

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.**

**FINANCIAL STATEMENTS**

**JUNE 30, 2021**

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
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JUNE 30, 2021**

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## INDEPENDENT AUDITORS' REPORT

To the Governing Board,  
Duval MYcroSchool of Integrated  
Academics and Technologies, Inc.:

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Duval MYcroSchool of Integrated Academics and Technologies, Inc. ("MYCroSchool Jacksonville") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

MYcroSchool Jacksonville's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

#### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

- 1 -

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### ***Opinions***

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 MYCroSchool Jacksonville as of June 30, 2021 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.


### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information as listed in the table of contents 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. 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 30, 2021 on our consideration of MYCroSchool Jacksonville's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and 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* in considering MYCroSchool Jacksonville's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large, looped initial "J".

Tallahassee, Florida  
September 30, 2021

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

This section of Duval MYcroSchool of Integrated Academics and Technologies, Inc.'s annual financial report presents our discussion and analysis of the School's financial performance during the fiscal year that ended on June 30, 2021. Please read it in conjunction with the School's financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

**The Financial Statements**

The financial statements presented herein include all of the activities of the Duval MYcroSchool of Integrated Academics and Technologies, Inc. (the "School") using the integrated approach as prescribed by GASB Statement Number 34.

The Government-Wide Financial Statements present the financial picture of the School from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities. These statements include all assets of the School as well as all liabilities. Additionally, certain eliminations have occurred as prescribed by the statement in regards to interfund activity, payables and receivables.

The Fund Financial Statements include statements for the governmental activities. The Governmental Funds are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

Reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences created by the integrated approach.

The Primary unit of the government is the School Board of Duval County, Florida.

FINANCIAL HIGHLIGHTS OF THE PAST YEAR

An overview of significant financial information from the current year includes:

- The school's total net position increased by approximately \$355 thousand.
- Total general fund revenues exceeded expenses by approximately \$346 thousand.
- Capital assets, net of depreciation, decreased approximately by \$13 thousand.
- The School's governmental funds reported combined ending fund balance of approximately \$789 thousand.

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021  
(Continued)**

REPORTING THE SCHOOL AS A WHOLE

**The Statement of Net Position and the Statement of Activities**

The *Statement of Net Position* and the *Statement of Activities* report information about the School as a whole and about its activities. These statements include *all* assets and liabilities of the School using the accrual basis accounting, which is similar to the accounting used by most private-sector companies. All of the current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School's *net position* and changes in them. Net position is the difference between assets and liabilities and is one way to measure the School's financial health, or *financial position*. Over time, *increases or decreases* in the School's net position are one indicator of whether its financial health is improving or deteriorating. Other factors to consider are changes in the School's revenue base and the condition of the School's capital assets.

The relationship between revenues and expenses is the School's operating results. Since the Board's responsibility is to provide services to our students and not to generate profit as commercial entities do, one must consider other factors when evaluating the overall health of the School. The quality of the education and the safety of our schools will likely be an important component in this evaluation.

In the *Statement of Net Position* and the *Statement of Activities*, we designate the School activities as follows:

**Governmental activities**—All of the School's services are reported in this category. This includes the education of high school students, and the on-going effort to improve and maintain capital assets. Revenues received from the Florida Education Finance Program through the Duval County Public School system, Federal grants and miscellaneous local revenues finance these activities.

REPORTING THE SCHOOL'S MOST SIGNIFICANT FUNDS

**Fund Financial Statements**

The fund financial statements provide detailed information about the most significant funds – not the School as a whole. Some funds are required to be established by State law. However, management may establish various funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other monies that it receives.

**Governmental funds**—The School's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the School's programs. The differences between the governmental fund financial statements and the government-wide financial statements are explained in reconciliations following each governmental fund financial statement.

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021  
(Continued)**

THE SCHOOL AS A WHOLE

**Net Position**

The School's net position was approximately \$482 thousand for the fiscal year ended June 30, 2021. Our analysis below, in summary form, focuses on the net position (Table 1) and change in net position (Table 2) of the School's governmental activities.

**Table 1**

	<b><u>June 30, 2021</u></b>	<b><u>June 30, 2020</u></b>
Current and other assets	\$ 872,130	\$ 554,817
Capital assets	<u>111,803</u>	<u>125,329</u>
Total assets	<u>983,933</u>	<u>680,146</u>
Deferred outflows	<u>245,627</u>	<u>149,701</u>
Net pension liability	520,884	334,774
Current liabilities	<u>83,260</u>	<u>174,555</u>
Total Liabilities	<u>604,144</u>	<u>509,329</u>
Deferred inflows	<u>143,562</u>	<u>193,462</u>
Net position		
Net investment in capital assets	111,803	125,329
Restricted for capital projects	62,100	-
Unrestricted	<u>307,951</u>	<u>1,727</u>
Total Net Position	<u>\$ 481,854</u>	<u>\$ 127,056</u>

**Changes in Net Position**

The results of this year's operations for the School as a whole are reported in the Statement of Activities on page 10. Table 2 takes the information from the Statement and rearranges it slightly to more readily identify the total revenues for the year.

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021  
(Continued)**

THE SCHOOL AS A WHOLE (Continued)

**Changes in Net Position** (Continued)

**Table 2**

	<b><u>June 30, 2021</u></b>	<b><u>June 30, 2020</u></b>
<b>Revenues</b>		
General Revenues		
State of florida education finance program	\$ 1,572,713	\$ 1,532,224
Capital grants and contributions	186,755	119,625
Federal grants	75,954	2,386
Other general revenues	1,735	7,658
Total Revenues	<u>1,837,157</u>	<u>1,661,893</u>
<b>Expenses</b>		
Instruction-related services	1,117,949	664,845
Support services	65,860	476,987
Facilities acquisition and construction	115,178	103,566
Transportation	1,294	36,589
Maintenance and operation of plant	125,506	145,579
Administrative technology	362	-
Pension	40,284	20,920
Depreciation	15,926	16,724
Loss on disposal	-	485
Total expenses	<u>1,482,359</u>	<u>1,465,695</u>
Change in Net Position	<u>\$ 354,798</u>	<u>\$ 196,198</u>



**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021  
(Continued)**

THE SCHOOL'S FUNDS

As the School completed this year, the governmental funds reported a combined fund balance of \$788,870 (Table 3).

**Table 3**

	<b>Fund Balance June 30, 2021</b>	<b>Fund Balance June 30, 2020</b>
General Fund	\$ 726,770	\$ 380,262
Capital Projects Fund	62,100	-
Totals	\$ 788,870	\$ 380,262

**General Fund Budgetary Highlights**

During the course of the fiscal year, the School revised its General Fund Budget in order to deal with unexpected changes in revenue and expenditures. The Governing Board adopts its initial budget based on projected enrollment and the corresponding projected revenues. Amendments are primarily required to reflect changes in revenue estimates from the State of Florida Education Finance Program (FEFP) as actual enrollments are determined. A schedule showing the School's original and final budget amounts compared with actual amounts paid and received is provided in budgetary comparison schedules as noted in the table of contents.

CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets**

At June 30, 2021, the School had \$111,803 in a broad range of capital assets (net of depreciation), including furniture, equipment and building improvements (Table 4).

**Table 4**

	<b>Governmental Activities June 30, 2021</b>	<b>Governmental Activities June 30, 2020</b>
Furniture and Equipment	\$ 153,918	\$ 151,518
Building Improvements	191,392	191,392
Accumulated Depreciation	(233,507)	(217,581)
Totals	\$ 111,803	\$ 125,329

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021  
(Continued)**

SIGNIFICANT ACTIVITIES DURING FISCAL YEAR 2020-2021 ARE NOTED BELOW:

- The School's enrollment was 225 students.

**ECONOMIC FACTORS**

The economic position of the school for general operating is closely tied to that of the State. The formula for determining funding for education is set by Statute. State funds to charter schools are provided primarily by legislative appropriations from the State's general revenue funds under the Florida Education Finance Program (FEFP), and the State funding for operations is primarily from sales, gasoline, and corporate income taxes. Additionally, the level of tourism in the State heavily influences the amount of taxes collected. Significant changes in State revenue collections could directly impact future School revenue allocations.

**CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, students, and creditors with a general overview of the School's finances and to show the School's accountability for the money it receives. If you have questions about this report or need any additional financial information, please write to NEWCorp at 1204 NW 69<sup>th</sup> Terrace, Suite B, Gainesville, Florida 32605.

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
STATEMENT OF NET POSITION  
JUNE 30, 2021**

<b>Assets</b>	
Current Assets	
Cash and Cash Equivalents	\$ 756,954
Due from other agencies	113,196
Deposits	1,980
Total Current Assets	<u>872,130</u>
Capital Assets, Net	111,803
<b>Total Assets</b>	<u><u>\$ 983,933</u></u>
<b>Deferred Outflows</b>	
Related to changes in the net pension liability	<u>\$ 245,627</u>
<b>Liabilities</b>	
Current Liabilities	
Accounts Payable	\$ 83,260
Total Current Liabilities	<u>83,260</u>
Long-term liabilities	
Net pension liability	<u>520,884</u>
Total long-term liabilities	<u>520,884</u>
<b>Total Liabilities</b>	<u><u>\$ 604,144</u></u>
<b>Deferred Inflows</b>	
Related to changes in the net pension liability	<u>\$ 143,562</u>
<b>Net Position</b>	
Net investment in Capital Assets	\$ 111,803
Restricted for Capital Projects	62,100
Unrestricted	307,951
Total Net Position	<u><u>\$ 481,854</u></u>

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

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>					
Basic Instruction	\$ 457,760	\$ -	\$ 46,177	\$ -	\$ (411,583)
Student Support Services	168,464	-	4,721	-	(163,743)
Instructional Media Services	17,576	-	-	-	(17,576)
Instruction and Curriculum Development services	26,043	-	-	-	(26,043)
Instructional Staff Training	18,155	-	2,380	-	(15,775)
Instructional Technology Services	25,077	-	-	-	(25,077)
Board	47,589	-	-	-	(47,589)
General Administration	97,586	-	106	-	(97,480)
School Administration	259,699	-	12,681	-	(247,018)
Facilities Acquisition and Construction	115,178	-	-	186,755	71,577
Fiscal Services	56,683	-	-	-	(56,683)
Food Services	28	-	-	-	(28)
Central Services	9,149	-	-	-	(9,149)
Transportation	1,294	-	-	-	(1,294)
Operation of Plant	113,828	-	9,889	-	(103,939)
Maintenance of Plant	11,678	-	-	-	(11,678)
Administrative Technology	362	-	-	-	(362)
Pension (Unallocated)	40,284	-	-	-	(40,284)
Depreciation (Unallocated)	15,926	-	-	-	(15,926)
Total Governmental Activities	<u>\$ 1,482,359</u>	<u>\$ -</u>	<u>\$ 75,954</u>	<u>\$ 186,755</u>	<u>\$ (1,219,650)</u>

General revenues:

State aid not restricted to specific purposes	1,572,713
Miscellaneous	1,735
Total General Revenues	<u>1,574,448</u>
<b>Change in Net Position</b>	354,798
Net Position - Beginning	<u>127,056</u>
Net Position - Ending	<u>\$ 481,854</u>

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

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2021**

	<b>General Fund</b>	<b>Capital Projects Fund</b>	<b>Special Revenue Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>				
Current Assets				
Cash and cash equivalents	\$ 727,132	\$ 29,822	\$ -	\$ 756,954
Due from other funds	72,061	-	-	72,061
Due from other agencies	-	41,135	72,061	113,196
Deposits	1,980	-	-	1,980
<b>Total Assets</b>	<b>\$ 801,173</b>	<b>\$ 70,957</b>	<b>\$ 72,061</b>	<b>\$ 944,191</b>
<b>Liabilities and Fund Balances</b>				
Current Liabilities				
Accounts payable	\$ 74,403	\$ 8,857	\$ -	\$ 83,260
Due to other funds	-	-	72,061	72,061
<b>Total Liabilities</b>	<b>\$ 74,403</b>	<b>\$ 8,857</b>	<b>\$ 72,061</b>	<b>\$ 155,321</b>
<b>Fund Balances</b>				
Nonspendable	\$ 1,980	\$ -	\$ -	\$ 1,980
Restricted for capital outlay	-	62,100	-	62,100
Unassigned	724,790	-	-	724,790
<b>Total Fund Balances</b>	<b>726,770</b>	<b>62,100</b>	<b>-</b>	<b>788,870</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 801,173</b>	<b>\$ 70,957</b>	<b>\$ 72,061</b>	<b>\$ 944,191</b>

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

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
GOVERNMENTAL FUNDS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
JUNE 30, 2021**

**Total Fund Balance - Governmental Funds** \$ 788,870

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 as assets in  
governmental funds:

Cost of capital assets	345,310	
Accumulated depreciation	<u>(233,507)</u>	111,803

Net pension liability and related deferred inflows/outflows are  
not due and payable in the current period and, therefore,  
are not reported in the funds.

Net pension liability	(520,884)	
Deferred outflows	245,627	
Deferred inflows	<u>(143,562)</u>	(418,819)

**Total Net Position - Governmental Activities** \$ 481,854

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

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Special Revenue Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Federal Through State	\$ -	\$ -	\$ 75,954	\$ 75,954
State	1,572,713	112,684	-	1,685,397
Local	1,735	74,071	-	75,806
Total Revenues	<u>1,574,448</u>	<u>186,755</u>	<u>75,954</u>	<u>1,837,157</u>
<b>Expenditures</b>				
Basic Instruction	\$ 413,635	\$ -	\$ 44,125	\$ 457,760
Student Support Services	163,743	-	4,721	168,464
Instructional Media Services	17,576	-	-	17,576
Instruction and Curriculum				
Development services	23,663	-	2,380	26,043
Instructional Staff Training	18,155	-	-	18,155
Instructional Technology Services	25,077	-	-	25,077
Board	47,589	-	-	47,589
General Administration	97,480	-	106	97,586
School Administration	246,178	840	12,681	259,699
Facilities Acquisition and Construction	8,351	106,827	-	115,178
Fiscal Services	56,683	-	-	56,683
Food Services	28	-	-	28
Central Services	9,149	-	-	9,149
Transportation	1,294	-	-	1,294
Operation of Plant	94,368	11,971	9,889	116,228
Maintenance of Plant	6,661	5,017	-	11,678
Administrative Technology	362	-	-	362
Total expenditures	<u>1,229,992</u>	<u>124,655</u>	<u>73,902</u>	<u>1,428,549</u>
<b>Change in fund balance</b>	<u>344,456</u>	<u>62,100</u>	<u>2,052</u>	<u>408,608</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	2,052	-	-	2,052
Transfers Out	-	-	(2,052)	(2,052)
<b>Total Other Financing Sources (Uses)</b>	<u>2,052</u>	<u>-</u>	<u>(2,052)</u>	<u>-</u>
<b>Net Changes in Fund Balances</b>	<u>346,508</u>	<u>62,100</u>	<u>-</u>	<u>408,608</u>
<b>Fund Balances, Beginning of year</b>	380,262	-	-	380,262
<b>Fund Balances, Ending of year</b>	<u>\$ 726,770</u>	<u>\$ 62,100</u>	<u>\$ -</u>	<u>\$ 788,870</u>

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

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021**

<b>Total Net Change in Fund Balances - Governmental Funds</b>	\$	408,608
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Amounts Reported for Governmental Activities in the  
Statement of Activities are Different Because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures, however, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statements of activities.

This is the amount by which depreciation for the period exceeds capital outlays

Capital outlays	2,400	
Depreciation expense	<u>(15,926)</u>	(13,526)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Changes in:

Net pension liability	(186,110)	
Deferred outflows related to net pension liability	95,926	
Deferred inflows related to net pension liability	<u>49,900</u>	(40,284)

<b>Change in Net Position of Governmental Activities</b>	\$	<u><u>354,798</u></u>
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The accompanying notes are an integral  
part of this financial statement.



**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

(1) **Summary of Significant Accounting Policies:**

(a) **Financial reporting entity**—The Duval MYcroSchool of Integrated Academics and Technologies, Inc. (the “School”) was organized in 2010 under the laws of the State of Florida. The School operates under a seven-member Board form of government and provides educational services to students in grades nine through twelve. The School is located at 1584 Normandy Village Parkway #25, Jacksonville, Florida 32221 and had an enrollment of 225 students.

The School is a non-profit public benefit corporation that was incorporated October 5, 2010. On November 1, 2010, the School Board of Duval County, Florida approved the application for the School to operate a charter. The purpose of the School is to provide educational services.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the School consists of all funds, departments, boards, and agencies that are not legally separate from the School. For Duval MYcroSchool of Integrated Academics and Technologies, Inc., this includes general operations and student related activities of the School.

**Component units**—Component units are legally separate organizations for which the School is financially accountable. Component units may include organizations that are fiscally dependent on the School in that the School approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the School is not financially accountable but the nature and significance of the organization’s relationship with the School is such that exclusion would cause the School’s financial statements to be misleading or incomplete. The School has no component units. However, the School is considered a component unit of the Duval County Public School system.

(b) **Description of government wide financial statements**—The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. Governmental activities, are normally supported by intergovernmental revenues, and other nonexchange transactions.

(c) **Basis of presentation—government wide financial statements**—While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

(d) **Basis of presentation—fund financial statements**—The fund financial statements provide information about the government’s funds. A separate statement for the governmental fund category is presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Major individual governmental funds are reported as separate columns in the fund financial statements.

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

(1) **Summary of Significant Accounting Policies:** (Continued)

(d) **Basis of presentation—fund financial statements** (Continued)

The School uses the following major governmental fund:

**General Fund**—The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the School for any purpose provided it is expended or transferred according to the general laws of Florida.

**Capital Projects Fund**—The capital projects fund is used to account for financial resources to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, and major maintenance projects.

**Special Revenue Fund**— The special revenue fund is used to account for the activities related to grant activities related to the Cares Act and Title I, II, and IV, which are typically cost reimbursement.

During the course of operations the School has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

(e) **Measurement focus and basis of accounting**—The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Amounts reported as program revenues include charges for services, operating grants and contributions, and capital grants and contributions. Items not properly included among program revenues, such as monies received from the Duval County School Board, are reported as general revenues.

All governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues, except for certain grant revenues, are recognized in the accounting period in which they become both measurable and available. 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 School considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, state, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recorded when the related fund liability is incurred. The principal exceptions to this are: principal and interest on general long-term debt, which are recorded as expenditures only when payment is due.

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

(1) **Summary of Significant Accounting Policies:** (Continued)

(f) **Cash and cash equivalents**—The School’s cash and cash equivalents are considered to be cash on hand and demand deposits.

(g) **Capital assets and depreciation**—The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the School as a whole. The School maintains a capitalization threshold of \$1,000. The School does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not capitalized, but are expensed as incurred.

When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are 5 years for furniture and equipment; and 20 years for building improvements.

(h) **Accrued liabilities**—All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

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

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

(k) **Revenues**—Amounts reported as program revenues include operating grants and contributions. Items not properly included among program revenues, such as monies received from the Duval County District School Board, are reported as general revenues.

(l) **Use of estimates**—The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

(1) **Summary of Significant Accounting Policies:** (Continued)

(m) **Fund balance policies**—The School classifies governmental fund balances in various categories based on the nature of limitations requiring the use of resources for specific purposes as follows:

*Non-spendable*—amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

*Restricted*—amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation.

*Committed*—amounts that are constrained for specific purposes, are internally imposed by the School's governing Board, and do not lapse at year-end.

*Assigned*—amounts that are intended to be used for specific purposes that are neither considered restricted nor committed. Fund balance minimums may be assigned by management.

*Unassigned*—all other spendable amounts.

The School has not adopted a formal minimum fund balance policy but budgets to strive for a minimum general fund balance of five percent of current year expenditures.

(n) **Budgetary data**—The budgetary process is prescribed by provisions of the laws of Florida and requires the governing board to adopt an operating budget each year. The School governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major function at year end.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for.

(o) **Income taxes**—The School is exempt from the payment of income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the accompanying financial statements. The School files income tax returns in the U.S. Federal jurisdiction. The School's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination. The School has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the School.

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

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

(1) **Summary of Significant Accounting Policies:** (Continued)

(q) **Subsequent events**—Subsequent events have been evaluated through September 30, 2021, which is the date the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

(2) **Cash and Cash Equivalents:**

(a) **Policies and practices**—*Custodial credit risk-deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the School’s deposits may not be returned to it. The School maintains demand deposits with qualified public depository financial institutions.

(b) **Deposits**—At year-end, the carrying amounts of the School’s demand deposits were \$756,954 for governmental activities. The bank balances totaled \$773,660. The bank balances were covered by Federal deposit insurance as the balances were less than \$250,000.

(3) **Capital Assets:**

All capital asset additions were acquired with public funds. Capital asset activity for the fiscal year ended June 30, 2021, was as follows:

	<b>Balance July 1, 2020</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2021</b>
<b>Governmental Activities</b>				
Capital assets being depreciated				
Buildings and improvements	\$ 191,392	\$ -	\$ -	\$ 191,392
Furniture and equipment	151,518	2,400	-	153,918
Total capital assets being depreciated	342,910	2,400	-	345,310
Less: Accumulated depreciation				
Buildings and improvements	82,149	9,070	-	91,219
Furniture and equipment	135,432	6,856	-	142,288
Total accumulated depreciation	217,581	15,926	-	233,507
<b>Governmental activities</b>				
<b>Capital assets, net</b>	\$ 125,329	\$ (13,526)	\$ -	\$ 111,803

During the year ended June 30, 2021, \$15,926 was charged to depreciation expense.

<b>Governmental Activities</b>	
Unallocated	\$ 15,926

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

**(4) Retirement Plan:**

**Plan Description and Administration**

The School participates in the Florida Retirement System (FRS), a multiple-employer, cost sharing defined public employee retirement system which covers all of the School's full-time employees. The System is a noncontributory retirement plan, administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the School are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. Eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

**Benefits Provided and Employees Covered**

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Members of both Plans may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

(4) **Retirement Plan:** (Continued)

**Benefits Provided and Employees Covered** (Continued)

Deferred Retirement Option Program (DROP), subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months.

During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Employees may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. The Investment Plan is funded by employer and employee contributions that are based on salary and membership class (Regular, DROP, etc.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Employees in the Investment Plan vest at one year of service.

**Financial Statements**

Financial statements and other supplementary information of the FRS are included in the State's Comprehensive Annual Financial Report, which is available from the Florida Department of Financial Services, Bureau of Financial Reporting Statewide Financial Reporting Section by mail at 200 E. Gaines Street, Tallahassee, Florida 32399-0364; by telephone at (850) 413-5511; or at the Department's Web site ([www.myfloridacfo.com](http://www.myfloridacfo.com)). An annual report on the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from:

Florida Department of Management Services  
Division of Retirement, Research and Education Services  
P.O. Box 9000  
Tallahassee, FL 32315-9000  
850-488-5706 or toll free at 877-377-1737

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

(4) **Retirement Plan:** (Continued)

**Contributions**

The School participates in certain classes of FRS membership. Each class has descriptions and contribution rates in effect at June 30, 2020, as follows (contribution rates are in agreement with the actuarially determined rates):

<u>FRS Membership Plan &amp; Class</u>	<u>Through June 30, 2020</u>	<u>After June 30, 2020</u>
Regular Class	8.47%	10.00%
DROP	14.60%	16.98%
Senior Management	25.41%	27.29%

Actual contributions made for School employees participating in FRS and HIS for the plan year ended June 30, 2021, were as follows:

School Contributions – FRS	\$ 25,996
School Contributions – HIS	8,579
Employee Contributions – FRS	15,504

**Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions**

At June 30, 2021, the School reported a net pension liability related to FRS and HIS as follows:

<u>Plan</u>	<u>Net Pension Liability</u>
FRS	\$ 339,108
HIS	181,776
Total	<u>\$ 520,884</u>



**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

(4) **Retirement Plan:** (Continued)

**Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions**

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer proportion of the net pension liability was based on a projection of the School's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, as actuarially determined. At June 30, 2021 and June 30, 2020, the School's proportionate share of the FRS and HIS net pension liabilities were as follows:

<b>Plan</b>	<b>2021</b>	<b>2020</b>
FRS	0.000782409%	0.000617264%
HIS	0.001488770%	0.001092115%

For the plan year ended June 30, 2021, pension expense was recognized related to the FRS and HIS plans as follows:

FRS	\$	64,608
HIS		18,293
Total	\$	82,901

*Deferred outflows/inflows related to pensions:*

At June 30, 2021, deferred outflows of resources and deferred inflows of resources related to pensions were recorded from the following sources:

	<b>FRS</b>		<b>HIS</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 12,978	\$ -	\$ 7,436	\$ (140)
Changes of assumptions	61,389	-	19,546	(10,570)
Net different between projected and actual investment earnings	20,191	-	145	-
Change in proportionate share	36,249	(68,843)	45,083	(64,009)
Contributions subsequent to measurement date	34,085	-	8,525	-
	\$ 164,892	\$ (68,843)	\$ 80,735	\$ (74,719)

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

(4) **Retirement Plan:** (Continued)

**Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions** (Continued)

The above amounts for deferred outflows of resources for contributions related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

Other amounts reported as deferred outflows and deferred inflows of resources related to pensions being amortized for a period of greater than one year will be recognized in pension expense in succeeding years as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 5,600
2023	15,300
2024	16,849
2025	8,774
2026	5,071
Thereafter	7,861
Total	<u>\$ 59,455</u>

*Actuarial assumptions:*

The actuarial assumptions for both defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS was completed in 2019 for the period July 1, 2003, through June 30, 2018. Because HIS is funded on a pay-as-you-go basis, no experience study has been completed.

The total pension liability for each of the defined benefit plans was determined by an actuarial valuation, using the entry age normal actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth, including inflation, for both plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS investments is 6.80%. This rate decreased from the prior year rate, which was 6.90%. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. Because HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.35% was used to determine the total pension for the program. This rate decreased from the prior year rate, which was 3.50%. Mortality assumptions for both plans were based on the PUB2010 base table varies by member category and sex, projected generationally with Scale MP-2018 details.

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

(4) **Retirement Plan:** (Continued)

**Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions** (Continued)

*Long-term expected rate of return:*

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in October 2020, the FRS Actuarial Assumptions conference reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and by a capital market assumptions team from Aon Hewitt Investment Consulting, which consults to the Florida State Board of Administration. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. The allocation policy’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Long-Term Arithmetic Expected Rate of Return
Cash	1.0%	2.2%
Fixed income	19.0%	3.0%
Global equities	54.2%	8.0%
Real estate	10.3%	6.4%
Private equity	11.1%	10.8%
Strategic investments	4.4%	5.5%
Total	<u>100.0%</u>	

*Sensitivity of the net pension liability to changes in the discount rate:*

The following presents the proportionate shares of the FRS and HIS net pension liability of the School calculated using the current discount rates, as well as what the School’s net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

Plan	Current Discount Rate	NPL with 1% Decrease	NPL at Current Discount Rate	NPL with 1% Increase
FRS	6.80%	\$ 547,498	\$ 339,108	\$ 170,070
HIS	2.21%	210,125	181,776	158,573

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

(5) **Due From/To Other Funds:**

The following is a summary of inter-fund amounts related to capital project and other governmental fund expenditures paid out of the general fund account at June 30, 2021:

<b>Receivable Fund</b>	<b>Payable Fund</b>	<b>Amount</b>
General Fund	Special Revenue Fund	\$ 72,061

Transfers from/to other funds for the year ended June 30, 2021, were as follows:

<b>Recipient Fund</b>	<b>Amount</b>	<b>Reason for Transfer</b>
General Fund	\$ 2,052	Transfer from Special Revenue Fund to General Fund for the current year activity.

(6) **Related Party Transactions:**

The School has a vendor relationship with New Education for the Workplace, Inc., 1204 NW 69th Terrace, Suite B, Gainesville, Florida 32605. New Education for the Workplace, Inc. is an organization formed for charitable purposes, including advancing the vocational and technical education and training of young men and women, and managing, operating, guiding, directing, and promoting charter schools. The School entered into an agreement with New Education for the Workplace, Inc. effective July 1, 2012. Under the agreement, New Education for the Workplace, Inc. will provide the following services: human resources administration, business administration, curriculum licensing, technology services, and general administrative support. For the year ended June 30, 2021, the School paid New Education for the Workplace, Inc. \$298,491 for services provided under the terms of the agreement. At June 30, 2021, \$72,306 was due and payable to New Education for the Workplace, Inc. under the terms of the agreement.

(7) **Operating Leases:**

The School leases facilities under an operating lease expiring on June 30, 2021. Provided the lease is in full force and effect and not in default, the School shall have the right to renew the lease for two five-year terms upon providing the landlord with written notice.

Minimum future rental payments under operating leases (including estimated Common Area Maintenance fees) having remaining terms in excess of one year, for each of the next five years and in the aggregate are:

<b>Year</b>	<b>Amount</b>
2022	\$ 106,424
2023	108,104
2024	109,796
2025	111,614
2026	103,785
Totals	\$ 539,723

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

(8) **403(b) Retirement Plan:**

NewCorp sponsors a Retirement Plan allowed by Section 403(b) of the Internal Revenue Code. This plan covers NewCorp, the Management Company, and affiliated schools. The plan covers all full-time employees, immediately eligible upon hire. This is a deduction only plan for School employees, there is no employee contribution matching.

(9) **Risk Management:**

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters and is provided through purchased commercial insurance. Health and hospitalization insurance coverage is provided to school employees through purchased commercial insurance. Insurance coverage for fiduciary and student accident are provided by commercial insurance. Settled claims resulting from insurance coverage above have not exceeded purchased insurance coverage for the past three fiscal years.

(10) **Uncertainty:**

During the year ending June 30, 2021, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while School management cannot quantify the financial and other impact to the school as of September 30, 2021, management believes that a material impact on the School's financial position and results of future operations is reasonably possible.

(11) **Recent Accounting Pronouncements:**

The Governmental Accounting Standards Board (“GASB”) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the School’s financial statements:

GASB issued Statement No. 87, *Leases*, in June 2017. GASB 87 increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions in GASB 87 are effective for periods beginning after June 15, 2021.

**REQUIRED SUPPLEMENTARY INFORMATION**

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2021**

	<b>Budget</b>		<b>Actual</b>	<b>Variances - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		<b>Final to Actual</b>
<b>Revenues</b>				
State	\$ 1,498,151	\$ 1,498,151	\$ 1,572,713	\$ 74,562
Local	-	-	1,735	1,735
Total Revenues	<u>1,498,151</u>	<u>1,498,151</u>	<u>1,574,448</u>	<u>76,297</u>
<b>Expenditures</b>				
Basic Instruction	558,676	423,676	413,635	10,041
Student Support Services	104,338	164,338	163,743	595
Instructional Media Services	29,500	29,500	17,576	11,924
Instruction and Curriculum				
Development services	29,283	29,283	23,663	5,620
Instructional Staff Training	15,000	19,000	18,155	845
Instructional Technology Services	33,516	33,516	25,077	8,439
Board	50,407	50,407	47,589	2,818
General Administration	97,816	97,816	97,480	336
School Administration	267,630	267,630	246,178	21,452
Facilities Acquisition and Construction	3,000	8,500	8,351	149
Fiscal Services	44,945	57,945	56,683	1,262
Food Services	-	-	28	(28)
Central Services	8,000	10,000	9,149	851
Transportation	42,416	42,416	1,294	41,122
Operation of Plant	153,235	153,235	94,368	58,867
Maintenance of Plant	20,000	20,000	6,661	13,339
Administrative Technology	-	400	362	38
Total Expenditures	<u>1,457,762</u>	<u>1,407,662</u>	<u>1,229,992</u>	<u>177,670</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>40,389</u>	<u>90,489</u>	<u>344,456</u>	<u>253,967</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	2,052	2,052
<b>Total Other Financing Sources (Uses)</b>	-	-	2,052	2,052
<b>Net Change in Fund Balance</b>	<u>40,389</u>	<u>90,489</u>	<u>346,508</u>	<u>256,019</u>
<b>Fund balance, Beginning of year</b>	380,262	380,262	380,262	-
<b>Fund balance, Ending of year</b>	<u>\$ 420,651</u>	<u>\$ 470,751</u>	<u>\$ 726,770</u>	<u>\$ 256,019</u>

The accompanying notes are an integral  
part of this schedule.

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2021**

	<b>Budget</b>		<b>Actual</b>	<b>Variances - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		<b>Final to Actual</b>
<b>Revenues</b>				
Federal Through State	\$ 3,733	\$ 72,222	\$ 75,954	\$ 3,732
Total Revenues	<u>3,733</u>	<u>72,222</u>	<u>75,954</u>	<u>3,732</u>
<b>Expenditures</b>				
Basic Instruction	1,147	44,000	44,125	(125)
Student Support Services	-	5,000	4,721	279
Development services	-	-	2,380	(2,380)
Instructional Staff Training	2,586	-	-	-
General Administration	-	200	106	94
School Administration	-	12,500	12,681	(181)
Operation of Plant	-	10,522	9,889	633
Total Expenditures	<u>3,733</u>	<u>72,222</u>	<u>73,902</u>	<u>(1,680)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>-</u>	<u>2,052</u>	<u>2,052</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	-	-	(2,052)	(2,052)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>(2,052)</u>	<u>(2,052)</u>
<b>Net Change in Fund Balance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance, Beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance, Ending of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral  
part of this schedule.



**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY -  
LAST 10 FISCAL YEAR AS OF JUNE 30**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b><u>Florida Retirement System (FRS)</u></b>							
Proportion of the net pension liability (asset)	0.000782409%	0.000617264%	0.000991738%	0.001007859%	0.001050262%	0.001471640%	0.001295709%
Proportionate share of the net pension liability (asset)	\$ 339,108	\$ 212,577	\$ 298,717	\$ 298,118	\$ 265,192	\$ 190,083	\$ 79,057
Covered-employee payroll	516,812	365,326	553,062	557,623	570,721	530,182	660,815
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	65.62%	58.19%	54.01%	53.46%	46.47%	35.85%	11.96%
Plan fiduciary net position as a percentage of the total pension liability	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%
<b><u>Health Insurance Subsidy Program (HIS)</u></b>							
Proportion of the net pension liability (asset)	0.001488770%	0.001092115%	0.001692936%	0.001790525%	0.001717435%	0.002178167%	0.001945478%
Proportionate share of the net pension liability (asset)	\$ 181,776	\$ 122,197	\$ 179,182	\$ 191,451	\$ 200,160	\$ 222,140	\$ 181,907
Covered-employee payroll	516,812	365,326	553,062	557,623	570,721	530,182	660,815
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	35.17%	33.45%	32.40%	34.33%	35.07%	41.90%	27.53%
Plan fiduciary net position as a percentage of the total pension liability	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the School will present information for only those years for which information is available.

The accompanying notes are an integral  
part of this schedule.

**DUVAL MYCROSCHOOL OF INTEGRATED  
ACADEMICS AND TECHNOLOGIES, INC.  
SCHEDULE OF CONTRIBUTIONS -  
LAST 10 FISCAL YEAR AS OF JUNE 30**

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b><u>Florida Retirement System (FRS)</u></b>								
Contractually required contribution	\$ 25,996	\$ 19,140	\$ 28,264	\$ 34,853	\$ 33,157	\$ 29,169	\$ 40,376	\$ 32,549
Contributions in relation to the contractually required contribution	(25,996)	(19,140)	(28,264)	(34,853)	(33,157)	(29,169)	(40,376)	(32,549)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 516,812	\$ 365,326	\$ 553,062	\$ 557,623	\$ 570,721	\$ 530,182	\$ 660,815	\$ 578,031
Contributions as a percentage of covered payroll	5.03%	5.24%	5.11%	6.25%	5.81%	5.50%	6.11%	5.63%
<b><u>Health Insurance Subsidy Program (HIS)</u></b>								
Contractually required contribution	\$ 8,579	\$ 6,064	\$ 9,181	\$ 9,257	\$ 9,474	\$ 8,801	\$ 8,326	\$ 6,936
Contributions in relation to the contractually required contribution	(8,579)	(6,064)	(9,181)	(9,257)	(9,474)	(8,801)	(8,326)	(6,936)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 516,812	\$ 365,326	\$ 553,062	\$ 557,623	\$ 570,721	\$ 530,182	\$ 660,815	\$ 578,031
Contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.26%	1.20%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the School will present information for only those years for which information is available.

The accompanying notes are an integral  
part of this schedule.

**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 Governing Board,  
Duval MYcroSchool of Integrated  
Academics and Technologies, Inc.:

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Duval MYcroSchool of Integrated Academics and Technologies, Inc. ("MYCroschool Jacksonville") as of and for the year ended June 30, 2021, and related notes to the financial statements which collectively comprise MYCroschool Jacksonville's basic financial statements and have issued our report thereon dated September 30, 2021.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered MYCroschool Jacksonville'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 MYCroschool Jacksonville's internal control. Accordingly, we do not express an opinion on the effectiveness of MYCroschool Jacksonville'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.

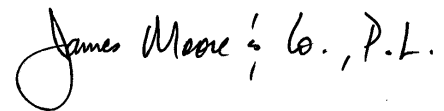
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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 MYCroSchool Jacksonville'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 did not disclose 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.

James Moore & Co., P.L.

Tallahassee, Florida  
September 30, 2021

**MANAGEMENT LETTER OF INDEPENDENT AUDITORS’  
REQUIRED BY CHAPTER 10.850, RULES OF THE AUDITOR GENERAL**

To the Governing Board,  
Duval MYcroSchool of Integrated  
Academics and Technologies, Inc.:

**Report on the Financial Statements**

We have audited the financial statements of the Duval Mycroschool of Integrated Academics and Technologies, Inc. (“MYCroSchool Jacksonville”), as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated September 30, 2021.

**Auditor’s Responsibility**

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 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 Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated September 30, 2021, 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. Corrective actions have been taken to address 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 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 Duval Mycroschool of Integrated Academics and Technologies, Inc. and 160531.

## **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 to communicate whether or not MYCroSchool Jacksonville 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 MYCroSchool Jacksonville 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, require that we apply financial condition assessment procedures for MYCroSchool Jacksonville. It is management's responsibility to monitor MYCroSchool Jacksonville'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**

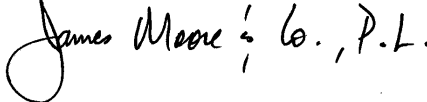
Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require that we apply appropriate procedures to determine whether MYCroSchool Jacksonville maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined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

## **Additional Matters**

Section 10.854(1)(e)4., Rules of the Auditor General, requires that 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 which 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, Duval County District School Board, 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.

James Moore & Co., P.L.

Tallahassee, Florida  
September 30, 2021