57.43%	50.03%	28.29%	13.41%	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%	N/A	N/A

* Information for 2012 and 2013 is N/A because comparable information is not available at this time.

See independent auditors' report.

Bay Haven Charter Academy, Inc.
Schedule of the Company's Contributions –
Florida Retirement System
Last 10 Fiscal Years

Year ended June 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013 *
Contractually required contribution	\$ 1,195,891	\$ 1,012,281	\$ 768,275	\$ 689,339	\$ 652,969	\$ 588,977	\$ 544,172	\$ 550,709	\$ 425,440	N/A
Contributions in relation to the contractually required contribution	(1,195,891)	(1,012,281)	(768,275)	(689,339)	(652,969)	(588,977)	(544,172)	(550,709)	(425,440)	N/A
Contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Company's covered payroll	\$14,748,371	\$13,694,614	\$13,053,885	\$12,170,995	\$12,100,420	\$11,657,264	\$11,262,064	\$10,313,124	\$ 8,834,316	
Contributions as a percentage of covered payroll	8.11%	7.39%	5.89%	5.66%	5.40%	5.05%	4.83%	5.34%	4.82%	N/A

* Information for 2013 is N/A because comparable information is not available at this time.

See independent auditors' report.

Bay Haven Charter Academy, Inc.
Schedule of the Company's Proportionate Share of the Net Pension Liability –
Health Insurance Subsidy Program
Last 10 Fiscal Years

June 30,	2021	2020	2019	2018	2017	2016	2015	2014	2013 *	2012 *
Company's proportion of the net pension liability	0.0386657%	0.0375852%	0.0353784%	0.0359236%	0.0353957%	0.0364814%	0.0339923%	0.0297337%	N/A	N/A
Company's proportionate share of the net pension liability	\$ 4,742,934	\$ 4,589,086	\$ 4,070,376	\$ 3,908,041	\$ 3,891,707	\$ 4,251,758	\$ 3,466,683	\$ 2,780,181	N/A	N/A
Company's covered payroll	\$ 13,694,614	\$ 13,053,885	\$ 12,170,995	\$ 12,100,420	\$ 11,657,264	\$ 11,262,064	\$ 10,313,124	\$ 8,834,316	N/A	N/A
Company's proportionate share of the net pension liability as a percentage of its covered payroll	34.63%	35.15%	33.44%	32.30%	33.38%	37.75%	33.61%	31.47%	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%	N/A	N/A

* Information for 2012 and 2013 is N/A because comparable information is not available at this time.

See independent auditors' report.

**Bay Haven Charter Academy, Inc.
Schedule of the Company's Contributions –
Health Insurance Subsidy Program
Last 10 Fiscal Years**

Year ended June 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013 *
Contractually required contribution	\$ 244,867	\$ 227,278	\$ 216,586	\$ 202,006	\$ 200,237	\$ 192,622	\$ 186,990	\$ 129,940	\$ 101,858	N/A
Contributions in relation to the contractually required contribution	(244,867)	(227,278)	(216,586)	(202,006)	(200,237)	(192,622)	(186,990)	(129,940)	(101,858)	N/A
Contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Company's covered payroll	\$14,748,371	\$13,694,614	\$13,053,885	\$12,170,995	\$12,100,420	\$11,657,264	\$11,262,064	\$10,313,124	\$ 8,834,316	
Contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.66%	1.65%	1.65%	1.66%	1.26%	1.15%	N/A

* Information for 2013 is N/A because comparable information is not available at this time.

See independent auditors' report.

**REPORTS ON INTERNAL CONTROL
AND COMPLIANCE MATTERS**



Carr, Riggs & Ingram, LLC
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INDEPENDENT AUDITORS' 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
Bay Haven Charter Academy, Inc.
Panama City, 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, the aggregate discretely presented component unit, and each major fund of Bay Haven Charter Academy, Inc. (Company), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Company's basic financial statements, and have issued our report thereon dated November 15, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Company's internal control over financial reporting (internal control) as a basis for designing 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 Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A material weakness is a deficiency, or 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. 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.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Company's financial statements are free from 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Company'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 Company's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Rigg & Ingram, L.L.C.

Certified Public Accountants
Panama City Beach, Florida
November 15, 2022



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Bay Haven Charter Academy, Inc.
Panama City, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Bay Haven Charter Academy Inc.'s (Company) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Company's major federal programs for the year ended June 30, 2022. The Company's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Company complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Company's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Company's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Company's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Company's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Company's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Company's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-101 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the Company's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Company's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

Certified Public Accountants
Panama City Beach, Florida
November 15, 2022

Bay Haven Charter Academy, Inc.
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Federal Awards Programs	Assistance Listing Number	Contract/ Grant Number	Passed through to Subrecipients	Expenditures
United States Department of Agriculture				
Indirect				
Child Nutrition Cluster				
Passed through State of Florida				
Department of Agriculture and Consumer Services				
School Breakfast Program	10.553	N/A	\$ -	\$ 178,541
National School Lunch Program	10.555	N/A	-	1,014,452
Covid-19 School Programs				
Emergency Operational Costs Reimbursement Program (NSLP)	10.555	N/A	-	131,795
Total Child Nutrition Cluster				1,324,788
Total United States Department of Agriculture				1,324,788
United States Department of Health and Human Services				
Indirect				
Child Care and Development Fund Cluster				
Passed through Early Learning Coalition of Northwest Florida Child Care and Development Block Grant				
	93.575	N/A	-	66,955
Total Child Care and Development Fund Cluster				66,955
Total United States Department of Health and Human Services				66,955
Total expenditures of federal awards			\$ -	\$ 1,391,743

See notes to schedule of expenditures of federal awards.

Bay Haven Charter Academy, Inc.
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

1. **Basis of presentation** - The accompanying schedule of expenditures of federal awards (schedule) includes the federal awards activity of Bay Haven Charter Academy, Inc. (Company) under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Company, it is not intended to, and does not, present the financial position, changes in financial position, or cash flows of the Company.
2. **Summary of significant accounting policies** - Expenditures are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
3. **Indirect cost rate** - The Company has not elected to use the 10 percent de minimis cost rate allowed under the Uniform Guidance.
4. **Noncash assistance** – The Company has no other types of noncash federal assistance to be reported that includes, donated food, endowments, insurance, noncash assistance, personal protective equipment, other donated property, or free rent.
5. **Loan/loan guarantee outstanding balances** – The Company has no loans to be reported related to federal assistance.
6. **Included in the National School Lunch Program** is \$131,795 of funding for Emergency Operational Cost Reimbursements for March - May 2020 applied against 2021 food service expenses.

Bay Haven Charter Academy, Inc.
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

- | | |
|---|---------------|
| 1. Type of Auditors’ report issued | Unmodified |
| 2. Internal control financial reporting | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies noted not considered to be material weaknesses? | None reported |
| c. Noncompliance material to the financial statements noted? | No |

Federal Awards

- | | | | | | |
|--|----------------------------------|------------------------------|-------------------|-------------------------|--|
| 1. Type of auditors’ report issued on compliance for major programs | Unmodified | | | | |
| 2. Internal control over major programs | | | | | |
| a. Material weaknesses identified? | No | | | | |
| b. Significant deficiencies noted not considered to be material weaknesses? | Yes | | | | |
| 3. Any audit findings disclosed that are required to be reporting in accordance with 2CFR section 200.516(a)? | Yes | | | | |
| 4. Identification of major programs | | | | | |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><u>Assistance Listing Number</u></td> <td style="width: 50%; text-align: center;"><u>Major Federal Program</u></td> </tr> <tr> <td style="text-align: center;">10.553 and 10.555</td> <td style="text-align: center;">Child Nutrition Cluster</td> </tr> </table> | <u>Assistance Listing Number</u> | <u>Major Federal Program</u> | 10.553 and 10.555 | Child Nutrition Cluster | |
| <u>Assistance Listing Number</u> | <u>Major Federal Program</u> | | | | |
| 10.553 and 10.555 | Child Nutrition Cluster | | | | |
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$ 750,000 | | | | |
| 6. Auditee qualified as low-risk auditee under 2 CFR 200.520? | Yes | | | | |

(Continued)

Bay Haven Charter Academy, Inc.
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2022

SECTION II – FINANCIAL STATEMENT FINDINGS

There were no financial statement findings.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

2022-101 Lack of Appropriate Internal Controls Related to Procurement Requirements

Assistance Listing Number: 10.555

Name of Federal Agency: United States Department of Agriculture

Program Title: National School Lunch Program

Compliance Requirement: Procurement

Pass-through Entity: State of Florida Department of Agriculture and Consumer Services

Federal Grant/Contract Number and Grant Year: N/A (2022)

Finding Type: Significant Deficiency in Internal Control

Known Questioned Costs: \$0

Condition: The Company did not obtain the necessary number of quotes for purchases over the small purchase threshold as required. The Company also does not have a process in place to verify vendors are not suspended or debarred when they are determined to be “covered transactions.”

Criteria: 2 CFR section 200.303 requires that nonfederal entities receiving federal awards establish and maintain internal control over the federal awards that provides reasonable assurance that the nonfederal entity is managing the federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards. Also, 2 CFR section 200.320(a)(2) requires that if the small purchases procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources as determined appropriate by the nonfederal entity. Finally, 2 CFR 180 Subpart C requires that the nonfederal entity determine if a vendor is excluded or disqualified (i.e. suspended or debarred) before entering into a covered transaction.

Cause: Staff responsible for obtaining the quotes were told to do so by management but quotes were not obtained and management did not realize this until requested for the audit. The Company staff were not aware of the requirements associated with suspension and debarment affecting purchases over \$25,000.

Effect: The Company may not comply with procurement compliance requirements and may purchase something from a suspended or debarred vendor. This could lead to questioned costs for the grant.

Recommendation: We recommend that the Company implement appropriate review procedures to verify staff obtain quotes prior to approval of the purchase. CRI also recommends implementing procedures to verify and document vendors are not suspended or debarred prior to purchase when transactions are considered “covered transactions.”

Views of Responsible Officials and Planned Corrective Actions: The Company will implement additional procedures to make sure suspension and debarment requirements are considered as well as additional oversight procedures to verify quotes are being obtained when required. The Company has

Bay Haven Charter Academy, Inc.
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2022

reprimanded the staff who was told to obtain the quotes and procurement procedures were taken away from the staff in the future.

SECTION IV – SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

There were no prior audit findings related to federal awards to be reported.



BAY HAVEN CHARTER ACADEMY, INC.
2501 Hawks Landing Blvd.
Panama City, FL 32405
850-248-3500



Bay Haven Charter Academy, Inc.

Management's Corrective Action Plan

For Fiscal Year Ended June 30, 2022

Finding Number: 2022-01

Planned Correction Action: Management will implement additional procedures to make sure suspension and debarment requirements are considered as well as additional oversight procedures to verify quotes are being obtained when required. Management reprimanded the staff who was told to obtain quotes and procurement procedures were taken away from the staff in the future.

Anticipated Completion Date: 11/16/2022

Responsible Contact Person(s): Kelly Phelan, Larry Bolinger, Laura Adams

AMENDED AND RESTATED BYLAWS OF
BAY HAVEN CHARTER ACADEMY, INC.
(A Not-For-Profit Florida Corporation)

11/10/16
ARTICLE I
NAME

Section 1.1. Name. The name of the Corporation shall be Bay Haven Charter Academy, Inc. ("Corporation").

ARTICLE II
ORGANIZATION

Section 2.1. Statement of Purposes. The purposes of this Corporation, as expressed in its Articles of Incorporation, shall be for the purpose of transacting any or all lawful business for which corporations may be incorporated under the Florida Not for Profit Corporation Act and to operate within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986.

Section 2.2. Dissolution. In the event of the dissolution of the Corporation, the Board of Directors ("Board") shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the remaining assets of the Corporation, exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes, as shall at the time qualify as an exempt organization or organizations under Section 501 (c) (3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law), as the Board shall determine. Any of such assets not so disposed of shall be disposed of by the court having proper jurisdiction in the county where the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE III
MEMBERSHIP

Section 3.1. Members. This Corporation is a not-for-profit, non-stock corporation, and shall have a membership consisting of the Board of Directors of this Corporation serving from time to time.

ARTICLE IV
BOARD OF DIRECTORS

Section 4.1. Management. All powers of the Corporation shall be exercised by and under the authority of the Board, and the property, business and affairs of the Corporation shall be managed under the Board's direction. The Corporation shall hold public meetings in the school district where each charter school is located. The meetings must be noticed, open, and accessible to the public, and attendees must be provided an opportunity to receive information and provide input regarding each charter school's operations. The appointed representative for each charter school and Chief Education Officer ("CEO") (or each principal or director if no CEO exists), or his or her designee, must be physically present at each meeting.

Section 4.2. Number of Directors. The number of Directors shall be nine (9). The term of each director shall be two years. The number of terms overall that a person may serve as a director is not limited. A director appointed to fill a vacancy shall be appointed for the unexpired term of such director's predecessor in office. Notwithstanding anything contained in this Section 4.2 to the contrary, however, each director shall continue to serve until his or her successor has been duly elected and seated.

Section 4.3. Nomination of Directors. Prior to a regular meeting at which one or more directors shall be elected, a nominating committee consisting of all Board members whose seats are not up for election at the upcoming election will compile and submit to the Board a slate of candidates for each directorship to be filled at the upcoming meeting. These submissions shall be deemed to be nominations of each person named. The seat to be nominated by the faculty will be done so in the following manner: Each grade group (K-2, 3-5, 6-8, 9-12 and Special Area) may submit a candidate. Absent authorization by the Board, there shall be 2 nominees submitted for each seat to be elected. No nominee may be a/an (1) current employee of the Corporation or (2) spouse, parent, child, sibling, uncle, aunt, first cousin, nephew, niece, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister of a current employee of the Corporation. Each non-incumbent nominee must submit biographical information and a letter stating why he or she wishes to serve on the Board.

Section 4.4. Election of Directors. Directors shall be elected by the Board at any annual meeting when there is an expiring term from a slate of nominees.

Section 4.5. Vacancies. Vacancies occurring in an elected Directorship, however caused, shall be filled as soon as practicable by appointment by a majority vote of the remaining members of the Board, even if the remaining Directors would not otherwise constitute a quorum. Except for a Director elected due to the natural expiration of his or her predecessor's term, a Director so appointed to fill a vacancy shall hold office of the remainder of his or her predecessor's term.

Section 4.6. Resignation or Removal of Directors. A Director of the Corporation may resign at any time by tendering his or her resignation in writing to the Corporation, which resignation shall become effective upon the date specified therein, or if no date is specified, upon receipt by the Corporation at its principal place of business. Any Director may be removed at any time, with or without cause, by a two-thirds vote of the other Directors.

Section 4.7. Compensation of Directors. Directors will not receive compensation for services rendered in their capacities as Directors. However, nothing herein contained shall be construed to preclude any Director from receiving compensation from the Corporation for other services actually rendered or for expenses incurred for serving the Corporation as a Director or in any other capacity.

Section 4.8. Annual Meetings of the Board. The annual meeting of the Board shall be held without other notice than this Bylaw at the regular May meeting of each year, unless the President or the Board by resolution, provide for a different time and place for the holding of such annual meetings. The annual meeting may be held at such other time and place, without other notice than such resolution.

Section 4.9. Special Meetings. Special meetings of the Board may be called at any time by the President of the Corporation. Further, special meetings of the Board must be called by the President within fourteen (14) days of receipt of a written request of any two (2) or more Directors. Written notice of special meetings shall be given to each Director not less than twenty-four hours prior to such meeting. The notice shall set forth the time, place and purpose of the meeting. The

business to be transacted at any special meeting shall be limited to those items set forth in the notice or waiver thereof.

Section 4.10. Regular Meetings. The Board shall meet at least four (4) times each year, including the annual meeting, with each such meeting being approximately three (3) months from the date of the previous regular or annual meeting. The Secretary shall give notice via email, fax, or U.S. mail of all regular and annual meetings to each Director at the address or number on file with the Secretary at least five (5) days prior to a meeting indicating the date, place, and time of the meeting.

Section 4.11. Quorum and Action of the Board. A majority of the Directors must be present in person or by communications media technology at a meeting to constitute a quorum for the transaction of business at such meeting. Members of the Board may attend in person or by means of communications media technology used in accordance with rules adopted by the Administration Commission under s. 120.54(5). Except as otherwise provided by law, the Articles of Incorporation, or these Bylaws, the affirmative vote of a majority of the Directors present at a meeting at which a quorum is present shall be necessary for an action of the Board. A majority of the Directors present, whether or not a quorum exists, may adjourn any meeting of the Board to another time and place. Notice of any such adjourned meeting shall be given to the Directors who were not present at the time of adjournment. Notwithstanding the foregoing, a two-thirds vote of the total number of Directors is necessary for the following actions:

1. Approval of charitable gifts, transfers, distributions, and grants by the Corporation to other entities;
2. Adoption of an amendment to the Articles of Incorporation or the Bylaws;
3. Organization of a subsidiary or affiliate by the Corporation; and
4. Approval of any merger, consolidation or sale or other transfer of all or a substantial part of the assets of the Corporation.

Section 4.12. Voting Shares of Stock. In the event the Corporation owns shares of stock in another corporation, such shares shall be voted by the President, or his or her designee, as authorized by a vote of the Board.

ARTICLE V
OFFICERS

Section 5.1. Number. The Corporation may have a President, Vice President, Secretary and Treasurer, each of whom shall be elected by the Board. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board. Any two (2) or more offices may be held by the same person except that the President and Vice-President offices may not be held by the same person. Officers need not be residents of the State of Florida. The failure to elect an officer shall not affect the existence of the Corporation.

Section 5.2. Election and Term of Office. All officers of the Corporation shall be elected by a majority vote of the Board at the annual meeting of the Board. A duly elected officer shall hold office for a term of one (1) year, commencing at the close of the annual meeting, and until their earlier death, resignation or removal.

Section 5.3. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise (including removal in the event an officer is not reelected during his term in office) shall be filled by an appointment by the Board for the remaining unexpired term of such office.

Section 5.4. Resignation or Removal of officers. An officer of the Corporation may resign at any time by tendering his or her resignation in writing to the President or the Secretary. Resignations shall become effective upon the date specified therein or, if no date is specified, upon receipt by the Corporation. An officer of the Corporation may be removed at any time, with or without cause, at any meeting of the Board by a two-thirds vote of the.

Section 5.5. President. The President shall be the chief executive officer of the Corporation and, subject to the control of the Board, shall in general supervise and control all of the business and affairs of the Corporation. He or she shall preside at all meeting of the Board and act as a duly authorized representative of the Board and the Corporation in all matters in which the Board has not formally designated some other person to act. The President shall report as directed to the Board at each meeting. He or she may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board, deeds, mortgages, bonds, contracts or other instruments which

the Board has authority to execute, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and in general, shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time.

Section 5.6. Vice-President. The Vice-President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Section 5.7. Secretary. The Secretary shall keep or cause to be kept all of the records of the Corporation, record or cause to be recorded the minutes of the meetings of the Board, send out or cause to be sent out all notices of meetings of the Board and all Committees, attest to the seal of the Corporation where necessary or required, and keep or cause to be kept a register of the names and addresses of each Director. The Secretary shall perform such other duties as may be prescribed by the Board. If Secretary and Treasurer are not held by the same person, then in the absence or inability to serve of the Treasurer, the Secretary shall perform the duties of Treasurer.

Section 5.8. Treasurer. The Treasurer shall insure or cause to be insured that a true and accurate accounting of the financial transactions of the Corporation is made and that such accounting is presented to and made available to the Board. The Treasurer shall perform such other duties as may be prescribed by the Board. If Secretary and Treasurer are not held by the same person, then in the absence or inability to serve of the Secretary, the Treasurer shall perform the duties of Secretary.

Section 5.9. Other Officers. Other officers elected by the Board shall have such duties and responsibilities as the Board deems advisable.

Section 5.10. Election of Officers. Each officer shall be elected at the annual meeting of the Board. The offices of Secretary and Treasurer may be held by the same person.

Section 5.11. Salaries. Officers shall not receive compensation for services rendered as officers of the Corporation. However, nothing herein contained shall be construed to preclude any officer from receiving compensation

from the Corporation for other services actually rendered or for expenses incurred for serving the Corporation as an officer or in any other capacity.

ARTICLE VI
COMMITTEES OF THE BOARD

Section 6.1. Committees of the Board. The Board may establish standing committees and special committees of the Board. Unless otherwise specified by the Board or these Bylaws, the members and the chairpersons of the committees will be appointed at the annual meeting of the Board or at any other times.

Section 6.2. Standing Committees. Standing committees shall be created as required by resolution of the Board. The purpose, duties, number of members and reporting requirements of each standing committee shall be specified in the resolution creating the committee.

Section 6.3. Special Committees. Special committees shall be created as required by resolution of the Board. The purpose, duties, number of members and reporting requirements of each special committee shall be specified in the resolution creating the committee

Section 6.4. Committee Members' Term of Office. Unless otherwise specified by resolution of the Board, members of each committee shall continue in office until the next annual meeting of the Board and until their successors are appointed, unless the committee of which they are members shall be sooner terminated by resolution of the Board or until their earlier death, resignation or removal as committee members.

Section 6.5. Committee Meetings. Meetings of any committee may be called by the chairman of such committee or upon the written request of one-third (1/3) of the committee members. The call for any meeting shall be by giving notice of such meeting which sets forth its time and place and is delivered to the residence or place of business of the committee members as listed in the Secretary's office at least two (2) days prior to such meeting. Unless otherwise provided in these Bylaws, a majority of the members of any committee shall constitute a quorum for the transaction of business. After a quorum has been established at a committee meeting, the subsequent withdrawal of committee members from the meeting so as to reduce the number of committee members present to fewer than the number required for

a quorum shall not affect the validity of any action taken at the meeting. Each committee shall keep minutes of its meetings and report to the Board as necessary with recommendations.

Section 6.6. Resignation or Removal of Committee Members.

A member of any committee may resign at any time by tendering his resignation in writing to the President. The Board, by a vote, may remove, with or without cause, any member from a committee and specifically, but not by way of limitation, may remove any member from a committee for failing to attend three (3) consecutive meetings of the committee.

ARTICLE VII

BAY HAVEN CHARTER ACADEMY FOUNDATION

Section 7.1. "Bay Haven Charter Academy Foundation, Inc." or the "Foundation" refers to a separate legal entity formed by or for the benefit of the Corporation for use in furthering the purposes and goals of the Corporation. The independent, restricted fund of Foundation, subject to the restrictions hereafter mentioned and any restrictions applicable to a particular contribution, shall serve as a repository for memorials, gifts and bequests.

Section 7.2. One of the members of the Board of the Corporation, usually one with the least tenure, shall be designated as a liaison between the Corporation and the Foundation, assigned to facilitate communication between the two entities. That Board member of the Corporation shall attend meetings of the Foundation Board of Directors and provide an avenue to deliver and receive information on the operations of each entity.

ARTICLE VIII

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 8.1. Indemnification. The Corporation shall indemnify to the fullest extent permitted by law each of its officers, Directors, whether or not then in office (and his executor, administrator and/or heirs) or any person who may have served at its request as a director or officer, of another corporation, partnership, joint venture, trust or other enterprise as well as the executor, administrator and heirs of any of them against all reasonable expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and necessarily incurred by him in connection with any threatened, pending or completed action,

suit, proceeding or arbitration, whether civil or criminal, administrative or investigative (including any appeal thereof), to which he is or is threatened to be made a party because he is or was a Director, officer, employee or agent of this Corporation, or such other corporation, partnership, joint venture, trust or other enterprise. He shall have no right to reimbursement, however, in relation to matters as to which he has been adjudged liable to the Corporation for gross negligence or willful misconduct in the performance of his duties to the Corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director, officer, employee or agent may be entitled.

Section 8.2. Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation or who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article VIII.

ARTICLE IX

CONTRACTS, CHECKS, DEPOSIT BOOKS AND RECORDS

Section 9.1. Contracts. The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 9.2. Loans. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by the Board, which authority may be general or confined to specific instances.

Section 9.3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board.

Section 9.4. Deposits. All funds of the Corporation not

otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select.

Section 9.5. Gifts. The Board may accept, on behalf of the Corporation, any contributions, gifts, bequests or devises.

Section 9.6. Books and Records. The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Board and committees of the Board. Any books, records and minutes may be in written form or in any other form capable of being converted into written form within a reasonable time.

Section 9.7. Financial Statements. Not later than two (2) months after the close of each fiscal year, the Corporation shall prepare a balance sheet showing in reasonable detail the financial condition of the Corporation as of the close of its fiscal year, a profit and loss statement showing the results of the operations of the Corporation during its fiscal year, and any other financial statements as may be required by a resolution of the Board. The balance sheets and profit and loss statements shall be filed in the principal office of the Corporation, shall be kept for at least five (5) years, and shall be subject to inspection during business hours by any Board member.

Section 9.8 Conflict of Interest. All Board members are bound by the conflicts of interest provisions as set forth in Section 112.313 of the Florida Statutes, as may be amended or superseded.

ARTICLE X

CERTIFICATES FOR MEMBERS AND THEIR TRANSFER

Section 10.1. Certificates for Members. The Board shall not issue Certificates of Membership.

ARTICLE XI

FISCAL YEAR

Section 11.1. Fiscal Year. The fiscal year of the Corporation shall end on June 30 of each year.

ARTICLE XII

CORPORATE SEAL

Section 12.1. Corporate Seal. The Board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Corporation and the state of incorporation and the words "Corporate Seal".

ARTICLE XIII
NOTICE

Section 13.1. General. Whenever, under the provisions of any statute, the Articles of Incorporation or these Bylaws, notice is required to be given to any Director or officer, it shall not be construed to require personal notice; rather, such notice may be given, unless otherwise required by these Bylaws, either personally, or by sending it by telefax or by email addressed to such Director or officer at his or her telefax number or email address as the same appears in the records of the Corporation. Except in the case of emergency, at least twenty-four (24) hours' notice is required for any meeting of the Board of Directors.

Section 13.2. Waiver. Whenever by law, the Articles of Incorporation or these Bylaws notice is required or permitted to be given to any Director or officer, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted and the purpose of any special meeting of the Board shall be specified in any written waiver of notice thereof.

ARTICLE XIV
AMENDMENTS

Section 14.1. By Directors. These Bylaws may be amended or repealed wholly or in part, consistent with any bylaws adopted by the Board, at any meeting at which a quorum is present by two-thirds of the entire Board.

ARTICLE XV
PARLIAMENTARY PROCEDURE

Section 15.1. Parliamentary Procedure. The rules contained in the current edition of *Robert's Rules of Order*

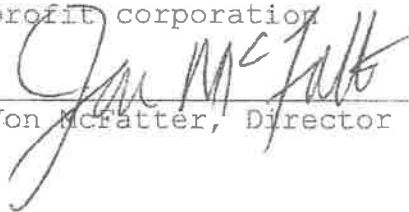
Newly Revised shall govern the Board of Directors in all cases to which they are applicable and in which they are not inconsistent with Florida Statutes, these Bylaws, and any special rules of order the Board may adopt.

IN WITNESS WHEREOF, the undersigned have executed this Amended and Restated Bylaws as of the date first written above.

Witnesses:

Bay Haven Charter Academy,
Inc., a Florida not-for-
profit corporation

Print Name: _____



Jon McFatter, Director

Print Name: _____

Print Name: _____



David Haight, Director

Print Name: _____

Print Name: _____



Jeremy Hatcher, Director

Print Name: _____

Print Name: _____



Sandy Porter, Director

Print Name: _____

Print Name: _____



Neel Bennett, Director

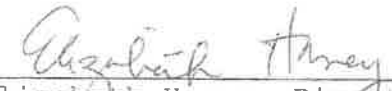
Print Name: _____

Print Name: _____


Scott Reeve, Director

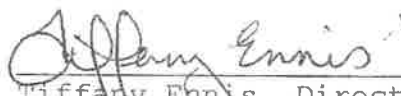
Print Name: _____

Print Name: _____


Elizabeth Haney, Director

Print Name: _____

Print Name: _____


Tiffany Ennis, Director

Print Name: _____

Print Name: _____


Waylon Thompson, Director

Print Name: _____

**AMENDMENT TO AMENDED AND RESTATED BYLAWS
OF
BAY HAVEN CHARTER ACADEMY, INC.**

THIS AMENDMENT TO AMENDED AND RESTATED BYLAWS ("Amendment") is made and entered into as of this 7th day of December, 2017, by BAY HAVEN CHARTER ACADEMY, INC., a Florida not-for-profit corporation ("Corporation").

WITNESSETH:

WHEREAS, the Bylaws of the Corporation ("Original Bylaws") were adopted by the Corporation as of April 26, 2001;

WHEREAS, the Original Bylaws of the Corporation were amended as of April 6, 2006;

WHEREAS, the Original Bylaws of the Corporation were further amended as of April 9, 2009;

WHEREAS, the Original Bylaws of the Corporation were further amended as of February 4, 2016;

WHEREAS, the Original Bylaws of the Corporation were amended by virtue of an Amended and Restated Bylaws of Bay Haven Charter Academy, Inc., dated as of November 10, 2016;

WHEREAS, the Amended and Restated Bylaws were amended as of April 6, 2017;

WHEREAS, the Original Bylaws and all previously adopted amendments thereto including but not limited to the foregoing amendment are sometimes collectively referred to as the "Bylaws"; and

WHEREAS, the Corporation desires to amend the Bylaws as set forth herein.

NOW, THEREFORE, the Corporation hereby amends the Bylaws as follows:

1. Section 4.3 of the Bylaws is hereby amended as follows:

Section 4.3. Nomination and Qualification of Directors. Prior to a regular meeting at which one or more Directors shall be elected, a nominating committee consisting of all Board

members whose seats are not up for election at the upcoming election will compile and submit to the Board a slate of candidates for each directorship to be filled at the upcoming meeting. These submissions shall be deemed to be nominations of each person named. The seat to be nominated by the faculty will be done so in the following manner: Each grade group (K-2, 3-5, 6-8, 9-12 and Special Area) may submit a candidate. Absent authorization by the Board, there shall be 2 nominees submitted for each seat to be elected. No nominee and no sitting Director may be ~~a/an~~ (1) current employee of the Corporation or (2) spouse of a current employee of the Corporation, ~~or (3) parent, child or sibling of a current employee of the Corporation who is not also a current student of the Corporation or who is not a specific ancillary services (Food Service, Pre-K, Aftercare, and Summer Care) employee below the level of director or manager.~~ Each non-incumbent nominee must submit biographical information and a letter stating why he or she wishes to serve on the Board.

2. Except as set forth in this instrument, the Bylaws shall remain unmodified and unaltered and in full force and effect.


IN WITNESS WHEREOF, the undersigned have executed this Amended and Restated Bylaws as of the date first written above.

Witnesses:

Bay Haven Charter Academy,
Inc., a Florida not-for-
profit corporation

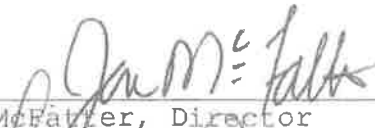

Tiffany Emnis, Director


Robert Fleming, Director


David Haight, Director


Jeremy Hatcher, Director


Elizabeth Haney, Director



Jon McFatter, Director



Sandy Porter, Director



Scott Reeve, Director



Waylon Thompson, Director

*In this Amendment to Bylaws, language added to an existing section is printed in underscoring, and language deleted is printed in ~~struck-through~~ type.