

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY**

**A CHARTER SCHOOL
AND COMPONENT UNIT
OF THE MIAMI-DADE COUNTY
SCHOOL BOARD**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT**

FOR THE YEAR ENDED JUNE 30, 2023



ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
JUNE 30, 2023

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**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY**

Board of Directors

Board Chair

Mr. Alexander Casas

Vice-Chair

Dr. Tirso Alonso

Treasurer

Mrs. Joanna Noriega

Board Members

Sonia Alfaro

Ruben Perez

Michael Rodriguez

School Administration

Principal

Marianne Triana

Vice Principal

Michelle Osorio



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Academir Charter Schools, Inc.
D/B/A Academir Preparatory Academy
Miami, Florida

Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund of Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory (the Charter School), which is a component unit of the Miami-Dade County District School Board, Miami, Florida as of, and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprises the Charter School'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 and each major fund of Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory as of June 30, 2023, and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory 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.

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 Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory'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.

Auditor's 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 auditor's 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, 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 Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory'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 Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory'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.

Other Matters- Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 7–12 and 32–33 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Other Matters- Required Supplementary Information (Cont.)

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 15, 2023, on our consideration of the Charter School's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

A handwritten signature in blue ink that reads "Thomas & Company CPA PA". The signature is written in a cursive, flowing style.

Thomas & Company CPA PA
Cooper City, Florida
September 15, 2023

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2023**

As management of Academir Charter Schools, Inc. D/B/A Academir Preparatory Academy (the “Charter School”), we offer readers of the Charter School’s financial statements this narrative overview and analysis of the financial activities of the Charter School for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here through page 12 of this report.

Some financial highlights include:

- The Charter School’s total net position decreased by \$116,567.
- The Charter School’s total assets exceeded its liabilities by \$1,459,810 resulting in a positive net position.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

The Government-wide financial statements, which consist of the statement of net position and the statement of activities, are designed to provide readers with a broad overview of the Charter School’s finances, in a manner similar to a private sector business.

The *Statement of Net Position* provides information on all the Charter School’s assets and liabilities, with the difference between the two reported as Net Position. Over time, increases or decreases in Net Position may serve as a useful indicator of whether the financial position of the Charter School is improving or deteriorating. However, as a governmental entity, the Charter School’s activities are not geared towards generating profit as are the activities of commercial entities. Other factors such as the safety at the Charter School and quality of education, must be considered in order to reasonably assess the Charter School’s overall performance.

The *Statement of Activities* presents information showing how the Charter School’s Net Position changed during the most recent fiscal year. All changes in Net Position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 14-15 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Charter School, like other state and local governmental entities, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Charter School has only one category of funds – governmental funds.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2023**

Fund Financial Statements (Cont.)

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term, inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Charter School’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Charter School’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The basic governmental fund financial statements can be found on pages 17-20 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and governmental fund financial statements.

The notes to the financial statements can be found on pages 21-30 of this report.

Supplementary Information

In addition to basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Charter School’s adopted budget to actual results.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2023**

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of financial position. The following table presents an analysis of the condensed government-wide statements of net position:

Condensed Statement of Net Position

| | <u>June 30, 2023</u> | <u>June 30, 2022</u> | <u>Variance</u> |
|---|-----------------------------|-----------------------------|----------------------------|
| Assets | | | |
| Current Assets | \$ 2,149,926 | \$ 1,507,459 | \$ 642,467 |
| Non-Current Assets | 12,937,101 | 13,735,071 | (797,970) |
| Total Assets | <u>15,087,027</u> | <u>15,242,530</u> | <u>(155,503)</u> |
| Liabilities and Net Position | | | |
| Liabilities | | | |
| Current Liabilities | 246,017 | 284,953 | (38,936) |
| Non-Current Liabilities | 13,381,200 | 13,381,200 | - |
| Total Liabilities | <u>13,627,217</u> | <u>13,666,153</u> | <u>(38,936)</u> |
| Net Position | | | |
| Invested in Capital Assets, Net of Related Debt | (2,526,981) | 353,871 | (2,880,852) |
| Unrestricted | 3,986,791 | 1,222,506 | 2,764,285 |
| Total Net Position | <u>1,459,810</u> | <u>1,576,377</u> | <u>(116,567)</u> |
| Total Liabilities and Net Position | <u>\$ 15,087,027</u> | <u>\$ 15,242,530</u> | <u>\$ (155,503)</u> |

At the end of the fiscal year, the Charter School reported a positive balance in net position of \$1,459,810 for the year. The Charter School's net position reflects its investment in capital assets (e.g. buildings, building improvements, furniture, fixtures and equipment), net of related debt. The Charter School uses its capital assets to provide services to students. Consequently, these assets are not available for future spending.

Resources that are subject to external restrictions on how they may be used are classified as restricted assets. As of June 30, 2023, the Charter school had no restricted assets. The remaining unrestricted balance may be used in any of the Charter School’s ongoing operations.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2023**

Government-Wide Financial Analysis (Cont.)

The following table presents information on the condensed government-wide statements of changes in net position:

Condensed Statement of Changes in Net Position

| | <u>2023</u> | <u>2022</u> | <u>Variance</u> |
|---|----------------------------|----------------------------|----------------------------|
| Revenue: | | | |
| General Revenues | \$ 4,635,908 | \$ 3,632,071 | \$ 1,003,837 |
| Program Revenues: | | | |
| Charges for Services | 2,555 | 3,811 | (1,256) |
| Operating Grants and Contributions | 639,082 | 446,049 | 193,033 |
| Capital Grants and Contributions | 207,552 | 278,847 | (71,295) |
| Total Revenue | <u>5,485,097</u> | <u>4,360,778</u> | <u>1,124,319</u> |
| Expenses: | | | |
| Instruction | 2,222,998 | 2,354,279 | (131,281) |
| Student Support Services | 72,055 | 14,297 | 57,758 |
| Instruction and Curriculum Development | - | 1,202 | (1,202) |
| School Board | 10,163 | 3,333 | 6,830 |
| General Administration | 452,371 | 494,246 | (41,875) |
| School Administration | 464,321 | 469,819 | (5,498) |
| Fiscal Services | 94,828 | 82,166 | 12,662 |
| Food Services | 164,394 | 101,045 | 63,349 |
| Operation of Plant | 490,478 | 847,251 | (356,773) |
| Maintenance of Plant | 8,545 | 34,685 | (26,140) |
| Amortization of Bond Discount | 4,382 | - | 4,382 |
| Interest on Long-Term Debt | 716,117 | - | 716,117 |
| Unallocated Depreciation | 478,253 | 110,062 | 368,191 |
| Total Expenses | <u>5,178,905</u> | <u>4,512,385</u> | <u>666,520</u> |
| Change in Net Position | 306,192 | (151,607) | 457,799 |
| Net Position - Beginning of the year | 1,576,377 | 1,727,984 | (151,607) |
| Prior Period Adjustment | (422,759) | - | (422,759) |
| Net Position - July 1, 2022 - Restated | <u>1,153,618</u> | <u>1,727,984</u> | <u>(574,366)</u> |
| Net Position - Ending of the year | <u>\$ 1,459,810</u> | <u>\$ 1,576,377</u> | <u>\$ (116,567)</u> |

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2023**

Government-Wide Financial Analysis (Cont.)

- At year-end, there are 400 students in grades K – 5th. Revenues are based on the amount received per student from the State through the School Board of Miami-Dade County.
- Expenses for instruction are the result of teachers’ salaries, related benefits, and materials and supplies that directly impact student learning.
- School administration is due primarily to administrators and other administrative personnel and related benefits as well as administrative costs.
- Plant operations expenses consist of utilities, communications, insurance cost, support personnel and related benefits.

Financial Analysis of the Charter School’s Funds

As noted earlier, the Charter School uses fund accounting to maintain control over resources that have been segregated for specific activities or objectives. The focus of the Charter School’s governmental funds is to provide information on near-term inflows, outflows and spendable resources. Such information is useful in assessing the Charter School’s financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Charter School’s net resources available for spending at the end of the fiscal year.

At the end of fiscal year 2023 the Charter School’s governmental fund reported a positive ending fund balance of \$2,945,350.

Capital Assets and Debt Administration

As of June 30, 2023, the Charter School had investment in capital assets of \$11,895,660. This amount is net of accumulated depreciation of \$900,954. Capital assets additions in the current year include new computer/software. A more detailed analysis is provided in Note 5.

The Charter School’s outstanding debt consisted of bond payable. The Charter School has \$13,381,200 of outstanding debt, as of June 30, 2023.

Economic Factors & Budget Highlights

The following economic indicators were considered when adopting the general fund budget for fiscal year 2023-24:

1. Student membership and FEFP funding per pupil
2. Cost of goods and services
3. Competitive employee compensation

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2023

Economic Factors & Budget Highlights (Cont.)

Amounts available for revenue appropriation in the general fund are \$5,496,288, a slight increase of less than 1% from the actual 2023 amount. A predominate factor affecting the budget is the school’s funded student membership. The funded membership for the fiscal year is 100 percent of June 2023 student count. The fiscal year 2023-24 budget is based on a slightly higher student count as the official student membership count funded in 2022-23. During the year, aggregate revenues are expected to increase as the student membership increases above the actual student count from the 2023 school year due to the fact there was an increase to the student allocation per student FTE.

Budgeted general fund expenditures are expected to decrease to \$4,793,906, or 14%, from the fiscal 2023 actual figure of \$5,601,664. The school is allocating resources to enhance academic achievement at all student-learning levels and for anticipated student membership. The 2023-24 budget expenditure base includes salary increases, the rising cost of health care and increases in other fixed recurring costs for School operations.

If these estimates are realized, the school’s general fund balance is expected to increase by the close of fiscal 2024.

School Enrollment

During the fiscal year June 30, 2023, the grade levels at the Charter School ranged from K – 5th, with a total enrollment of 384 students.

Bond Issuance

On June 30, 2022, the charter school used Educational Facilities Revenue Bonds to purchase the school facility. The bonds include series 2022A and 2022B – Miami-Dade County Industrial Development Revenue Bonds (the “Issuer”) issued Educational Facilities Revenue Bonds to (Academir Preparatory Academy and Academir Charter School Middle), Series 2022A, in the aggregate principal amount of \$23,585,000 (the “Series 2022A Bonds”). Miami-Dade County Industrial Development Revenue Bonds issued Taxable Educational Facilities Revenue Bonds (Academir Preparatory Academy and Academir Charter School Middle) Series 2022B, in the aggregate principal amount of \$310,000. (the “Series 2022B Bonds”). The bond secures the facility. The applicable split was determined and based upon the revenue for each school and their proportionate share of the property. Based upon the respective purchase prices for Academir Preparatory Academy and Academir Charter School Middle, the debt service on the bonds and other expenses and administrative fees were allocated 56% (\$13,381,200) to Academir Preparatory Academy and 44% (\$10,513,800) to Academir Charter School Middle. Further, pursuant to the Usage Fee resolution for Academir Preparatory Academy, the Elementary and the Middle School will share the usage fee for Academir Preparatory Academy pro rata based upon enrollment as a measure of usage.

Requests for Information

The financial report is designed to provide a general overview of the Charter School's finances for all those with an interest in the school’s finances. Questions concerning any of the information should be addressed to Mr. Alexander Casas, 5420 SW 157 Ave, Bay 5, Miami FL 33185.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY**

A CHARTER SCHOOL AND COMPONENT UNIT OF THE MIAMI-DADE

COUNTY DISTRICT SCHOOL BOARD

BASIC FINANCIAL INFORMATION

FOR THE YEAR ENDED JUNE 30, 2023

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
STATEMENT OF NET POSITION
AS AT JUNE 30, 2023**

| | Governmental Activities |
|---|------------------------------------|
| ASSETS | |
| Current Assets | |
| Cash | \$ 1,600,030 |
| Accounts Receivable | 494,523 |
| Deposit Receivable | 55,373 |
| Total Current Assets | 2,149,926 |
| Non-Current Assets | |
| Capital Assets, Net | 11,895,660 |
| Other Assets | 1,041,441 |
| Total Non-Current Assets | 12,937,101 |
| TOTAL ASSETS | 15,087,027 |
| LIABILITIES AND NET POSITION | |
| LIABILITIES | |
| Current Liabilities | |
| Accounts Payable | 40,311 |
| Salaries and Wages Payable | 205,706 |
| Total Current Liabilities | 246,017 |
| Non-Current Liabilities | |
| Bond Payable | 13,381,200 |
| Total Non-Current Liabilities | 13,381,200 |
| TOTAL LIABILITIES | 13,627,217 |
| NET POSITION | |
| Invested in Capital Assets, Net of Related Debt | (2,526,981) |
| Unrestricted | 3,986,791 |
| TOTAL NET POSITION | 1,459,810 |
| TOTAL LIABILITIES AND NET POSITION | \$ 15,087,027 |

The accompanying notes are an integral part of this financial statement.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

| | Program Revenues | | | | Net Revenues (Expenses) and Change in Net Position |
|---|-------------------------|--|--|-------------------|---|
| Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | | |
| Governmental Activities | | | | | |
| Instruction | \$ 2,222,998 | \$ - | \$ 466,011 | \$ - | \$ (1,756,987) |
| Student Support Services | 72,055 | - | - | - | (72,055) |
| School Board | 10,163 | - | - | - | (10,163) |
| General Administration | 452,371 | - | - | - | (452,371) |
| School Administration | 464,321 | - | - | - | (464,321) |
| Fiscal Services | 94,828 | - | - | - | (94,828) |
| Food Services | 164,394 | 2,555 | 173,071 | - | 11,232 |
| Operation of Plant | 490,478 | - | - | 207,552 | (282,926) |
| Maintenance of Plant | 8,545 | - | - | - | (8,545) |
| Amortization of Bond Discount | 4,382 | - | - | - | (4,382) |
| Interest on Long-term Debt | 716,117 | - | - | - | (716,117) |
| Unallocated Depreciation | 478,253 | - | - | - | (478,253) |
| Total Governmental Activities | \$ 5,178,905 | \$ 2,555 | \$ 639,082 | \$ 207,552 | \$ (4,329,716) |
| General Revenues: | | | | | |
| School Board of Miami- Dade County - FTE | | | | | \$ 3,063,908 |
| Miscellaneous | | | | | 1,572,000 |
| Total General Revenues | | | | | 4,635,908 |
| Change in Net Position | | | | | 306,192 |
| Net Position - July 1, 2022 | | | | | 1,576,377 |
| Prior Period Adjustment | | | | | (422,759) |
| Net Position - July 1, 2022 - Restated | | | | | 1,153,618 |
| Net Position - June 30, 2023 | | | | | \$ 1,459,810 |

The accompanying notes are an integral part of this financial statement.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY**

A CHARTER SCHOOL AND COMPONENT UNIT OF THE MIAMI-DADE

COUNTY DISTRICT SCHOOL BOARD

FUND FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
BALANCE SHEET – GOVERNMENTAL FUND
AS AT JUNE 30, 2023**

| | <u>General Fund</u> | <u>Special Revenue Fund</u> | <u>Capital Projects Fund</u> | <u>Debt Service Fund</u> | <u>Total Governmental Funds</u> |
|--|----------------------------|-------------------------------------|--------------------------------------|----------------------------------|---|
| ASSETS | | | | | |
| Cash | \$ 1,600,030 | \$ - | \$ - | \$ - | \$ 1,600,030 |
| Accounts Receivable, net | 212,835 | 264,459 | 17,229 | - | 494,523 |
| Due from Other Fund | - | 20,277 | - | - | 20,277 |
| Deposits Receivable | 55,373 | - | - | - | 55,373 |
| Other Assets | - | - | - | 1,041,441 | 1,041,441 |
| TOTAL ASSETS | <u>1,868,238</u> | <u>284,736</u> | <u>17,229</u> | <u>1,041,441</u> | <u>3,211,644</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Accounts Payable | 40,311 | - | - | - | 40,311 |
| Salaries and Wages Payable | 205,706 | - | - | - | 205,706 |
| Due to Other Fund | 3,048 | - | 17,229 | - | 20,277 |
| TOTAL LIABILITIES | <u>249,065</u> | <u>-</u> | <u>17,229</u> | <u>-</u> | <u>266,294</u> |
| FUND BALANCES | | | | | |
| Nonspendable | | | | | |
| Deposits receivable | 55,373 | - | - | - | 55,373 |
| Unassigned | 1,563,800 | 284,736 | - | 1,041,441 | 2,889,977 |
| TOTAL FUND BALANCES | <u>1,619,173</u> | <u>284,736</u> | <u>-</u> | <u>1,041,441</u> | <u>2,945,350</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 1,868,238</u> | <u>\$ 284,736</u> | <u>\$ 17,229</u> | <u>\$ 1,041,441</u> | <u>\$ 3,211,644</u> |

The accompanying notes are an integral part of this financial statement.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE
STATEMENT OF NET POSITION
AS AT JUNE 30, 2023**

Total Fund Balances- Governmental Funds **\$ 2,945,350**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

| | | |
|----------------------------|------------------|------------|
| Cost of Capital Assets | \$ 12,796,614 | |
| Provision for Depreciation | <u>(900,954)</u> | 11,895,660 |

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds

| | | |
|--------------|--|--------------|
| Bond Payable | | (13,381,200) |
|--------------|--|--------------|

| | |
|---|---------------------|
| Total Net Position - Governmental Activities | \$ 1,459,810 |
|---|---------------------|

The accompanying notes are an integral part of this financial statement.

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE – GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

| | <u>General Fund</u> | <u>Special Revenue Fund</u> | <u>Capital Projects Fund</u> | <u>Debt Service Fund</u> | <u>Total Governmental Funds</u> |
|---|-------------------------|-------------------------------------|--------------------------------------|----------------------------------|---|
| Revenue | | | | | |
| School Board of Miami- Dade County - FTE | \$ 3,063,908 | \$ - | \$ - | \$ - | \$ 3,063,908 |
| Charges for Services | 2,555 | - | - | - | 2,555 |
| Operating Grants and Contributions | - | 639,082 | - | - | 639,082 |
| Capital Grant and Other Contributions | - | - | 207,552 | - | 207,552 |
| Miscellaneous Revenues | 1,572,000 | - | - | - | 1,572,000 |
| Total Revenue | 4,638,463 | 639,082 | 207,552 | - | 5,485,097 |
| Expenditure | | | | | |
| Instruction | 1,746,585 | 476,413 | - | - | 2,222,998 |
| Student Support Services | 72,055 | - | - | - | 72,055 |
| School Board | 10,163 | - | - | - | 10,163 |
| General Administration | 452,371 | - | - | - | 452,371 |
| School Administration | 464,321 | - | - | - | 464,321 |
| Fiscal Services | 94,828 | - | - | - | 94,828 |
| Food Services | - | 164,394 | - | - | 164,394 |
| Operation of Plant | 279,990 | 2,936 | 207,552 | - | 490,478 |
| Maintenance of Plant | 8,545 | - | - | - | 8,545 |
| Amortization of Bond Discount | - | - | - | 4,382 | 4,382 |
| Debt Service: | | | | | |
| Interest and Other Charges | 716,117 | - | - | - | 716,117 |
| Capital Outlay: | | | | | |
| Computer Software | 107,424 | - | - | - | 107,424 |
| Total Expenditure | 3,952,399 | 643,743 | 207,552 | 4,382 | 4,808,076 |
| Excess / (Deficit) of Revenue over Expenditure | 686,064 | (4,661) | - | (4,382) | 677,021 |
| Other Financing Sources (Uses) | | | | | |
| Transfers In/(Out) | (1,045,823) | - | - | 1,045,823 | - |
| Total Other Financing Sources (Uses) | (1,045,823) | - | - | 1,045,823 | - |
| Net Changes in Fund Balances (Deficit) | (359,759) | (4,661) | - | 1,041,441 | 677,021 |
| Fund Balance (Deficit) - July 1, 2022 | 2,401,691 | 289,397 | - | - | 2,691,088 |
| Prior Period Adjustment | (422,759) | - | - | - | (422,759) |
| Fund Balance (Deficit) - July 1, 2022 - Restated | 1,978,932 | 289,397 | - | - | 2,268,329 |
| Fund Balance (Deficit) - June 30, 2023 | \$ 1,619,173 | \$ 284,736 | \$ - | \$ 1,041,441 | \$ 2,945,350 |

The accompanying notes are an integral part of this financial statement.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
AS AT JUNE 30, 2023**

Total Net Changes in Fund Balance - Governmental Funds **\$ 677,021**

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

Capital outlays are reported in governmental funds as expenditures however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

| | | |
|----------------------------------|------------|-----------|
| Cost of Capital Assets Purchased | \$ 107,424 | |
| Provision for Depreciation | (478,253) | (370,829) |

Change in Net Position of Governmental Activities **\$ 306,192**

The accompanying notes are an integral part of this financial statement.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 1 – Organization and Operations

Nature of Operations

Academir Charter School, Inc. (the “Charter School”) is a not-for-profit corporation, organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 228.056, Florida Statutes. The Charter School operates under a Charter approved by its sponsor, the Miami-Dade County District School Board. The governing body of the Charter School is the not-for-profit corporation’s Board of Directors which is composed of six (6) members.

The Charter School provides educational services to students in grades K – 5th. The core philosophy and purpose of the Charter School is to demonstrate that the Charter School’s students can learn at high levels through an academically rigorous and innovative curriculum that incorporates the development of good character.

Note 2 - Summary of Significant Accounting Policies

Reporting Entity:

The Charter School operates under a charter of the sponsoring school district, Miami-Dade County District School Board (the “District”). The current charter is effective until June 30, 2028 and may be renewed in increments of 5 to 15 years by mutual agreement between the Charter School and the District. At the end of the term of the charter, the District may choose not to renew the charter under the grounds specified in the charter in which case the District is required to notify the Charter School in writing at least 90 days prior to the Charter’s expiration. During the term of the charter, the District may also terminate the charter if good cause is shown. Academir Charter School, Inc. is considered a component unit of the Miami-Dade County District School Board.

Criteria of determining if other entities are potential component units which should be reported within the Charter School’s financial statements are identified and described in the Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600. The application of these criteria provides for identification of any entities for which the Charter School is financially accountable and other organizations for which the nature and significance of their relationship with the Charter School’s are such that exclusion would cause the Charter School’s financial statements to be misleading or incomplete. Based on these criteria, no component units are included within the reporting entity of the Charter School.

Basis of Presentation:

Based on the guidance provided in the American Institute of Certified Public Accountants Audit and Accounting Guide – Audit for States and Local Governments and provisions of Florida Statutes, the Charter School is presented as a governmental organization for financial statement reporting purposes.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 2 - Summary of Significant Accounting Policies (Cont.)

Government-wide Financial Statement:

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all activities of the Charter School. The effect of interfund activity, generally, has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) operating grants and contributions that are used to meet the operational requirements of a particular function or program, and 2) capital grants and contributions that are restricted to meeting the capital requirements of a particular function or program.

Fund Financial Statements:

The Charter School accounts are organized on the basis of funds. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures.

General Fund – is the School’s primary operating fund. It accounts for all financial resources of the school, except those required to be accounted for in another fund.

Special Revenue Fund – accounts for specific revenue, such as federal grants and capital outlay grants that are legally restricted to expenditures for particular purposes.

Capital Projects Fund – used to account for financial resources used for the acquisition or construction of major capital facilities and for the proceeds and related expenditures of charter school capital outlay funding.

Measurement Focus, Basis of Accounting:

The financial statements of the Charter School are prepared in accordance with generally accepted accounting principles (GAAP). The Charter School’s reporting entity applies all relevant Governmental Accounting Standards Board (GASB) *Codification of Accounting and Financial Reporting Guidance*.

The government-wide statements report using the economic resources measurement focus and the full 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. Revenues from non-exchange transactions are reported according to GASB Codification Section 1600.111 and Section N50 *Accounting and Financial Reporting for Non-Exchange Transactions*. On the accrual basis, revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have satisfied.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 2 - Summary of Significant Accounting Policies (Cont.)

Measurement Focus, Basis of Accounting (Cont.)

The governmental fund financial statements are presented on the modified accrual basis of accounting under which revenues is recognized in the accounting period in which it becomes susceptible to accrual (i.e., when it becomes both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Charter School considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

Capital Assets

Capital assets, which include land, buildings, building improvements, furniture and fixtures, equipment and library books are reported in the applicable governmental activities in the government-wide financial statements. Capital assets are defined by the Charter School as assets with an initial, individual cost of more than \$500 and a life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Estimated useful lives, in years, for depreciable assets are as follows:

| | |
|------------------------------------|------------|
| Building and improvements | 5-40 years |
| Furniture, equipment and computers | 5-7 years |

Donated capital assets, if any, are recorded at estimated fair value at the date of donation. Within governmental funds, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported within the governmental fund financial statements.

Due from Other Governments or Agencies

Amounts due to the Charter School by other governments or agencies are for grants or programs under which the services have been provided by the Charter School.

Revenue Sources

Revenues for operations will be received primarily from the District pursuant to the funding provisions included in the Charter School’s charter. In accordance with the funding provisions of the charter and section 1002.33, Florida Statutes, the Charter School will report the number of full-time equivalent (FTE) students and related data to the District. Under the provisions of Section 1011.62, Florida Statutes, the District reports the number of the full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the FEFP. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the Charter School during the designated full-time equivalent student survey periods.

The Charter School also receives Federal funding for the school food program. 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, revenues are recognized to the extent that eligible expenditures have been incurred. Also, other revenues may be derived from various fundraising activities and certain other programs.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 2 - Summary of Significant Accounting Policies (Cont.)

Compensated Absences

The Charter School grants a specific number of sick days. Full time instructional employees are eligible to one day per month to up to ten days of active work.

GASB Codification Section C60, Accounting for Compensated Absences, provides that compensated absences that are contingent on a specific event that is outside the control of the employer and employee should be accounted for in the period those events take place.

Accordingly, these financial statements do not include an accrual for sick days available to be used in future benefit years.

Deferred Outflows/Inflows of Resources:

The statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Equity Classifications:

Government-wide Financial Statement

Equity is classified as Net Position and displayed in three components:

- a. Invested in capital assets, net of related debt – consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowing that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted Net Position – consists of Net Position with constraints placed on their use either by: 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation. There are no restricted Net Position.
- c. Unrestricted Net Position – all other Net Position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 2 - Summary of Significant Accounting Policies (Cont.)

Fund Financial Statements

GASB Codification Section 1800.142. Fund Balance Reporting and Governmental Fund Type Definitions, defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be properly reported within one of the fund balance categories lists below:

- a. Non-spendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned). All non-spendable fund balances at year end related to not in spendable asset form. The non-spendable fund balance as of June 30, 2023 is \$55,373, relating to deposits.
- b. Restricted – fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- c. Committed – fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Charter School’s Board of Director. There are no committed fund balances at year end.
- d. Assigned – fund balance classification is intended to be used by the Charter School’s management for specific purposes but do not meet the criteria to be classified as restricted or committed. There are no assigned fund balances at year end.
- e. Unassigned – fund balance is the residual classification for the Charter school’s general fund and includes all spendable amounts not contained in the other classification,

Encumbrances

Encumbrances represent commitments relating to unperformed contracts for goods or services. At June 30, 2023, there were no encumbrances outstanding.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Subsequent Events

For the year ended June 30, 2023, the Charter school has evaluated all subsequent events through September 15, 2023, which is the date the financial statements were available to be issued, and concluded no additional subsequent events have occurred that would require recognition or disclosure in these financial statements that have not already been accounted for.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 2 - Summary of Significant Accounting Policies (Cont.)

Income Taxes

The Charter School qualifies as a tax exempt organization under the Internal Revenue Code Section 501(c)(3), and is, therefore, exempt from income tax. Accordingly, no tax provision has been made in the accompanying financial statements.

Note 3 - Cash and Cash Equivalents

As of June 30, 2023, the bank balance was \$1,600,030. The bank balance exceeded the FDIC limit as of June 30, 2023.

The Charter School is operated under a Charter sponsored by the Miami-Dade County School District as described in Note 1. Accordingly, its bank deposits are governed by Chapter 280 of the Florida Statutes. All time and demand deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes, Chapter 280, “Florida Security for Public Deposits Act”, the State Treasurer requires all qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral having a market value equal to an amount from 50% to 125% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held.

The percentage of eligible collateral (U.S. Government and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository’s financial history and its financial condition.

Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default. Therefore, all cash deposits in an approved Florida banking institution are both collateralized and insured and not subject to a concentration of credit risk or a custodial credit risk as defined in Government Accounting Standards Board (“GASB”) Statement No. 40. The Charter School has no monetary assets other than cash in an approved depository.

Interest rate risk is the risk that changes in interest rate will adversely affect the fair value of an investment. The School manages its exposure to declines in fair values by limiting all investments to government money market mutual funds that can be redeemed daily.

Note 4 – Accounts Receivable

Accounts receivable as of June 30, 2023 consist of the following:

| <u>Description</u> | <u>Amount</u> |
|---------------------------|--------------------------|
| Capital Outlay | \$ 17,229 |
| Lunch Reimbursement | 57,102 |
| ESSER II | 207,357 |
| ERC Receivable | 212,835 |
| Total | <u>\$ 494,523</u> |

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 5 – Capital Assets

Capital assets activity for the year ended June 30, 2023 was as follows:

| | Balance July 1, 2022 | Additions | Deletions | Balance June 30, 2023 |
|------------------------------------|---------------------------------|---------------------|------------------|----------------------------------|
| Capital Assets | | | | |
| Land | \$ 1,164,800 | \$ - | \$ - | \$ 1,164,800 |
| Buildings and Improvements | 10,762,671 | - | - | 10,762,671 |
| Computer Software | 122,570 | 107,424 | - | 229,994 |
| Furniture, Fixtures, and Equipment | 639,149 | - | - | 639,149 |
| Total Capital Assets | 12,689,190 | 107,424 | - | 12,796,614 |
| Less: Accumulated Depreciation | (422,701) | (478,253) | - | (900,954) |
| Capital Assets, Net | \$ 12,266,489 | \$ (370,829) | \$ - | \$ 11,895,660 |

The provision for depreciation for the year ended June 30, 2023 amounted to \$478,253.

Note 6 – Management Contract

The Charter school has contracted with Superior Charter School Services for administrative and educational management services for the operations of the school. The contract expires when the School Charter expires with the Miami-Dade County School Board and provides for a fee based on a percentage of net FTE revenues of the School which is 12%. The fees paid to the management company for fiscal year 2023 was \$ 356,057.

Note 7 – Risk Management

The Charter School is exposed to various risks of loss related to torts, thefts of damage to and destruction of assets, errors and omissions and natural disasters for which the charter school carries commercial insurance. Settlement amounts have not exceeded insurance coverage for the past three (3) years. In addition, there were no reductions in insurance coverage from those in the prior year.

Note 8- Related Party

In accordance with the Charter Agreement, the School Board of Miami-Dade County retains 5% as an administrative fee up to the first 250 students. This funding is received on a pro rata basis over the twelve-month period and is adjusted for changes in full-time equivalent student population. After review and verification of Full-Time Equivalent (“FTE”) reports and supporting documentation, the Florida Department of Education may adjust subsequent fiscal period allocations of FTE funding for prior year’s errors disclosed by its review as well as to prevent the statewide allocation from exceeding the amount authorized by the State Legislature.

The Charter School’s governing board approved the transfer of funds from Academir Charter School Middle to Academir Preparatory Academy in the amount of \$36,022. As of June 30, 2023, that amount has been fully repaid.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 9 - Long-Term Liabilities

2022 Revenue Bonds

On June 30, 2022, the charter school used Educational Facilities Revenue Bonds to purchase the school facility. The bonds include series 2022A and 2022B – Miami-Dade County Industrial Development Revenue Bonds (the “Issuer”) issued Educational Facilities Revenue Bonds to (Academir Preparatory Academy and Academir Charter School Middle), Series 2022A, in the aggregate principal amount of \$23,585,000 (the “Series 2022A Bonds”).

Miami-Dade County Industrial Development Revenue Bonds issued Taxable Educational Facilities Revenue Bonds (Academir Preparatory Academy and Academir Charter School Middle) Series 2022B, in the aggregate principal amount of \$310,000. (the “Series 2022B Bonds”). The bond secures the facility which will be split by the abovementioned entities. The applicable split was determined and based upon the revenue for each school and their proportionate share of the property. Based upon the respective purchase prices for Academir Preparatory Academy and Academir Charter School Middle, the debt service on the bonds and other expenses and administrative fees were allocated 56% to Academir Preparatory Academy and 44% to Academir Charter School Middle. Further, pursuant to the Usage Fee resolution for Academir Preparatory Academy, the Elementary and the Middle School will share the usage fee for Academir Preparatory Academy pro rata based upon enrollment as a measure of usage.

The Borrower will use the proceeds of the Bonds to: (i) finance all of the cost of the acquisition of an approximately 42,290 square foot educational facility, which includes classrooms, a computer laboratory, library and administrative office space, and the site therefor, which includes parking, and related improvements, fixtures, furnishings and equipment, all located on (the “Site”) in Miami, Florida. The bond secures the facility for both Organization in the Charter mentioned in the paragraph above. To provide financing for the Loan, the Issuer, concurrently with the execution of this Loan Agreement, will issue, sell, and deliver the Series 2022 Bonds and direct the proceeds thereof to be deposited with the Trustee. An amount necessary from the Gross Revenues shall be transferred by the Borrower from the School Revenue Fund to the Trustee monthly, to pay the Loan Repayments on or before the fifteenth (15th) day of each month starting July 15, 2022

| Maturity Date July 1 | Principal Amount | Interest Rate | Price | Yield to Maturity |
|---------------------------------|-----------------------------|--------------------------|--------------|------------------------------|
| 2029 | \$ 310,000 | 6.75% | 100 | - |
| 2037 | 2,665,000 | 5.00% | 100 | - |
| 2042 | 2,310,000 | 5.25% | 100 | - |
| 2052 | 6,865,000 | 5.25% | 98.146 | 5.38% |
| 2061 | 11,745,000 | 5.50% | 98.419 | 5.60% |

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 9 - Long-Term Liabilities (Cont.)

| Series 2022B Bond | | Series 2022A Bond | |
|--------------------------|-----------|--------------------------|--------------|
| July 1, | Principal | July 1, | Principal |
| 2026 | \$ 30,000 | 2029-2037 | \$ 2,665,000 |
| 2027 | 65,000 | 2038-2042 | 2,310,000 |
| 2028 | 130,000 | 2043-2052 | 6,865,000 |
| 2029 | 85,000 | 2053-2061 | 11,745,000 |

| Series 2022B Bond & Series 2022A Bond | | | |
|--|---------------------|---------------------|---------------------|
| Year Ending June 30, | Principal | Interest | Total |
| 2024 | \$ - | \$ 1,281,837 | \$ 1,281,837 |
| 2025 | - | 1,281,837 | 1,281,837 |
| 2026 | 30,000 | 1,281,837 | 1,311,837 |
| 2027 | 65,000 | 1,279,812 | 1,344,813 |
| 2028 | 130,000 | 1,275,425 | 1,405,425 |
| Thereafter | 23,670,000 | 28,694,463 | 52,364,463 |
| Total | \$23,895,000 | \$35,095,212 | \$58,990,212 |

The changes in long-term liabilities are presented below:

| Description | Beginning Balance | Additions | Deductions | Ending Balance |
|--------------------|------------------------------|------------------|-------------------|---------------------------|
| Bond Payable 2022A | \$ 2,385,000 | \$ - | \$ - | \$ 2,385,000 |
| Bond Payable 2022B | 310,000 | - | - | 310,000 |
| Total | <u>\$ 2,695,000</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,695,000</u> |

Note 10– Employee Retention Credit

The Employee Retention Credit (ERC) is a federal tax credit introduced under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and subsequently extended by the Consolidated Appropriations Act, 2021 and the American Rescue Plan Act. The credit is designed to provide financial assistance to eligible employers that have been adversely affected by the COVID-19 pandemic and have retained their employees.

The Charter School has maintained appropriate documentation, including payroll records, employment tax returns, and other relevant documents as required by the IRS. The school claimed a total Employee Retention Credit for \$ 212,835. This amount is reported in the income statement under ‘Miscellaneous Income’. Management believes this amount reflects the allowable credit for qualified wages and health plan expenses incurred during the eligible period as defined by the IRS.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 11 - Prior Period Adjustment

During fiscal year 2023, the school determined that certain costs related to bonds should be expensed in the period of issuance. The effect of the adjustment is shown in the table below. Adjustments to and restatements of beginning balances during fiscal year 2023, changes to or within the financial reporting entity and resulted in adjustments to and restatements of beginning net position and fund net position, as follows:

| | 06/30/2022 | | 06/30/2022 |
|---------------------------------|----------------------|---------------------|--------------------|
| | As Previously | Prior Period | Restated |
| | Reported | Adjustment | |
| Government-wide | | | |
| Governmental Activities | \$ 1,576,377 | \$ (422,759) | \$1,153,618 |
| Total Government-wide | 1,576,377 | (422,759) | 1,153,618 |
| | | | |
| Governmental Funds | | | |
| General Fund | 2,401,691 | (422,759) | 1,978,932 |
| Special Revenue Fund | 289,397 | - | 289,397 |
| Total Governmental Funds | \$ 2,691,088 | \$ (422,759) | \$2,268,329 |

SUPPLEMENTARY INFORMATION

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2023**

GENERAL FUND

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Amounts</u> | <u>Variances Positive (Negative)</u> |
|--|-----------------------------------|--------------------------------|----------------------------------|---|
| Revenue | | | | |
| School Board of Miami- Dade County | \$ 3,411,743 | \$ 3,411,743 | \$ 3,063,908 | \$ (347,835) |
| Capital grants and contributions | 278,847 | 278,847 | 207,552 | (71,295) |
| Charges for services | - | - | 2,555 | 2,555 |
| Miscellaneous revenue | 300,000 | 300,000 | 1,572,000 | 1,272,000 |
| Total Revenue | <u>3,990,590</u> | <u>3,990,590</u> | <u>4,846,015</u> | <u>855,425</u> |
| Expenditure | | | | |
| Instruction | 2,082,501 | 1,606,088 | 1,746,585 | (140,497) |
| Student support services | 129,318 | 129,318 | 72,055 | 57,263 |
| School board | 95,000 | 95,000 | 10,163 | 84,837 |
| General administration | 500,098 | 500,098 | 452,371 | 47,727 |
| School administration | 371,122 | 371,122 | 464,321 | (93,199) |
| Fiscal services | 70,000 | 70,000 | 94,828 | (24,828) |
| Operation of plant | 353,282 | 350,346 | 487,542 | (137,196) |
| Maintenance of plant | 90,000 | 90,000 | 8,545 | 81,455 |
| Amortization of Bond Discount | - | - | 4,382 | (4,382) |
| Capital outlay: | | | | |
| Computer Software | | - | 107,424 | (107,424) |
| Debt service: | | | | |
| Interest and Other Charges | 733,781 | 733,781 | 716,117 | 17,664 |
| Total Expenditure | <u>4,425,102</u> | <u>3,945,753</u> | <u>4,164,333</u> | <u>(218,580)</u> |
| Excess (Deficit) of Revenue over Expenditures | <u>\$ (434,512)</u> | <u>\$ 44,837</u> | <u>\$ 681,682</u> | <u>\$ 636,845</u> |

SPECIAL REVENUE FUND

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Amounts</u> | <u>Variances Positive (Negative)</u> |
|---|-----------------------------------|--------------------------------|----------------------------------|---|
| Revenue | | | | |
| Operating grants and contributions | \$ 1,736,528 | \$ 1,736,528 | \$ 639,082 | \$ (1,097,446) |
| Total Revenue | <u>1,736,528</u> | <u>1,736,528</u> | <u>639,082</u> | <u>(1,097,446)</u> |
| Expenditure | | | | |
| Instruction | - | 476,413 | 476,413 | - |
| Food Services | 173,006 | 173,006 | 164,394 | 8,612 |
| Operation of Plant | - | 2,936 | 2,936 | - |
| Total Expenditure | <u>173,006</u> | <u>652,355</u> | <u>643,743</u> | <u>8,612</u> |
| Excess (Deficit) of Revenue over Expenditure | <u>\$ 1,563,522</u> | <u>\$ 1,084,173</u> | <u>\$ (4,661)</u> | <u>\$ (1,088,834)</u> |

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR PREPARATORY ACADEMY
NOTES TO SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

Budgetary Basis Accounting

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries, purchased services, and capital outlay).

NOTE A

The Charter School formally adopted a budget for the year ended June 30, 2023. Budgeted amounts may be amended by resolution or ordinance by the Board. The budget has been prepared in accordance with accounting principles generally accepted in the United States of America. A comparison of the actual results of operations to the budgeted amounts for the General Fund is presented as supplementary information.

NOTE B

The budget is adopted using the same basis of accounting on which the financial statements are prepared except for a 5% administrative charge up to the first 250 students that is retained by the School Board of Miami-Dade County.



THOMAS & COMPANY, C.P.A., P.A.
Certified Public Accountants and Business Consultants

**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***

To the Board of Directors
Academir Charter Schools, Inc.
D/B/A Academir Preparatory Academy
Miami, Florida

We have audited, in accordance with the standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Academir Charter Schools, Inc. D/B/A Academir Preparatory Academy (the "Charter School"), a component unit of the Miami-Dade County District School Board, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Academir Charter Schools, Inc. D/B/A Academir Preparatory Academy's basic financial statements, and have issued our report thereon dated September 15, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Charter School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the Charter School's internal control.

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 may exist that have not been identified.

Compliance and Other Matters

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

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Board of Directors, management, the Miami-Dade County District School Board and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "Thomas & Company CPA PA". The signature is written in a cursive, flowing style.

Thomas & Company CPA PA
Cooper City, Florida
September 15, 2023



THOMAS & COMPANY, C.P.A., P.A.
Certified Public Accountants and Business Consultants

**MANAGEMENT LETTER
IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL OF
THE STATE OF FLORIDA**

To the Board of Directors
Academir Charter Schools, Inc.
D/B/A Academir Preparatory Academy
Miami, Florida

Report on the Financial Statements

We have audited the financial statements of Academir Charter Schools, Inc. D/B/A Academir Preparatory Academy (“the School”), Florida, as of and for the fiscal year ended June 30, 2023, and have issued our report thereon dated September 15, 2023.

Auditor’s Responsibility

We conducted our audit 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; and Chapter 10.850, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports which are dated September 15, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are of Academir Charter Schools, Inc. D/B/A Academir Preparatory Academy - 2002.

Financial Condition and Management

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

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

Section 10.854(1)(e)(3), Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Transparency

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintains on its website information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, School Board of Directors, School's management, and the School Board of Miami-Dade County and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "Thomas & Company CPA PA". The signature is written in a cursive, flowing style.

Thomas & Company CPA PA
Cooper City, Florida
September 15, 2023