



Cherry, Bekaert & Holland, L.L.P.
The Firm of Choice.

www.cbh.com

One Clearlake Centre
250 South Australian Avenue – Suite 1201
West Palm Beach, Florida 33401
phone 561.835.8352
fax 561.835.8356

August 28, 2006

Lung Chiu, District Auditor
School District of Palm Beach County, Florida
3300 Forest Hill Boulevard
West Palm Beach, FL 33406

Re: Survivors Charter School

Dear Mr. Chiu:

Enclosed please find a breakdown of our proposed fee by staff level and hours for the audits of Survivors Charter School of West Palm Beach and Survivors Charter School of Boynton Beach for the eight months ended February 28, 2006.

If you have any questions, please contact me.

Very truly yours,

Cherry, Bekaert & Holland, L.L.P.

E. C. Blackburn, CPA
Partner

Enclosure

RECEIVED
SEP 01 2006
DISTRICT AUDITOR

Survivors Charter Schools Audit
Breakdown of Proposed Fee
Eight Months Ended February 28, 2006

West Palm Beach	Hours	Price
Partner	12.00	\$ 2,136
Senior Manager	38.00	4,484
Staff	57.25	4,580
Total		<u>\$ 11,200</u>

Boynton Beach	Hours	Price
Partner	12.00	\$ 2,136
Senior Manager	43.00	5,075
Staff	57.36	4,589
Total		<u>\$ 11,800</u>



*The District of Palm Beach
County, Florida*

Proposal for Independent Auditing Services

*For the Eight Months Ended
February 28, 2006*

Contact:

**E. C. Blackburn,
Partner**

250 South Australian
Avenue
Suite 1201
West Palm Beach, Florida
33401
(561) 835-8352
(561) 835-8356 fax



August 21, 2006

Table of Contents

	Page
LETTER OF TRANSMITTAL	
Letter of Transmittal	1
AUDIT SCOPE AND APPROACH	
Financial and Compliance Audit.....	2
Audit Process.....	3
Single Audit.....	3
Audit Timetable.....	3
Engagement Letters.....	3
Working Papers.....	4
AUDIT FEE	
Audit Fee.....	4



Cherry, Bekaert & Holland, L.L.P.
The Firm of Choice.

www.cbh.com

One Clearlake Centre
250 South Australian Avenue – Suite 1201
West Palm Beach, Florida 33401
phone 561.835.8352
fax 561.835.8356

August 18, 2006

Lung Chiu, District Auditor
School District of Palm Beach County, Florida
3300 Forest Hill Boulevard
West Palm Beach, FL 33406

Dear Mr. Chiu:

Cherry, Bekaert & Holland, L.L.P. is pleased to submit this proposal to audit the financial statements of the Survivors Charter School of West Palm Beach and the Survivors Charter School of Boynton Beach ("Schools") for the period from July 1, 2005 through February 28, 2006. We will perform our audits in accordance with all applicable accounting and auditing standards which are detailed in the "Audit Scope and Approach" section of this proposal.

You have requested that we perform a financial and compliance audit in accordance with auditing standards generally accepted in the United States of America, and *Government Auditing Standards* issued by the Comptroller General of the United States.

We look forward to serving you.

Sincerely,

CHERRY, BEKAERT & HOLLAND, L.L.P.

E. C. Blackburn, CPA
Partner

Audit Scope & Approach

Financial and Compliance Audit

CB&H will provide to The Palm Beach County District (“District”) independent auditing services of the Survivors Charter School of West Palm Beach and the Survivors Charter School of Boynton Beach (“Schools”) for the period from July 1, 2005 through February 28, 2006. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America, standards for financial and compliance audits contained in the U.S. General Accounting Office's *Government Auditing Standards*, (The Yellow Book), Florida statutes and the legal and regulatory requirements of the Florida State Board of Education. CB&H will be responsible for preparing, printing and binding the Annual Financial Report (“AFR”) of the Schools’ for the period ended February 28, 2006.

The CB&H audit approach is very heavily oriented toward extensive management involvement, comprehensive planning and regular communication. We believe the level of staffing we will provide to the District differentiates CB&H from other providers of government auditing services. The District can expect long-term continuity among our engagement team, positive attitudes among professionals that identify the public sector as the focus of our firm, and on-sight partner participation in the conduct of our work. Our management team members are very much involved with the performance of services.

We believe it important to ensure that technical issues are addressed throughout the year, avoiding uncertainties and bottlenecks at year-end. We believe our “working partner” approach to be a benefit to the District in assuring such issues are known and communicated. E. C. Blackburn has led audits of many government entities and is supported by a strong network of the firm’s industry professionals, as well as engagement team members.

Audit Process

Our service team members are seasoned professionals knowledgeable as to Charter School operations and accounting issues. These attributes will enhance our ability to provide value to the District and to provide a seamless transition from prior auditors. We will begin our audit with an initial planning meeting to discuss issues, scheduling, expectations and other relevant issues. We will plan to proceed with our analysis of internal control and compliance, including matters related to information systems. We will also plan to meet frequently with District Finance personnel to identify and resolve issues.

We will focus on those matters of compliance and internal control that have quantitative and qualitative significance to the District. Such matters include compliance with state and federal compliance requirements, investing policies, procurement policies and specified compliance provisions. From an internal control standpoint, we will focus on the District's primary business cycles supporting financial transactions and amounts and supporting key compliance provisions related to grant activities. Interviews and review of key documents will be the primary mechanisms for establishing our understanding of the District's systems and controls.

Single Audit

If sufficient federal or Florida Single Audit grant monies are noted during the course of our audit, and after consulting with you relative to any potential additional cost and time requirements, we will conduct a single audit in accordance with the standards for financial and compliance audits contained in the U.S. General Accounting Office's *Government Auditing Standards*, (The Yellow Book), Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Florida statutes and the legal and regulatory requirements of the Florida State Board of Education.

Audit Timetable

Barring unforeseen circumstances that would otherwise prevent us from doing so, we commit to delivering the audited financial statements within the time table established by the Charter School Charter agreements between the Schools and the District and to deliver the statements by September 30, 2006.

Engagement Letters

If the information above is acceptable to the District, please let us know and we will prepare the appropriate letter.

Working Papers

We will retain all working papers for a period of three years and will provide the District and/or its assignees access, free of charge, to any or all workpapers for this period of three years after the conclusion of the last audit.

Audit Fee

Audit Fee

We project that our fee for performing the above described audit services to be as follows:

Survivors West Palm Beach	\$11,200
Survivors Boynton Beach	\$11,800

The above fees do not include fees for a Single Audit if it is determined that one is required.