HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

# Mater Academy Virtual Charter School
W/L# 6997

(A charter school under
Mater Academy, Inc.)

Financial Statements and
Independent Auditors' Report
June 30, 2026

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Mater Academy Virtual Charter School
(A charter school under Mater Academy, Inc.)
W/L# 6997

230 SW 17th Rd,
Miami, FL 33129

2025-2026

## BOARD OF DIRECTORS

Idalia Suarez, Board Chair, Director, effective May 26, 2026
Cesar Christian Crousillat, Board Chair, Director, resigned effective May 26, 2026
Shannie Sadesky, Vice Chair, Director, resigned effective May 26, 2026
Maria Beatriz Nunez, Director, resigned effective May 26, 2026
Yasmeen Hasan, Secretary, Director
Maurene Sotero Balmaseda, Director and Student Alumni Representative

## SCHOOL ADMINISTRATION

Noelle Iglesias, Principal

## OTHER NON-VOTING CORPORATE OFFICERS

Roberto Blanch, President
Kim Guilarte, Chief Operating Officer

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Mater Academy Virtual Charter School
Miami, Florida

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities and each major fund of Mater Academy Virtual Charter School (the "School"), a charter school under Mater Academy, Inc., as of, and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Mater Academy Virtual Charter School as of June 30, 2026, and the respective changes in financial position 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 (GAAS) 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 Mater Academy, Inc., 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.

***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 School'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 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 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 School'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 School'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.

### *Emphasis of a Matter – Presentation*

As described in Note 1, the accompanying financial statements referred to above present only the financial position and change in financial position of Mater Academy Virtual Charter School that is attributable to the transactions of the School and is not intended to be a complete presentation of Mater Academy, Inc. These financial statements do not purport to, and do not, present fairly the financial position of Mater Academy, Inc., as of June 30, 2026, and its changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Emphasis of a Matter – Related Party Transactions***

As described in Note 5 to the financial statements, the School relies on significant support from Mater Academy, Inc. Our opinion is not modified with respect to this matter.

***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 5 through 9 and 28 through 30 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.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2026 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is 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 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 School's internal control over financial reporting and compliance.



Coral Gables, Florida
September 15, 2026

CERTIFIED PUBLIC ACCOUNTANTS

**Management's Discussion and Analysis**
Mater Academy Virtual Charter School
(A Charter School Under Mater Academy, Inc.)
June 30, 2026

The corporate officers of Mater Academy, Inc., have prepared this narrative overview and analysis of the School's financial activities for the fiscal year ended June 30, 2026.

## About the School

Mater Academy Virtual Charter School opened in 2016 and is a Miami-Dade County public charter school providing virtual educational services to students in kindergarten through twelfth grade. Mater Academy Virtual Charter School is part of the Mater Academy, Inc. network of public charter schools.

## Overview of the Financial Statements

The financial statements of Mater Academy Virtual Charter School present the financial position and results of operations of the School for the fiscal year ended June 30, 2026, in accordance with generally accepted accounting principles for state and local governments.

The financial statements have 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.

The government-wide financial statements report all assets and liabilities of the government, including both financial and nonfinancial assets and both short-term and long-term obligations. Revenues are recognized when they relate to the current reporting period, regardless of when the related cash is received, and expenses are recognized when incurred, regardless of when cash is paid. The government-wide statements also report deferred outflows and deferred inflows of resources that relate to future reporting periods. Accordingly, the government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting.

The governmental fund financial statements focus on current financial resources. They generally report current financial assets and liabilities, such as cash, receivables, and accounts payable, rather than long-term capital assets and long-term liabilities. Revenues are recognized when they are both measurable and available to finance current-period expenditures, while expenditures generally are recognized when the related governmental fund liability is incurred, subject to certain exceptions for long-term obligations. Deferred outflows and deferred inflows reported at the governmental fund level are limited to those applicable to current financial resources. Accordingly, governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting.

More detail about the measurement focuses and bases of accounting can be found in the first note to the financial statements, the Summary of Significant Accounting Policies.

## FINANCIAL SUMMARY

A summary and analysis of the School's net position as of June 30, 2026 and 2025, is as follows:

| | 2026 | 2025 | Variance |
|---|---|---|---|
| Cash | $ 8,740 | $ 2,263 | $ 6,477 |
| Investments | 650,000 | 586,000 | 64,000 |
| Prepaid expenses and other current assets | 35,590 | - | 35,590 |
| Due from other agencies | - | 119,199 | (119,199) |
| Due from Mater Academy, Inc. | 232,722 | 113,523 | 119,199 |
| Capital assets, net | 390 | 5,067 | (4,677) |
| **Total Assets** | 927,442 | 826,052 | 101,390 |
| **Deferred outflows of resources** | - | - | - |
| Accounts payable and accrued liabilities | 2,405 | - | 2,405 |
| Compensated absences | 2,195 | 2,195 | - |
| Due to other agencies | 413,606 | 331,864 | 81,742 |
| Due to other Mater Academy, Inc. | 300,000 | 325,000 | (25,000) |
| **Total Liabilities** | 718,206 | 659,059 | 59,147 |
| **Deferred inflows of resources** | - | - | - |
| **Net Position:** | | | |
| Net investment in capital assets | 390 | 5,067 | (4,677) |
| Unrestricted | 208,846 | 161,926 | 46,920 |
| **Total Net Position** | $ 209,236 | $ 166,993 | $ 42,243 |

The School's financial position improved during the year ended June 30, 2026. Total net position increased by approximately $42,000, from approximately $167,000 at June 30, 2025, to approximately $209,000 at June 30, 2026, representing an increase of approximately 25.3%.

The most significant changes in total assets and liabilities were as follows: Investments increased by approximately $64,000, from approximately $586,000 at June 30, 2025, to approximately $650,000 at June 30, 2026, primarily attributable to the increase in net position during the current year. Prepaid expenses and other current assets increased by approximately $36,000 during the current fiscal year, primarily attributable to the timing of payments for expenses applicable to future periods. Amounts due from other agencies decreased by approximately $119,000, from approximately $119,000 at June 30, 2025, to zero at June 30, 2026, primarily reflecting the collection of amounts outstanding from Miami-Dade County Public Schools for referendum funds at the prior fiscal year-end. Amounts due from Mater Academy, Inc. increased by approximately $119,000, from approximately $114,000 at June 30, 2025, to approximately $233,000 at June 30, 2026, based on Board approval at year end.

Amounts due to other agencies increased by approximately $82,000, from approximately $332,000 at June 30, 2025, to approximately $414,000 at June 30, 2026, primarily attributable to an increase in amounts payable to governmental agencies at fiscal year-end. Amounts due to Mater Academy, Inc. decreased by $25,000, from $325,000 at June 30, 2025, to $300,000 at June 30, 2026, as a result of the conversion of $25,000 of amounts due to Mater Academy, Inc. to a recoverable grant during the current fiscal year.

The components of net position changed as follows: Unrestricted net position increased by approximately $47,000, from approximately $162,000 at June 30, 2025, to approximately $209,000 at June 30, 2026, primarily attributable to the School's positive operating results during the current fiscal year.

A summary and analysis of the School's changes in net position for the years ended June 30, 2026 and 2025 follows:

| | 2026 | 2025 | Variance |
|---|---|---|---|
| **REVENUES** | | | |
| Program Revenues | | | |
| Operating grants and contributions | $ 10,851 | $ 127,121 | $(116,270) |
| Charges for Services | 2,355 | 1,815 | 540 |
| General Revenues | | | |
| State and Local sources | 762,961 | 654,599 | 108,362 |
| Other revenues | 52,913 | 77,666 | (24,753) |
| **Total Revenues** | $ 829,080 | $ 861,201 | $ (32,121) |
| | | | |
| **EXPENSES** | | | |
| Governmental Activities: | | | |
| Instruction | $ 525,582 | $ 472,083 | $ 53,499 |
| Student support services | 40,019 | - | 40,019 |
| Instructional staff training services | 4,163 | 4,614 | (451) |
| School board | 18,449 | 18,289 | 160 |
| School administration | 152,647 | 310,891 | (158,244) |
| Fiscal services | 15,992 | 16,467 | (475) |
| Central services | 19,492 | 19,559 | (67) |
| Operation of plant | 8,710 | 8,811 | (101) |
| Community services | 1,783 | 1,996 | (213) |
| **Total Expenses** | 786,837 | 852,710 | (65,873) |
| Increase in Net Position | 42,243 | 8,491 | 33,752 |
| Net Position at Beginning of Year | 166,993 | 158,502 | 8,491 |
| Net Position at End of Year | $ 209,236 | $ 166,993 | $ 42,243 |

Enrollment decreased between fiscal years, with 101 full-time equivalent students during fiscal year 2026 compared with 104 full-time equivalent students during fiscal year 2025, a decrease of 3 students, or approximately 2.9%.

Total revenues decreased from approximately $861,000 in 2025 to approximately $829,000 in 2026, a decrease of approximately $32,000, or 3.7%. The decrease was primarily attributable to reductions of approximately $116,000 in operating grants and contributions and approximately $25,000 in other revenues, partially offset by an increase of approximately $108,000 in state and local sources.

Major changes in revenues and expenses included:

Operating grants and contributions decreased by approximately $116,000, from approximately $127,000 in 2025 to approximately $11,000 in 2026, primarily attributable to a decrease in

Elementary and Secondary School Emergency Relief (ESSER) funding compared to the prior fiscal year.

State and local sources increased by approximately $108,000, from approximately $655,000 in 2025 to approximately $763,000 in 2026, primarily attributable to an increase in local referendum funding during the current fiscal year, which more than offset the impact of the 2.9% decrease in enrollment.

Other revenues decreased by approximately $25,000, from approximately $78,000 in 2025 to approximately $53,000 in 2026, primarily attributable to a decrease in recoverable grant revenue. Recoverable grant revenue of $25,000 was recognized during the current fiscal year as a result of the conversion of amounts due to Mater Academy, Inc. to a recoverable grant, compared to $50,000 recognized in the prior fiscal year.

Instruction expense increased by approximately $53,000, from approximately $472,000 in 2025 to approximately $526,000 in 2026, primarily attributable to a correction in reclassification of staff from administrative to instructional personnel.

Student support services increased by approximately $40,000, from zero in 2025 to approximately $40,000 in 2026, primarily attributable to a correction in reclassification of staff from administrative to student support personnel.

School administration expenses decreased by approximately $158,000, from approximately $311,000 in 2025 to approximately $153,000 in 2026, primarily attributable to a corrective reclassification of staff from administrative to instructional and student support personnel as well as a lowering of administrative salaries paid from the school.

### Governmental Funds

The School reports two major funds individually in the governmental fund financial statements. Most of the discussion regarding governmental activities is equally applicable to the finances of those governmental funds.

At the end of the fiscal year, the School's governmental general fund reported ending fund balance of $691,232. The fund balance unassigned and available for spending at the School's discretion is $655,642. These funds will be available for the School's future ongoing operations.

The special revenue fund reported an ending fund balance of $693 comprised of assigned community services fund of $693. The community services fund reflects the activity in the School's internal funds and accounts for the current year change in the ending fund balance.

## CAPITAL ASSETS AND LONG-TERM DEBT

### Capital Assets

The School's investment in capital assets as of June 30, 2026, amounts to $390 (net of accumulated depreciation). The investment in capital assets includes furniture, fixtures and equipment. There were no significant additions, disposals or improvements during the year. Information on the School's fixed assets can be found in Note 3.

The School has a physical location at 230 SW 17th Rd, Miami, FL 33129.

## CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

Currently known facts, decisions or conditions expected to affect the School's financial position include:

- **Charter renewal** - The School's charter is scheduled for its renewal by the sponsoring district as its current charter expires on June 30, 2027. The School does not anticipate this affecting its ability to continue operations.
- **Enrollment** – enrollment is projected to be approximately 138 in fiscal year 2027.
- **Changes in funding or legislative appropriations** - The School receives the Secure Our Future Referendum to raise/maintain teacher compensation and improve school safety and security from Miami-Dade County School District. The current renewal is set to expire on June 30, 2027. Additionally, Local Capital Improvement Revenue is expected to increase by an additional 25% in fiscal year 2026-2027 compared to fiscal year 2025-2026, in addition to any increases resulting from higher local tax collections.
- **Major program changes or new initiatives** – There are no major program changes or new initiatives expected for the next school year.
- **Planned capital projects or financing activities** - There are no planned capital projects or financing activities expected for the next school year.

### Requests for Information

This financial report is intended to provide a general overview of the finances of the Charter School. Requests for additional information may be addressed to Ms. Ana Martinez at Academica Dade, LLC, 6340 Sunset Drive, Miami, Florida 33143.

Mater Academy Virtual Charter School
(A charter school under Mater Academy, Inc.)

Statement of Net Position
June 30, 2026

| | Primary Government |
|---|---|
| | Governmental Activities |
| **Assets** | |
| Current assets: | |
| Cash | $ 8,740 |
| Investments | 650,000 |
| Prepaid expenses and other current assets | 35,590 |
| Total Current Assets | 694,330 |
| Due from Mater Academy, Inc. | 232,722 |
| Capital assets, net: | |
| Capital assets, depreciable | 23,384 |
| Less: accumulated depreciation | (22,994) |
| Total Capital Assets, net | 390 |
| Total Assets | 927,442 |
| **Deferred Outflows of Resources** | - |
| **Liabilities** | |
| Current liabilities: | |
| Accounts payable and accrued liabilities | 2,405 |
| Compensated absences, current | 2,195 |
| Due to other agencies | 413,606 |
| Total Current Liabilities | 418,206 |
| Due to other Mater Academy, Inc. | 300,000 |
| Total Liabilities | 718,206 |
| **Deferred Inflows of Resources** | - |
| **Net Position** | |
| Net investment in capital assets | 390 |
| Unrestricted | 208,846 |
| Total Net Position | $ 209,236 |

The accompanying notes are an integral part of these financial statements.

Mater Academy Virtual Charter School
(A charter school under Mater Academy, Inc.)

Statement of Activities
For the year ended June 30, 2026

| Primary Government | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants and Contributions | Net (Expense) Revenue and Changes in Net Position |
|---|---|---|---|---|---|
| **Governmental activities:** | | | | | |
| Instruction | $ 525,582 | $ - | $ 6,688 | $ - | $ (518,894) |
| Student support services | 40,019 | - | - | - | (40,019) |
| Instructional staff training services | 4,163 | - | 4,163 | - | - |
| School board | 18,449 | - | - | - | (18,449) |
| School administration | 152,647 | - | - | - | (152,647) |
| Fiscal services | 15,992 | - | - | - | (15,992) |
| Central services | 19,492 | - | - | - | (19,492) |
| Operation of plant | 8,710 | - | - | - | (8,710) |
| Community services | 1,783 | 2,355 | - | - | 572 |
| **Total governmental activities** | 786,837 | 2,355 | 10,851 | - | (773,631) |

| | |
|---|---|
| General revenues: | |
| State and local sources | 762,961 |
| Recoverable grant | 25,000 |
| Interest and other revenue | 27,913 |
| Change in net position | 42,243 |
| Net position, beginning | 166,993 |
| Net position, ending | $ 209,236 |

The accompanying notes are an integral part of these financial statements.

Mater Academy Virtual Charter School
(A charter school under Mater Academy, Inc.)

Balance Sheet - Governmental Funds
June 30, 2026

| | General Fund | Special Revenue Fund | Total Governmental Funds |
|---|---|---|---|
| **Assets** | | | |
| Cash | $ 7,747 | $ 993 | $ 8,740 |
| Investments | 650,000 | - | 650,000 |
| Due from fund | 300 | - | 300 |
| Prepaid expenses | 35,590 | - | 35,590 |
| Total Assets | 693,637 | 993 | 694,630 |
| **Deferred Outflows of Resources** | - | - | - |
| **Liabilities** | | | |
| Account payable and accrued liabilities | 2,405 | - | 2,405 |
| Due to fund | - | 300 | 300 |
| Total Liabilities | 2,405 | 300 | 2,705 |
| **Deferred Inflows of Resources** | - | - | - |
| **Fund balance** | | | |
| Nonspendable, not in spendable form | 35,590 | - | 35,590 |
| Assigned | - | 693 | 693 |
| Unassigned | 655,642 | - | 655,642 |
| | 691,232 | 693 | 691,925 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balance | $ 693,637 | $ 993 | $ 694,630 |

The accompanying notes are an integral part of these financial statements.

Mater Academy Virtual Charter School
(A charter school under Mater Academy, Inc.)

Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position
June 30, 2026

| | | |
|---|---|---|
| Total Fund Balance - Governmental Funds | | $ 691,925 |
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Depreciable and non-depreciable capital assets net of accumulated depreciation used in governmental activities are not financial resources and therefore are not reported in the fund. | | |
| Capital assets, depreciable | 23,384 | |
| Less: accumulated depreciation | (22,994) | 390 |
| Receivables in governmental activities that are not available are not current financial resources, and therefore are not reported in the governmental funds. | | 232,722 |
| Long term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. | | (715,801) |
| Total Net Position - Governmental Activities | | $ 209,236 |

The accompanying notes are an integral part of these financial statements.

Mater Academy Virtual Charter School
(A charter school under Mater Academy, Inc.)

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds
For the year ended June 30, 2026

| | General Fund | Special Revenue Fund | Total Governmental Funds |
|---|---|---|---|
| Revenues: | | | |
| State passed through local | $ 672,291 | $ - | $ 672,291 |
| Local sources | 90,670 | - | 90,670 |
| Federal sources | - | 10,851 | 10,851 |
| Charges for services and other revenue | 27,913 | 2,355 | 30,268 |
| Total Revenues | 790,874 | 13,206 | 804,080 |
| Expenditures: | | | |
| Current | | | |
| Instruction | 514,217 | 6,688 | 520,905 |
| Student support services | 40,019 | - | 40,019 |
| School board | 18,449 | - | 18,449 |
| Instructional staff training services | - | 4,163 | 4,163 |
| School administration | 152,647 | - | 152,647 |
| Fiscal services | 15,992 | - | 15,992 |
| Central services | 19,492 | - | 19,492 |
| Operation of plant | 8,710 | - | 8,710 |
| Community services | - | 1,783 | 1,783 |
| Capital Outlay: | | | |
| Other capital outlay | - | - | - |
| Total Expenditures | 769,526 | 12,634 | 782,160 |
| Excess of revenues over expenditures | 21,348 | 572 | 21,920 |
| Other financing sources (uses) | | | |
| Transfers in (out) | - | - | - |
| Due to other agencies | 81,742 | - | 81,742 |
| Advances to Mater Academy, Inc. | (119,199) | - | (119,199) |
| Net change in fund balance | (16,109) | 572 | (15,537) |
| Fund Balance at beginning of year | 707,341 | 121 | 707,462 |
| Fund Balance at end of year | $ 691,232 | $ 693 | $ 691,925 |

The accompanying notes are an integral part of these financial statements.

Mater Academy Virtual Charter School
(A charter school under Mater Academy, Inc.)

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the year ended June 30, 2026

| | | |
|---|---|---|
| Net Change in Fund Balance - Governmental Funds | | $ (15,537) |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays of $0 differed from depreciation expense of $4,677. | | (4,677) |
| Increase in long term receivables is an expenditure in the governmental funds, but a decrease or collections of such receivables reduces long-term assets in the statement of net position. This is the amount by which the increase in long-term receivables of $119,199 exceeded collections of $-0- in the current period. | | 119,199 |
| Increases in long term liabilities is revenue in the governmental funds, but a decrease or repayment of such payables reduces liabilities in the statement of net position. | | |
| Increases in long-term liabilities | (81,742) | |
| Decreases in long term liabilities | 25,000 | (56,742) |
| Change in Net Position of Governmental Activities | | $ 42,243 |

The accompanying notes are an integral
part of these financial statements.

## Note 1 – Summary of Significant Accounting Policies

Reporting Entity

Mater Academy Virtual Charter School (the "School"), is a charter school sponsored by the School Board of Miami-Dade County, Florida (the "District"). The School's charter is held by Mater Academy, Inc., a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act. The governing body of the School is the board of directors of Mater Academy, Inc., which is composed of three members and also governs other charter schools. The board of directors has determined that no component units exists that would require inclusion in the School's financial statements.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter granted by the sponsoring district, the School Board of Miami-Dade County, Florida. The current charter expires on June 30, 2027. It can be renewed for additional terms in accordance with law. A charter can also be terminated before its date of expiration for reasons set forth in the charter and Section 1002.33 of the Florida Statutes.

The School provides virtual educational services for students from kindergarten through twelfth grades. These financial statements are for the year ended June 30, 2026, when on average 101 students were enrolled for the school year.

Basis of Presentation

The School's accounting policies conform to accounting principles generally accepted in the United States applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Accordingly, the basic financial statements include both the government-wide and fund financial statements.

Government-wide and 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 report information about the School as a whole. Any internal interfund activity has been eliminated from these financial statements. Both statements report only governmental activities as the School does not engage in any business type activities. These statements do not include fiduciary funds.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services, such as student activity fees; (2) operating grants such as Federal grants, and other state allocations; and (3) capital grants specific to capital outlay. In addition, revenues not classified as program revenues are shown as general revenues, which include Florida Education Finance Program (FEFP) revenues and other state and local sources.

**Note 1 – Summary of Significant Accounting Policies (continued)**

*Fund Financial Statements*

Fund financial statements are provided for governmental funds. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, equity, revenues and expenditures. The School reports the following major governmental funds:

*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 revenues, such as federal funding and federal lunch program that are legally restricted to expenditures for particular purposes. Also, accounts for resources of the School's Internal Fund, which is used to administer monies collected in connection with school, class, and club activities.

Measurement Focus and Basis of Accounting

The financial statements of the School are prepared in accordance with generally accepted accounting principles (GAAP). The 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.

The School recognizes assets of non-exchange transactions in the period when the underlying transaction occurs, when an enforceable legal claim has arisen, or when all eligibility requirements are met. Revenues are recognized, on the modified accrual basis, when they are measurable and available. Non-exchange transactions occur when the school provides (or receives) value to (from) another party without receiving (or giving) equal or nearly equal value in return. Most donations are examples of non-exchange transactions. Revenues from grants and donations are recognized on the accrual basis, in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. "Measurable" means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Florida Education Finance Program (FEFP) revenues are recognized when received. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Charges for services and fees are recognized when cash is collected as amounts are not measurable.

**Note 1 – Summary of Significant Accounting Policies (continued)**

When grant terms provide that the expenditure of funds is the prime factor for determining eligibility for federal, state, and other grant funds, revenue is recognized at the time the expenditure is made. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt and compensated absences, which are reported as expenditures when due. General capital asset acquisitions are reported as expenditures in governmental funds.

Net Position and Fund Balance Classification
*Government-wide financial statements*
Equity is classified as net position and displayed in three components:

a) Net investment in capital assets - consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets.
b) Restricted net position - consists of net position with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments.
c) Unrestricted net position - all other net position that does not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are available for a specific purpose, it is the School's policy to use restricted resources first, until exhausted, before using unrestricted resources.

*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 listed below:

a) Nonspendable - includes amounts that cannot be spent because they are either not expected to be converted to cash or contractually required to be maintained intact. Consists of fund balance associated with inventories and prepaid expenses.
b) Restricted - this classification includes fund balance category amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. There are no restricted fund balances at year end.
c) Committed - fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School's Board of Directors. There are no committed fund balances at year end.
d) Assigned - fund balance classification that is intended to be used by the School's management for specific purposes but do not meet the criteria to be classified as restricted or committed. The assigned balances pertain to the School's internal account.

**Note 1 – Summary of Significant Accounting Policies (continued)**

e) Unassigned - portion of the fund balance that has not been restricted, committed or assigned for a specific purpose. This is the residual classification for the School's general fund.

Committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Budgets and Budgetary Accounting

In compliance with Florida Statutes, the Board of Directors adopts an annual budget using the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g. salaries and benefits, purchased services, materials and supplies and capital outlay) within each activity (e.g. instruction, pupil personnel services and school administration). Revisions to the annual budget are approved by the Board.

Cash, Cash Equivalent and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, non-marketable time deposits with maturities of three months or less when purchased, and money market/savings accounts.

The School has adopted a formal investment policy that permits the investment of surplus funds, subject to Board approval, in cash and cash equivalents, debt instruments, mutual funds, certificates of deposit, government-sponsored investment vehicles, and certain investments that support the Charter School Network's educational mission. The School currently invests excess deposit funds in a government money market mutual fund.

The School follows the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, GASB Statement No. 72, *Fair Value Measurement and Application,* and other related standards which establish accounting and financial reporting standards for all investments (see Note 2). Money market investment that have maturities of one year or less from the date of acquisition are reported at amortized cost rather than fair value. Amortized cost closely approximates fair value.

Prepaid Expenses

Other assets consist mainly of prepaid expenses which are payments for goods or services that have not been consumed or used at year end. The expenditure will be recorded when the asset is used. Accordingly, prepaid expenses are equally offset by a nonspendable fund balance classification.

Due from Other Governments or Agencies

Amounts due to the School by other governments or agencies relate to grants or programs for which the services have been provided by the School. No allowance for uncollectible accounts is deemed necessary.

**Note 1 – Summary of Significant Accounting Policies (continued)**

Compensated Absences

GASB Statement No. 101, *Compensated Absences*, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. GASB Statement No. 101 establishes guidance for measuring a liability that has not been used, generally using an employee's pay rate as of the date of the financial statements.

The School grants a specific number of personal time off. Full time teachers and instructional employees are eligible to one day per month up to ten days of active work during the ten-month period (a "benefit year"). In the event that available time is not used by the end of the benefit year, employees may "rollover" all unused days for use in future benefit years. Employees may "cash out" unused days for personal time off, however, employees may only cash out if they have used three days or less in that benefit year. Employees may not cash out more than ten days per school year and are required to maintain a minimum of twenty-one unused days in order to cash out. The cash out value is eighty percent of their current daily rate. There is no termination payment for accumulated unused days. Non-exempt and office salaried employees are not eligible to "cash out" unused personal time off days. The compensated absences liability includes an accrual for the cash out days and personal time off for services already rendered.

Revenue Sources

Revenues for current operations are received primarily from the state through the District pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School reports 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 School during the designated full-time equivalent student survey periods. After review and verification of FTE reports and supporting documentation, the FDOE may adjust subsequent fiscal period allocations of FEFP funding for prior year errors disclosed by its review as well as to prevent statewide allocations from exceeding the amount authorized by the Legislature. Normally, such adjustments are treated as reductions of revenue in the year the adjustment is made. In addition, the School receives a portion of the local operating millage revenues levied by the District (Secure our Future Referendum).

**Note 1 – Summary of Significant Accounting Policies (continued)**

Finally, the School also receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to and approved by various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred. Any excess amounts are recorded as deferred revenues until expended. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

Inter-fund Transfers

Inter-fund receivables/payables ("due from/to") are short-term balances that represent reimbursements between funds for payments made by one fund on behalf of another fund.

Deferred Outflows/Inflows of Resources

In addition to assets, 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 and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category. 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 and so will not be recognized as an inflow of resources (revenue) until that time. The School does not have any items that qualify for reporting in this category.

Capital Assets

The School's property, plant and equipment with useful lives of more than one year are stated at historical cost and comprehensively reported in the statement of net position in the government-wide financial statements. Donated capital assets are recorded at their estimated fair market value on the date donated. The School generally capitalizes assets with a cost of $1,000 or more. Building improvements, additions and other capital outlays that significantly extend the useful life of an asset are capitalized.

The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are sold or disposed of, the related cost and accumulated depreciation are removed from the accounts, and the resulting gain or loss is recorded in the governmentwide statements. Proceeds received from the sale or disposal of capital assets are recorded as Other Financing Sources in the governmental funds. Estimated useful lives, in years, for depreciable assets are as follows:

| | |
|---|---|
| Furniture, fixtures and equipment | 5-10 Years |

Income Taxes

Mater Academy, Inc., qualifies as a tax-exempt organization under 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 1 – Summary of Significant Accounting Policies (continued)**

Subsequent Events
In accordance with GASB Codification Section 2250.106, the School has evaluated subsequent events and transactions for potential recognition or disclosure through September 15, 2026, which is the date the financial statements were available to be issued.

New Accounting Standard Adopted
In fiscal year 2026, the School adopted GASB Statement No. 103, *Financial Reporting Model Improvements*. Statement No. 103 requirements updates reporting requirements and changes to MD&A, unusual/infrequent items, proprietary fund presentation, major component units, budgetary comparison information and statistical information. The adoption of this statement did not have a material impact on the School's financial statements. This statement was applied prospectively.

In fiscal year 2026, the School adopted GASB issued Statement No. 104, Disclosure of Certain Capital Assets. Statement No. 104 requires certain capital assets to be separately identified within the capital asset footnote. This includes lease assets by major class of underlying asset and other specified categories of capital assets. It also establishes accounting and disclosure requirements for capital assets held for sale. The adoption of this statement did not have a material impact on the School's financial statements. This statement was applied prospectively.

Pronouncements Issued But Not Yet Effective
The GASB issued GASB Statement No. 105, *Subsequent Events*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2026.

The School is currently evaluating the effect that the implementation of the new standards will have on its financial statements.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**Note 2 – Cash and Investments**

Deposits
The School maintains its cash and cash equivalents in one financial institution. Deposits at FDIC-insured institutions are insured up to $250,000 per depositor, per financial institution. The School is a charter school under Mater Academy, Inc., which also operates various other charter schools. All bank accounts are opened under the account ownership of Mater Academy, Inc., therefore, bank balances at times may potentially be in excess of FDIC coverage. As of June 30, 2026, bank balances in potential excess of FDIC coverage were $9,147.

**Note 2 – Cash and Investments (continued)**

Investments

The School follows the Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in markets for identical assets: Level 2 inputs are significant other observable inputs (including quoted prices for similar investments, interest rates, credit risk, etc.); Level 3 inputs are significant unobservable inputs.

At June 30, 2026, the School had $730,000 invested in a governmental money market mutual fund that is exempt from GASB 72 fair value hierarchy disclosures. The governmental money market mutual fund values its portfolio securities at amortized cost which approximates fair value. The government money market mutual fund primarily invests in cash, high quality, short-term U.S. government securities and/or repurchase agreements that are collateralized fully by government securities that have been valued by the fund as Level 2. As of June 30, 2026, maturities of the fund's portfolio holdings are approximately 77% within 30 days.

Credit Risk

*Concentration of credit risk* is the risk of loss attributed to the magnitude of investments in a single issuer. The School manages its exposure to credit risk by limiting investments to highly rated government money market mutual funds. The fund is rated Aaa-mf by Moody's.

*Custodial credit risk* is the risk that in the event of a failure of a depository financial institution or counterparty that is in possession of investment or collateral securities, the School will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the School will not be able to recover the value of investments or collateral securities that are in the possession of an outside party. At June 30, 2026, all of the School's investments in government money market mutual funds were held in a separate account and designated as assets of the School.

*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 3 – Capital Assets

The following schedule provides a summary of changes in capital assets, acquired substantially with public funds, for the year ended June 30, 2026:

| | Balance 07/01/25 | Additions | Retirements/ Reclassifications | Balance 06/30/26 |
|---|---|---|---|---|
| Capital Assets: | | | | |
| Furniture, fixtures and equipment | $ 23,384 | $ - | $ - | $ 23,384 |
| Total Capital Assets | 23,384 | - | - | 23,384 |
| Less Accumulated Depreciation: | | | | |
| Furniture, fixtures and equipment | $ (18,317) | (4,677) | - | (22,994) |
| Total Accumulated Depreciation | (18,317) | (4,677) | - | (22,994) |
| Capital Assets, net | $ 5,067 | $ (4,677) | $ - | $ 390 |

For the fiscal year ended June 30, 2026, depreciation expense is allocated in the Statement of Activities by function as follows:

| | |
|---|---|
| Instruction | $ 4,677 |
| Total Depreciation Expense | $ 4,677 |

## Note 4 – Education Service and Support Provider

Academica Dade, LLC, an education service and support provider, offers administrative services to the School including, but not limited to, facility design, staffing recommendations, human resource coordination, regulatory compliance, legal and corporate upkeep, maintenance of the books and records, bookkeeping, budgeting and financial reporting and virtual education services. The agreement calls for a fee on a per student basis. The agreement is with Mater Academy, Inc., through June 30, 2028, and unless terminated by the board will have an option to renew for an additional five year period. During the year ended June 30, 2026, the School incurred $47,976 in fees related to this agreement.

## Note 5 – Transactions with other Divisions of Mater Academy, Inc.

Mater Academy, Inc., charges all its affiliated schools an assessment for shared corporate costs and accreditation expenses. The School paid Mater Academy, Inc., approximately $17,524 in connection with these charges during the year.

Recoverable Grants

In previous years, the School has received recoverable grants totaling $805,000 from Mater Academy, Inc., with repayment contingent on the School subsequently meeting certain financial conditions. In 2026, the School received a recoverable grant of $25,000, which was applied as a reduction to the debt owed to Mater Academy, Inc. To date, management has determined that the School has not met the requirements for repayment under the grant terms. The maximum amount the School may be required to pay in the future should the School meet the requirements for repayment is $830,000.

**Note 5 – Transactions with other Divisions of Mater Academy, Inc. (continued)**

The School has received long term, non-interest bearing advances from other divisions of Mater Academy, Inc. Changes in long term debt during the year are as follow:

| | Balance 07/01/25 | Increases | Decreases | Balance 06/30/26 |
|---|---|---|---|---|
| Mater Academy, Inc. | $ 325,000 | $ - | $ (25,000) | $ 300,000 |
| Total Long Term Debt | $ 325,000 | $ - | $ (25,000) | $ 300,000 |

The School has made long-term, non-interest bearing advances to Mater Academy, Inc. In addition, as of June 30, 2026, the School transferred a total of $232,722 of funds received in connection with the retroactive referendum settlement agreement to Mater Academy, Inc. for future investments on behalf of the School. The following schedule provides a summary of changes in long-term advances for the year:

| | Balance 07/01/25 | Increases | Decreases | Balance 06/30/26 |
|---|---|---|---|---|
| Mater Academy, Inc. | $ 113,523 | $ 119,199 | $ - | $ 232,722 |
| Total Long Term Receivable | $ 113,523 | $ 119,199 | $ - | $ 232,722 |

**Note 6 – Contingencies and Concentrations**

The School receives the majority of its funding from the State through the District under the Florida Education Finance Program (FEFP) and various other state and local funding. The FEFP is based in part on a computation of the number of full-time equivalent (FTE) students attending different instructional programs. The accuracy of FTE student data submitted by individual schools and used in the FEFP computations is subject to audit by the state and, if found to be in error, could result in refunds to the state or in decreases to future funding allocations. Additionally, the School participates in a number of federal, state and local grants which are subject to financial and compliance audits. It is the opinion of management that the amount of revenue, if any, which may be remitted back to the state due to errors in the FTE student data or the amount of grant expenditures which may be disallowed by grantor agencies would not be material to the financial position of the School.

Pursuant to the Charter School contract with the School District, the District withholds an administrative fee of 5% of the qualifying revenues of the School. For the year ended June 30, 2026, administrative fees withheld by the School District totaled $31,430.

**Note 7 – Risk Management**

The School is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; administrative errors and omissions; personal injury; workers compensation and natural disasters for which the School carries commercial insurance. Settlement amounts have not exceeded insurance coverage in any of the past three years. In addition, there were no reductions in insurance coverage from those in the prior year.

**Note 7 – Risk Management (continued)**

The School has entered into a strategic relationship with ADP TotalSource, Inc., a human resource management firm, typically known as "Professional Employer Organization" (PEO). Under a co-employment agreements, the PEO is the employer of record and is responsible for administering payroll, payroll taxes, provide employee benefits and assist with human resources and risk management. Accordingly, certain human resource related risks are transferred to the PEO. Nevertheless, the School may be subject to risks, including loss, penalties and fines related to employment practices, administrative error and omissions.

**Note 8 – Transactions with Somerset Virtual Academy and Somerset Virtual Academy-Private**

The School has entered into a Florida Virtual Instruction Provider Contract with Somerset Virtual Academy, Inc., an entity which contracts with the same education services and support provider, for a variety of educational products and services and administrative and technology services. This contract is automatically renewed on an annual basis unless cancelled by either party with a one year written notice. The School paid Somerset Virtual Academy, Inc., approximately $367,700 in connection with these services in 2026.

On July 1, 2025, the School entered into a virtual instruction provider agreement with Somerset Virtual Academy (VIP) for the provision of virtual instruction services for the 2025-26 academic year. Under the terms of the agreement, VIP will supply virtual courseware, instructional support, and platform access for the School's virtual charter program. Fees are based on student enrollment models (full-time, part-time, or single course), with an additional platform fee per student. The agreement outlines each party's responsibilities, including compliance with Florida law, data privacy (FERPA), and reporting requirements. The agreement automatically renews annually unless terminated per specified notice provisions. Either party may terminate for cause or, in the case of the School, without cause with 30 days' notice.

Recoverable Grants

In prior years, the School has received recoverable grants totaling $135,000 from Somerset Virtual Academy, Inc., in fees for services provided under this contract. Repayment of the recoverable grant is contingent on the School subsequently meeting certain financial conditions. The maximum amount the School may be required to pay in the future should the School meet the requirements for repayment is $135,000.

**Note 9 – Due to Other Agencies**

In prior years, the School received referendum funds that may have to be returned to the district. Accordingly, the School has reported those funds as a liability on the statement of net position.

**Note 9 – Due to Other Agencies (continued)**

The following summarizes changes in due to other agencies as of June 30, 2026:

| | Balance 07/01/25 | Increases | Decreases | Balance 06/30/26 |
|---|---|---|---|---|
| Due to other agencies | $ 331,864 | $ 81,742 | $ - | 413,606 |
| Total due to other agencies | $ 331,864 | $ 81,742 | $ - | $ 413,606 |

**Note 10 – Interfund Transfers**

Interfund transfers in governmental funds as of June 30, 2026, consist of the following:

| | General Fund | Special Revenue Fund |
|---|---|---|
| Due to General Fund from Special Revenue Fund for Internal Account | $ 300 | $ (300) |
| Total Due from/(Due to) | $ 300 | $ (300) |

**Note 11 – Defined Contribution Retirement Plan**

The School's personnel, who are leased through ADP TotalSource Group, Inc., are eligible to participate in a defined contribution 401(k) plan sponsored by the leasing company, covering employees who meet certain age and tenure requirements. Under the ADP TotalSource Retirement Savings Plan (the "Plan"), the School provides a match of 100% of the employee's contribution up to 4% of the employee's compensation. The School contributed to the Plan $10,869 for the year ended June 30, 2026. The School does not exercise any control or fiduciary responsibility over the Plans' assets, which are administered by Voya Financial.

**Note 12 – Compensated Absences**

Compensated absences payable consists of leave benefits, paid time off, that employees earned based on services already rendered. Compensated absences are recognized as a liability when the leave accumulates, is attributable to past service, and it is more likely than not that the leave will be used or paid.

Changes in compensated absence liabilities during the year are as follows:

| | Balance 7/1/2025 | Increases * | Decreases | Balance 6/30/2026 | Due within One Year |
|---|---|---|---|---|---|
| Compensated absences | $ 2,195 | $ - | $ - | $ 2,195 | $ 2,195 |
| | $ 2,195 | $ - | $ - | $ 2,195 | |

* The change in compensated absences is presented as a net change.

REQUIRED SUPPLEMENTARY INFORMATION

Mater Academy Virtual Charter School
(A charter school under Mater Academy, Inc.)

Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund
For the year ended June 30, 2026

| | General Fund | | | Variance | |
|---|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Original to Final | Final to Actual |
| REVENUES | | | | | |
| State passed through local | $ 723,457 | $ 760,151 | $ 672,291 | $ (36,694) | $ 87,860 |
| Local sources (Including Referendum revenue) | 152,490 | 90,000 | 90,670 | 62,490 | (670) |
| Charges for services and other revenue | 19,780 | 19,780 | 27,913 | - | (8,133) |
| Total Revenues | 895,727 | 869,931 | 790,874 | 25,796 | 79,057 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Instruction | 603,116 | 544,757 | 514,217 | 58,359 | 30,540 |
| Student support services | 46,584 | 40,840 | 40,019 | 5,744 | 821 |
| Instructional staff training | 17,673 | 18,449 | 18,449 | (776) | - |
| School administration | 168,846 | 156,344 | 152,647 | 12,502 | 3,697 |
| Fiscal services | 20,042 | 17,417 | 15,992 | 2,625 | 1,425 |
| Central services | 13,013 | 20,917 | 19,492 | (7,904) | 1,425 |
| Student transportation services | 5,000 | 13,381 | 8,710 | (8,381) | 4,671 |
| Total Current Expenditures | 874,274 | 812,105 | 769,526 | 62,169 | 42,579 |
| Excess (deficit) of Revenues Over Current Expenditures | 21,453 | 57,826 | 21,348 | (36,373) | 36,478 |
| Other financing sources (uses): | | | | | |
| Change in due to Mater Academy, Inc. | - | (120,000) | (119,199) | 120,000 | (801) |
| Due to other agencies | - | 82,000 | 81,742 | (82,000) | 258 |
| Net change in fund balance | 21,453 | 19,826 | (16,109) | 1,627 | 35,935 |
| Fund Balance at beginning of year | 707,341 | 707,341 | 707,341 | - | - |
| Fund Balance at end of year | $ 728,794 | $ 727,167 | $ 691,232 | $ 1,627 | $ 35,935 |

See accompanying notes to the budgetary comparison schedules.

Mater Academy Virtual Charter School
(A charter school under Mater Academy, Inc.)

Statement of Revenues, Expenditures, and Changes in Fund Balance - Special Revenue Fund
For the year ended June 30, 2026

| | Special Revenue Fund | | | Variance | |
|---|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Original to Final | Final to Actual |
| REVENUES | | | | | |
| Federal sources | $ 10,815 | $ 10,851 | $ 10,851 | $ (36) | $ - |
| Charges for services and other revenue | 2,050 | 2,255 | 2,355 | (205) | (100) |
| Total Revenues | 12,865 | 13,106 | 13,206 | (241) | (100) |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Instruction | 6,665 | 6,689 | 6,688 | (24) | 1 |
| Instructional staff training | 4,400 | 4,400 | 4,163 | - | 237 |
| Community services | 1,800 | 2,017 | 1,783 | (217) | 234 |
| Total Current Expenditures | 12,865 | 13,106 | 12,634 | (241) | 472 |
| Excess (Deficit) of Revenues Over Current Expenditures | - | - | 572 | - | (572) |
| Other financing sources (uses) | | | | | |
| Transfers in (out) | - | - | - | - | - |
| Net change in fund balance | - | - | 572 | - | (572) |
| Fund Balance at beginning of year | 121 | 121 | 121 | - | - |
| Fund Balance at end of year | $ 121 | $ 121 | $ - 693 | $ - | $ (572) |

See accompanying notes to the budgetary comparison schedules.

**Note 1 – Budgets and Budgetary Accounting**

An annual budget is adopted on the modified accrual basis of accounting, consistent with generally accepted accounting principles. The original budget and any subsequent amendments are approved by the Board of Directors.

**Note 2 – Variances**

The variances in State Passed Through Local in the General Fund occurred because the final budget was increased due to increased in enrollment and funding per student.

The variances in Local Sources in the General Fund occurred because the budget was aligned to the minimal allowable referendum expenditures for the virtual setting.

The variances in Instruction expenditure in the General Fund occurred because the final budget was reduced to reflect changes in staff allocation.

The variances in due to Mater Academy, Inc. were based on Board approval at year end.

The variances in due to other agencies were based on Board approval at year end.

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

# 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 of
Mater Academy Virtual Charter School
Miami, Florida

We have audited, 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, the financial statements of the governmental activities and each major fund of Mater Academy Virtual Charter School (the "School"), as of, and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon dated September 15, 2026.

## Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School'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 School's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School'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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School'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*.

We issued a separate management letter dated September 15, 2026 pursuant to Chapter 10.850, Rules of the Auditor General.

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

HLB Gravier, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

# MANAGEMENT LETTER

To the Board of Directors of
Mater Academy Virtual Charter School
Miami, Florida

**Report on the Financial Statements**

We have audited the financial statements of Mater Academy Virtual Charter School as of and for the fiscal year ended June 30, 2026 and have issued our report thereon dated September 15, 2026.

**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 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 and schedules, which are dated September 15, 2026, 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 and recommendations made in the preceding annual financial audit report.

**Official Title**

Section 10.854(1)(e)5., Rules of the Auditor General, requires 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 is: Mater Academy Virtual Charter School (# 6997).

**Financial Condition and Management**

Section 10.854(1)(e)2 and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not Mater Academy Virtual Charter 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 Mater Academy Virtual Charter School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any recommendation to improve financial management. In connection with our audit, we did not have 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 Mater Academy Virtual Charter School maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that Mater Academy Virtual Charter 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 fraud, waste, or abuse, that has occurred, or is likely to have occurred, that has 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 Florida House of Representatives, the Florida Auditor General, School Board of Miami-Dade County, Federal and other granting agencies, the Board of Directors, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

HLB Gravier, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026