

**FLORIDA STATE UNIVERSITY SCHOOL, INC.
(A COMPONENT UNIT OF FLORIDA STATE UNIVERSITY)**

**BASIC FINANCIAL STATEMENTS
AND
REQUIRED SUPPLEMENTARY INFORMATION**

JUNE 30, 2024

FLORIDA STATE UNIVERSITY SCHOOL, INC.
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors,
Florida State University School, Inc.

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of Florida State University School, Inc. ("The School"), a component unit of Florida State University, as of and for the year ended June 30, 2024, 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 present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the School, as of June 30, 2024, 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* (GAS), 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 the School 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 GAAS and GAS 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 GAAS and GAS, 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.

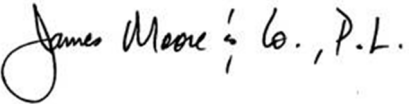
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 as listed in the accompanying table of contents 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 November 18, 2024, 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, 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 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.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Tallahassee, Florida
November 18, 2024

FLORIDA STATE UNIVERSITY SCHOOL, INC.
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2024

This discussion and analysis (MD&A) of the Florida State University School, Inc.'s financial condition provides an overview of financial activity, identifies changes in financial position and assists the reader in focusing on significant financial issues. The primary purpose of the School is to advance K-12 education through teaching, research, and service. It is important to the long-term existence of the School to maintain its financial health. Net position is accumulated only to the extent required to ensure that there are sufficient reserve funds for future operations and for new capital needs.

The MD&A provides summary level financial information; therefore, it should be read in conjunction with the accompanying financial statements.

SIGNIFICANT ACTIVITIES DURING FISCAL YEAR 2023-2024 ARE NOTED BELOW:

- The School's enrollment was 1,851 students
- The School was rated by the State of Florida as an "A" school.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Financial Statements

The financial statements presented herein include all of the activities of 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 government is Florida State University.

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

- The School's net position was \$46,984,600 at June 30, 2024.
- Total governmental fund revenues exceeded expenses and other financing uses by \$2,487,480.
- Capital assets, net of depreciation, equaled \$30,511,905.
- The School's governmental funds reported combined ending fund balances of \$20,222,422.
- The school is striving to sustain the minimum general fund balance of 5% as a percentage of current year expenditures and was able to end the fiscal year with the ratio at 90%.

FLORIDA STATE UNIVERSITY SCHOOL, INC.
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2024

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.

Net Position

The School's net position was \$46,984,600 for the fiscal year ended June 30, 2024. Of this amount, \$8,925,340 was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants, grantors, constitutional provisions and enabling legislation that limit the School's ability to use the net position for day-to-day operations. Our analysis below, in summary form, focuses on the net position and change in net position of the School's governmental activities.

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Increase (Decrease)</u>
ASSETS			
Current and other assets	\$ 22,969,617	\$ 19,647,795	\$ 3,321,822
Capital assets, not being depreciated	54,313	54,313	-
Capital assets, being depreciated, net	30,457,592	31,825,937	(1,368,345)
Total assets	<u>53,481,522</u>	<u>51,528,045</u>	<u>1,953,477</u>
LIABILITIES			
Current and other liabilities	2,635,384	1,793,833	841,551
Noncurrent liabilities	3,861,538	4,951,355	(1,089,817)
Total liabilities	<u>6,496,922</u>	<u>6,745,188</u>	<u>(248,266)</u>
NET POSITION			
Net investment in capital assets	30,511,905	27,517,452	2,994,453
Restricted	7,547,355	6,485,145	1,062,210
Unrestricted	8,925,340	10,780,260	(1,854,920)
Total net position	<u>\$ 46,984,600</u>	<u>\$ 44,782,857</u>	<u>\$ 2,201,743</u>

FLORIDA STATE UNIVERSITY SCHOOL, INC.
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2024

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. The table below takes the information from the Statement and rearranges it slightly to more readily identify the total revenues for the year.

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Increase (Decrease)</u>
REVENUES			
General revenues:			
Grants and contributions not restricted to specific purposes	\$ 20,531,937	\$ 18,052,784	\$ 2,479,153
Miscellaneous income	2,343,961	476,690	1,867,271
Program revenues:			
Charges for services	1,628,839	1,570,719	58,120
Operating grants and contributions	22,689	1,395,779	(1,373,090)
Total revenues	<u>24,527,426</u>	<u>21,495,972</u>	<u>3,031,454</u>
EXPENSES			
Instruction	10,858,355	9,615,209	1,243,146
Pupil personnel services	844,724	1,187,517	(342,793)
Instructional media services	23,508	291,484	(267,976)
Instructional staff training services	13,326	12,784	542
Information-related technology	528,378	29,362	499,016
Board	179,106	153,006	26,100
General administration	427,573	1,083,569	(655,996)
School administration	452,107	445,882	6,225
Facility acquisitions and construction	439,986	31,467	408,519
Fiscal services	368,690	195,744	172,946
Food services	501,826	483,709	18,117
Central services	-	799,529	(799,529)
Operation of plant	1,448,978	2,096,532	(647,554)
Maintenance of plant	312,423	148,235	164,188
Community service	233,377	796,257	(562,880)
Student services	1,447,822	1,076,685	371,137
Other - debt service	2,851,618	-	2,851,618
Interest on long-term debt	33,194	39,037	(5,843)
Miscellaneous	-	7,062	(7,062)
Unallocated depreciation	1,360,692	1,372,396	(11,704)
Total expenses	<u>22,325,683</u>	<u>19,865,466</u>	<u>2,460,217</u>
Change in net position	<u>\$ 2,201,743</u>	<u>\$ 1,630,506</u>	<u>\$ 571,237</u>

FLORIDA STATE UNIVERSITY SCHOOL, INC.
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2024

Governmental Activities

All of the School's services are reported in this category. This includes the education of all students, and the on-going effort to improve and maintain capital assets. Revenues received from the Florida Education Finance Program through Florida State University, grants and miscellaneous local revenues finance these activities.

We have presented the cost of the School's three largest operational functions – basic instruction, facilities acquisition and outlay, and operation of plant. Providing this information allows citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

	Total Cost of Services
Basic instruction	\$ 10,858,355
Operation of plant	1,448,978
Other – debt service	2,851,618
Total	<u>\$ 15,158,951</u>

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.

THE SCHOOL'S FUNDS

For the year ended June 30, 2024, the governmental funds reported combined fund balance of \$20,222,422.

	Fund Balance June 30, 2024
General Fund	\$ 16,164,919
Debt Service Fund	670,579
Capital Projects Fund	3,386,924
Total	<u>\$ 20,222,422</u>

FLORIDA STATE UNIVERSITY SCHOOL, INC.
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2024

General Fund Budgetary Highlights

During the course of the fiscal year, the School revises 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 General Fund budget amounts compared with actual amounts paid and received is provided in the required supplementation information.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets and Debt

Information on the School's bonds payable and long-term debt can be found in Notes 5 and 6 to the financial statements, respectively. Information on the School's fixed assets can be found in Note 4.

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 citizens, taxpayers, parents, investors and creditors with a general overview of the School's finances, and to demonstrate the School's compliance and accountability for its resources. Questions concerning any of the information in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Florida State University School, Inc. at The Florida State University, 3000 School House Road, Tallahassee, Florida 32311.

FLORIDA STATE UNIVERSITY SCHOOL, INC.
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities
Assets	
Current assets	
Cash and cash equivalents	\$ 5,259,801
Investments	14,153,943
Accounts receivable	1,812
Interest receivable	9,299
Prepaid expense	464,770
Due from other governments	3,079,992
Total current assets	<u>22,969,617</u>
Capital assets, net	
Buildings and improvements, net	30,322,426
Furniture, fixtures and equipment, net	135,166
Construction in progress	54,313
Total capital assets, net	<u>30,511,905</u>
Total assets	<u><u>\$ 53,481,522</u></u>
Liabilities	
Current liabilities	
Accounts payable and other accrued expense	\$ 9,889
Due to Florida State University - salaries and wages payable	77,577
Accrued interest	15,774
Due to other governments	1,409,729
Portion due within one year:	
Bonds payable	1,085,637
Compensated absences payable	36,778
Total current liabilities	<u>2,635,384</u>
Non-current liabilities	
Portion due in more than one year:	
Bonds payable	2,197,598
Compensated absences payable	413,940
Due to developer	1,250,000
Total non-current liabilities	<u>3,861,538</u>
Total liabilities	<u><u>\$ 6,496,922</u></u>
Net Position	
Net investment in capital assets	\$ 30,511,905
Restricted for:	
Capital outlay	6,225,544
Student activities	651,232
Debt service	670,579
Unrestricted	8,925,340
Total net position	<u><u>\$ 46,984,600</u></u>

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

FLORIDA STATE UNIVERSITY SCHOOL, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Instruction	\$ 10,858,355	\$ 653,078	\$ -	\$ -	\$ (10,205,277)
Pupil personnel services	844,724	-	-	-	(844,724)
Instructional media services	23,508	-	-	-	(23,508)
Instructional staff training services	13,326	-	-	-	(13,326)
Information-related technology	528,378	-	-	-	(528,378)
Board	179,106	-	-	-	(179,106)
General administration	427,573	-	-	-	(427,573)
School administration	452,107	-	-	-	(452,107)
Facility acquisitions and construction	439,986	-	-	-	(439,986)
Fiscal services	368,690	-	-	-	(368,690)
Food services	501,826	249,753	-	-	(252,073)
Operation of plant	1,448,978	-	-	-	(1,448,978)
Maintenance of plant	312,423	-	-	-	(312,423)
Community service	233,377	726,008	22,689	-	515,320
Student services	1,447,822	-	-	-	(1,447,822)
Other - debt service	2,851,618	-	-	-	(2,851,618)
Interest on long-term debt	33,194	-	-	-	(33,194)
Unallocated depreciation	1,360,692	-	-	-	(1,360,692)
Total governmental activities	<u>\$ 22,325,683</u>	<u>\$ 1,628,839</u>	<u>\$ 22,689</u>	<u>\$ -</u>	<u>(20,674,155)</u>
General revenues:					
Grants and contributions not restricted to specific purposes					20,531,937
Miscellaneous revenue					2,343,961
Total general revenues					<u>22,875,898</u>
Change in net position					2,201,743
Net position, beginning of year					44,782,857
Net position, end of year					<u>\$ 46,984,600</u>

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

FLORIDA STATE UNIVERSITY SCHOOL, INC.
BALANCE SHEET
JUNE 30, 2024

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 1,839,222	\$ 1,920,579	\$ 1,500,000	\$ 5,259,801
Investments	12,268,877	-	1,885,066	14,153,943
Due from other governments	3,079,992	-	-	3,079,992
Accounts receivable	1,812	-	-	1,812
Interest receivable	7,441	-	1,858	9,299
Prepaid expenses	464,770	-	-	464,770
Total Assets	<u>\$ 17,662,114</u>	<u>\$ 1,920,579</u>	<u>\$ 3,386,924</u>	<u>\$ 22,969,617</u>
Liabilities and fund balances				
Liabilities:				
Accounts payable	\$ 9,889	\$ -	\$ -	\$ 9,889
Salaries and wages payable	77,577	-	-	77,577
Due to Florida State University	-	-	-	-
Due to other governments	1,409,729	-	-	1,409,729
Due to developer	-	1,250,000	-	1,250,000
Total liabilities	<u>1,497,195</u>	<u>1,250,000</u>	<u>-</u>	<u>2,747,195</u>
Fund Balances:				
Nonspendable:				
Prepaid expenses	464,770	-	-	464,770
Restricted:				
Debt service	-	670,579	-	670,579
Capital outlay	2,838,620	-	3,386,924	6,225,544
Student activities	651,232	-	-	651,232
Unassigned	12,210,297	-	-	12,210,297
Total fund balances	<u>16,164,919</u>	<u>670,579</u>	<u>3,386,924</u>	<u>20,222,422</u>
Total Liabilities and Fund Balances	<u>\$ 17,662,114</u>	<u>\$ 1,920,579</u>	<u>\$ 3,386,924</u>	<u>\$ 22,969,617</u>

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

**FLORIDA STATE UNIVERSITY SCHOOL, INC.
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024**

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

Total fund balance - governmental funds	\$ 20,222,422
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.	30,511,905
Interest on long-term debt is accrued as a liability in the school-wide financial statements but is not recognized in the governmental funds until due.	(15,774)
The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Long-term debt liability - bonds payable	(3,283,235)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. Long-term liabilities at year-end consist of the following: Compensated absences payable	(450,718)
Total net position - governmental activities	<u><u>\$ 46,984,600</u></u>

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

**FLORIDA STATE UNIVERSITY SCHOOL, INC.
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2024**

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Revenues				
Intergovernmental:				
Federal through State	\$ 22,593	\$ -	\$ -	\$ 22,593
State	18,580,337	1,951,696	-	20,532,033
Charges for services	1,628,839	-	-	1,628,839
Miscellaneous	1,154,055	-	-	1,154,055
Investment income	1,173,234	141	16,531	1,189,906
Total revenues	<u>22,559,058</u>	<u>1,951,837</u>	<u>16,531</u>	<u>24,527,426</u>
Expenditures				
Current:				
Instruction	10,858,355	-	-	10,858,355
Pupil personnel services	844,724	-	-	844,724
Instructional media services	23,508	-	-	23,508
Instructional staff training services	13,326	-	-	13,326
Information-related technology	528,378	-	-	528,378
Board	179,106	-	-	179,106
General administration	430,618	-	-	430,618
School administration	452,107	-	-	452,107
Facilities acquisition and construction	418,053	-	20,608	438,661
Fiscal services	368,690	-	-	368,690
Food services	501,826	-	-	501,826
Operation of plant	1,448,978	-	-	1,448,978
Maintenance of plant	312,423	-	-	312,423
Community service	233,377	-	-	233,377
Student services	1,447,822	-	-	1,447,822
Other	-	2,851,618	-	2,851,618
Debt service				
Principal	-	1,073,235	-	1,073,235
Interest	-	33,194	-	33,194
Total expenditures	<u>18,061,291</u>	<u>3,958,047</u>	<u>20,608</u>	<u>22,039,946</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,497,767</u>	<u>(2,006,210)</u>	<u>(4,077)</u>	<u>2,487,480</u>
Other financing sources				
Transfers in	-	-	3,390,873	3,390,873
Transfers out	(3,390,873)	-	-	(3,390,873)
Total other financing sources (uses)	<u>(3,390,873)</u>	<u>-</u>	<u>3,390,873</u>	<u>-</u>
Net change in fund balances	<u>1,106,894</u>	<u>(2,006,210)</u>	<u>3,386,796</u>	<u>2,487,480</u>
Fund balance, beginning of year	15,058,025	2,676,789	128	17,734,942
Fund balances, end of year	<u>\$ 16,164,919</u>	<u>\$ 670,579</u>	<u>\$ 3,386,924</u>	<u>\$ 20,222,422</u>

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

**FLORIDA STATE UNIVERSITY SCHOOL, INC.
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

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

Net change in fund balances - total governmental funds	\$ 2,487,480
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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 the governmental funds. Changes in:

Compensated absences	(3,045)
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The issuance of long-term debt provides current financial resources to
governmental funds, while repayment of the principal of long-term debt
consumes the current financial resources of governmental funds.

Long-term debt - principal payment	1,073,235
Interest on long-term debt	4,765

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 and reported as depreciation expense. This is the
amount by which capital outlay exceeds depreciation and amortization
expense in the current period.

Depreciation and amortization	(1,360,692)
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Change in net position of governmental activities	\$ 2,201,743
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The accompanying notes to financial statements
are an integral part of this statement.

FLORIDA STATE UNIVERSITY SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2024

(1) Summary of Significant Accounting Policies:

The following is a summary of the more significant accounting policies of Florida State University School, Inc. (the School), which affect significant elements of the accompanying basic financial statements.

(a) **Reporting entity**—Florida State University School, Inc., a Florida not-for-profit corporation, was established for the purposes of creating and maintaining a developmental research charter school (DRCS) pursuant to Section 1002.33(5), Florida Statutes. Florida State University (FSU) has contracted (sponsored) with the School for the operation of the School and has administrative and fiscal oversight of the School, a developmental research school (DRS) established pursuant to Section 1002.32, Florida Statutes. All personnel assigned to the School are employees of FSU. Pursuant to Section 1011.24, Florida Statutes, the DRS is a special school district for the purposes therein set forth. The School is included as a discretely presented component unit of FSU's financial statements.

The School is organized and operated to support the School's mission, which is to advance, in collaboration with the College of Education at FSU, Florida's K-12 education through exemplary teaching, research, and service.

The School's Board of Directors is comprised of ten voting members. Four members are FSU faculty appointed by FSU. Six members are elected by the Board members consisting of three parent representatives and three community representatives. An additional community representative is selected by the St. Joe Company and is designated the Southwood representative. FSU representatives serve a staggered two-year term not to exceed four terms. Remaining members are appointed for a staggered three-year term with a maximum of two terms served.

(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. Amounts reported as program revenues include operating grants and contributions. Items not properly included among program revenues, such as monies received from Florida State University, are reported as general revenues.

(d) **Basis of presentation – fund financial statements**—The fund financial statements provide information about the government's funds. Separate statement for the fund category, governmental, 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.

FLORIDA STATE UNIVERSITY SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2024

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

The School reports the following major governmental funds:

General Fund—The general fund is used to record the general operations of the School pertaining to education and those operations not provided for in other funds.

Debt Service Fund—The debt service fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Fund—The capital projects fund accounts for the acquisition or construction of major capital facilities of the School.

During the course of operations, the School may have 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 may occur 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, basis of accounting, and financial statement presentation**—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.

All governmental fund financial statements are reported using a current financial resources measurement focus on a 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 to finance expenditures of the current period. 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 sixty 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 and general long-term debt, which are recorded as expenditures only when payment is due.

FLORIDA STATE UNIVERSITY SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2024

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

The School's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. Accordingly, the financial statements are organized on the basis of funds. A fund is an accounting entity having a self-balancing set of accounts for recording assets, liabilities, fund equity, revenues, expenditures, and other financing sources and uses.

Resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

(f) **Budgetary basis of accounting**—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's 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.

(g) **Deposits and investments**—Cash and cash equivalents include amounts in demand deposits as well as investments that are readily convertible to known amounts of cash. Investments with original maturities of three months or less are considered to be cash equivalents.

(h) **Capital assets**—The School's capital assets consist of furniture and equipment and are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Additions, improvements, and other outlays in excess of \$5,000 that significantly extend the useful life of an asset are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are expensed and not capitalized.

Capital assets of the School are depreciated using the straight-line method over the following estimated useful lives in years:

Asset Class	Estimated Useful Lives
Buildings, Infrastructure and Other Improvements	10 – 40
Furniture and Equipment	3 – 20
Software	5 – 10

(i) **Use of estimates**—The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

FLORIDA STATE UNIVERSITY SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2024

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

(j) **Revenue sources**—Revenues for current operations are received primarily from Florida State University pursuant to the funding provisions included in the School’s charter. In accordance with the funding provisions of the charter and Section 1002.33(17), Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to Florida State University.

Under the provisions of Section 1011.62, Florida Statutes, Florida State University reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect revised calculations by the FDOE under the Florida Education Finance Program and the actual weighted FTE students reported by the School during designated FTE student survey periods.

The State of Florida allocates gross receipts taxes, generally known as Public Education Capital Outlay money, to the School on an annual basis. The School is authorized to spend these funds only upon applying for and receiving an encumbrance authorization from the Department.

(k) **Leases**—The School leases various copier machines. The School determines if an arrangement is a lease at inception. The School recognizes intangible right-to-use (RTU) assets and corresponding lease liabilities for all leases that are not considered short-term. RTU assets represent the School’s right to use an underlying asset for the lease term and lease liabilities represent the School’s obligation to make lease payments arising from the lease. RTU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term.

Basis of lease classification – Leases that meet the following requirements will not be considered short term: (1) the maximum possible lease term(s) is non-cancelable by both lessee and lessor, and is more than 12 months.

Discount Rate – Unless explicitly stated in the lease agreement, known by the School, or the School is able to determine the rate implicit within the lease, the discount rate used to calculate lease right-to-use assets and liabilities will be the School’s estimated borrowing rate at the time of lease inception.

(l) **Fund balance**—In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the School is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Those classifications are as follows:

Nonspendable—Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted—Amounts that can be spent only for specific purposes because of the Bylaws, district or local charter, state or federal laws, or externally imposed conditions by grantors or creditors.

Committed—Amounts that can be used only for specific purposes determined by a formal action by ordinance or resolution. This includes the budget reserve account.

Assigned—Amounts that are designated by the Board of Directors for a specific purpose but are not spendable until a budget ordinance is passed by the Board of Directors.

Unassigned—All amounts not included in other spendable classifications.

FLORIDA STATE UNIVERSITY SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2024

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

In the government-wide financial statements, when both restricted and unrestricted resources are available for use, it is the School's policy to use restricted resources first, then unrestricted resources as they are needed. In governmental fund financial statements, restricted funds are used first as appropriate. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Directors has provided otherwise in its commitment or assignment actions.

The Net Investment in Capital Assets listed on the Statement of Net Position reflects total capital assets, \$30,511,905.

(2) Reconciliation of Government-Wide and Fund Financial Statements:

(a) Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position—Following the governmental funds balance sheet is a reconciliation between *fund balances – total governmental funds and net position of governmental activities* as reported in the government-wide statement of net position. The details of this difference are explained in the above referenced financial statement.

(b) Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities—Following the governmental funds statement of revenues, expenditures, and changes in fund balances, there is a reconciliation between *net change in fund balances – total governmental funds and changes in net position of governmental activities*. The details of this difference are explained in the above referenced financial statement.

(3) Cash and Investments:

The School maintains cash and investments at two financial institutions, including pledged revenue and debt service coverage money market funds held at US Bank (a qualified depository) and an account with the State of Florida Treasury. The School is authorized by the Board of Directors to invest outside of the State Treasury in the following types of investments: qualified depositories, certificates of deposit, time deposits, and securities of the U.S. Government, including obligations of the U.S. Treasury.

State of Florida Treasury

The School participates in an investment pool through the State of Florida Treasury in accordance with the provisions of Sections 17.61 and 215.49, Florida Statutes. These investment pools operate under the investment guidelines established by Section 215.47, Florida Statutes. Account balances with the State of Florida Treasury are held in a Special Purpose Investment Account (SPIA). Participants contribute to the Treasury Pool on a dollar basis. These funds are commingled, and a fair value of the pool is determined from the individual values of the securities. The fair value of the securities is summed, and a total pool fair value is determined. A fair value factor is calculated by dividing the pool's total fair value by the pool participant's total cash balances. The fair value factor is the ratio used to determine the fair value of an individual participant's pool balance. As a SPIA participant, the School owns a share in the Florida State Treasury Investment pool, not the underlying securities. The School's investments in this pool are reported at fair value. The fair value of the School's investments in the SPIA was \$14,153,943 at June 30, 2024. The SPIA carried a rating of AA-f by Standard & Poor's, had an effective duration of 3.23 years, and had a fair value factor of 0.9958 at June 30, 2024.

FLORIDA STATE UNIVERSITY SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2024

(3) Cash and Investments: (Continued)

Qualified Depository

Money Market funds held at the qualified depository were issued pursuant to the Series 2021 Bond issue, whereby the School entered into an agreement with U.S. Bank, as Trustee for the City of Tallahassee (see Note 5).

Interest Rate Risk

The State of Florida Treasury manages its exposure to fair value losses arising from increasing interest rates by using a duration methodology to construct a portfolio to fund future cash needs. For reporting purposes, it selects an effective duration method with assumptions regarding the most likely timing and amounts of variable cash flow arising from specific investments to reduce the portfolio exposure to changes in interest rates. The SPIA account's effective duration was 3.23 years at June 30, 2024. The School does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair market value losses arising from increasing interest rates.

Credit Risk

Authorized investment types are set forth in Section 17.57, Florida Statutes, and include certificates of deposit, direct obligations of the United States Treasury, obligations of Federal agencies, asset backed or mortgage-backed securities, commercial paper, bankers' acceptances, medium-term corporate obligations, repurchase agreements, commingled and mutual funds, negotiable certificates of deposits, and subject to certain rating conditions, foreign bonds denominated in the U.S. dollars and registered with the Securities and Exchange Commission for sale in the U.S. and convertible debt obligations of any corporation domiciled in the U.S., the School has no formal investment policy that would further limit these investment choices. As of June 30, 2024, SPIA was rated by Standard and Poor's with a rating of AA-f.

Foreign Currency Risk

State law does not authorize the State of Florida Treasury to purchase investments in foreign currencies. Therefore, the SPIA is not exposed to foreign currency risk.

Fair Value Disclosure

The School's investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments' fair value measurements are as follows at June 30, 2024:

Investments	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
SPIA Account – State of Florida Treasury	\$ 14,153,943	\$ -	\$ -	\$ 14,153,943

FLORIDA STATE UNIVERSITY SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2024

(4) Capital Assets:

Capital asset activity for the year ended June 30, 2024, was as follows:

Governmental Activities:	Balance 6/30/23	Increases	Decreases	Balance 6/30/24
Capital Assets				
Construction in progress	\$ 54,313	\$ -	\$ -	\$ 54,313
Buildings and other improvements	49,073,432	-	-	49,073,432
Furniture, fixtures and equipment	1,104,015	-	-	1,104,015
Assets under leases (equipment)	59,036		(59,036)	-
Total Capital Assets Being Depreciated	50,290,796	-	(59,036)	50,231,760
Less Accumulated Depreciation For:				
Buildings and other improvements	(17,455,762)	(1,295,244)	-	(18,751,006)
Furniture, fixtures and equipment	(903,401)	(65,448)	-	(968,849)
Assets under leases (equipment)	(51,383)	-	51,383	-
Total Accumulated Depreciation	(18,410,546)	(1,360,692)	51,383	(19,719,855)
Total Capital Assets, Net of Depreciation	\$31,880,250	\$ (1,360,692)	\$ (7,653)	\$30,511,905

Capital assets are used by multiple functions with the School and cannot be easily charged directly to a specific function. For the year ended June 30, 2024, unallocated depreciation expense was \$1,360,692.

(5) Bonds Payable:

Bond Type	Amount Outstanding	Interest Rate (Percent)	Annual Maturity To
District Revenue Bonds:			
Series 2021 Refunding	\$ 3,283,235	0.869%	2027
Total Bonds Payable	\$ 3,283,235		

The various bonds were issued to finance capital outlay projects of the School. The following is a description of the bonded debt service:

The City of Tallahassee issued, on behalf of the School, Capital Improvement Revenue Bonds, Series 2000A on August 31, 2000, and Series 2000B on August 27, 2001, in the aggregate principal amount of \$24,180,000 to finance the acquisition, construction, and equipping of new kindergarten through 12th grade education facilities (the Project) for a DRCS located within the jurisdiction of the City of Tallahassee. In December 2010, the City of Tallahassee issued Florida Lease Revenue Refunding Bonds Series 2010. A portion of the proceeds of these bonds was used to refund the Capital Improvement Revenue Bonds Series 2000A. The Series 2000B bonds were paid in full during 2013.

FLORIDA STATE UNIVERSITY SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2024

(5) **Bonds Payable:** (Continued)

The Florida State University School Bank Qualified Revenue Bonds, Series 2021 Lease Refunding Revenue Bonds, Series A were issued on September 16, 2021, in the amount of \$5,450,796, along with funds held in a debt service reserve account of \$1,614,109, to refund the Florida State University School Bank Qualified Revenue Bonds, Series 2010, in the aggregate principal amount of \$6,946,783 and to pay the costs of issuance. The new bonds bear interest at 0.869% and are due in annual installments ranging from \$1,094,326 to \$1,105,196 through August 1, 2026. The bonds are payable pursuant to a lease agreement with Florida State University. The Series 2021 bond issuance reduced debt service payments for the School by \$600,763 with an economic gain of \$547,574 or 10.046%. The bonds are payable from the charter school capital outlay and developmental research school capital outlay appropriated by the Florida Legislature. Under the terms of the Series 2021 Bonds, the School must maintain certain financial and non-financial covenants.

As part of the original issuance of the bonds, the developer of the residential community where the School is located was required to place \$1,250,000 into the School's Debt Service Reserve Account. The funds will be returned to the developer when the bonds are paid off; therefore, this amount has been reported in the accompanying financial statements.

The bonds do not constitute a general debt, liability, or obligation of the State of Florida, or of any political subdivision thereof, or of the Florida Board of Education, or of the Florida State University. In addition, the bonds do not constitute a pledge of the faith and credit of the State of Florida, or of any political subdivision or agency thereof, or of the Florida Board of Education, or of the Florida State University.

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,085,637	\$ 23,814	\$ 1,109,451
2026	1,092,402	14,351	1,106,753
2027	1,105,196	4,802	1,109,998
Total future minimum lease payments	<u>\$ 3,283,235</u>	<u>\$ 42,967</u>	<u>\$ 3,326,202</u>

(6) **Long-Term Debt:**

Long-term liability activity for the year ended June 30, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
Bonds payable	\$ 4,356,470	\$ -	\$(1,073,235)	\$3,283,235	\$ 1,085,637
Compensated absences	453,763	-	(3,045)	450,718	36,778
Total governmental activities	<u>\$ 4,810,233</u>	<u>\$ -</u>	<u>\$(1,076,280)</u>	<u>\$3,733,953</u>	<u>\$ 1,122,415</u>

FLORIDA STATE UNIVERSITY SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2024

(7) Significant Funding Sources:

The School receives a substantial amount of its funding from the Florida Department of Education. A significant reduction in the level of this funding, if this were to occur, could have an adverse effect on the School's programs and activities.

(8) Pension and Other Postemployment Benefits:

As the School is a component unit of the University, any pension and other postemployment benefit liabilities are reported by the University. The University's Annual Financial Statements may be obtained from: <https://controller.vpfa.fsu.edu/services/accounting-reporting/reports>.

(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; and natural disasters for which the School carries commercial insurance.

(10) Subsequent Events:

The School has evaluated events and transactions for potential recognition or disclosure in the financial statements through November 18, 2024, the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

(11) Construction Commitments:

As of June 30, 2024, the School had the following construction commitments:

Gym Roof Replacement	\$ 424,500
Football Bleachers	1,939,000
Tennis Courts	358,952
Carpet Replacement	621,000
Total Commitments	<u><u>\$ 3,343,452</u></u>

(12) Interfund Transfers

During the year ended June 30, 2024, interfund transfers were made from the general fund to the capital projects fund in the amount of \$3,390,873 for capital projects funding.

FLORIDA STATE UNIVERSITY SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2024

(13) Related Party Information:

The School reimburses FSU for compensation costs provided to employees. In addition, the School pays administrative fees to FSU for the administration of the accounting system. Total reimbursements to FSU for the year ended June 30, 2024, were as follows:

Reimbursement of Compensation Costs	\$ 14,055,737
Administrative Fees	175,000
Total	<u>\$ 14,230,737</u>

Amounts due to FSU for reimbursement of salaries and wages earned but not yet paid at June 30, 2024, totaled \$77,577.

Additionally, the School leases various copier machines from the FSU Office of Business Services, a division of the School sponsor. These leases are considered to be arm's-length transactions entered into at comparable market rates.

(14) 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 fiscal years subsequent to June 30, 2024, 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:

- (a) GASB issued Statement No. 101, *Compensated Absences*, in June 2022. GASB Statement No. 101 amends the existing guidance related to the calculation and disclosures surrounding the liability for compensated absences. The provisions for GASB 101 are effective for fiscal years beginning after December 15, 2023.
- (b) GASB issued Statement No. 102, *Certain Risk Disclosures*, in December 2023. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. The provisions for GASB 102 are effective for fiscal years beginning after June 15, 2024.
- (c) GASB issued Statement No. 103, *Financial Reporting Model Improvements*, in April 2024. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The provisions for GASB 103 are effective for fiscal years beginning after June 15, 2025.

REQUIRED SUPPLEMENTARY INFORMATION

FLORIDA STATE UNIVERSITY SCHOOL, INC.
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET TO ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental				
Federal through State	\$ -	\$ -	\$ 22,593	\$ 22,593
State	15,091,948	15,091,948	18,580,337	3,488,389
Charges for services	1,675,000	1,675,000	1,628,839	(46,161)
Other grants	119,892	6,144,023	-	(6,144,023)
Miscellaneous	180,402	180,402	2,327,289	2,146,887
Total revenues	<u>17,067,242</u>	<u>23,091,373</u>	<u>22,559,058</u>	<u>(532,315)</u>
Expenditures				
Current:				
Instruction	9,751,979	10,775,990	10,858,355	(82,365)
Pupil personnel services	649,180	856,308	844,724	11,584
Instructional media services	26,023	26,023	23,508	2,515
Instructional staff training services	9,413	14,213	13,326	887
Information-related technology	532,820	535,540	528,378	7,162
Board	127,137	184,937	179,106	5,831
General administration	591,492	758,593	430,618	327,975
School administration	522,111	430,192	452,107	(21,915)
Facilities acquisition and construction	215,000	243,054	418,053	(174,999)
Fiscal services	384,085	373,056	368,690	4,366
Food services	482,264	501,969	501,826	143
Operation of plant	1,540,004	1,499,262	1,448,978	50,284
Maintenance of plant	215,000	345,265	312,423	32,842
Community service	694,502	814,929	233,377	581,552
Student services	1,319,932	1,476,479	1,447,822	28,657
Total expenditures	<u>17,060,942</u>	<u>18,835,810</u>	<u>18,061,291</u>	<u>774,519</u>
Excess (deficiency) of revenues over				
(under) expenditures	<u>6,300</u>	<u>4,255,563</u>	<u>4,497,767</u>	<u>242,204</u>
Other financing sources (uses)				
Transfers in	163,700	163,700	-	(163,700)
Transfers out	(170,000)	(4,419,263)	(3,390,873)	1,028,390
Total other financing sources (uses)	<u>(6,300)</u>	<u>(4,255,563)</u>	<u>(3,390,873)</u>	<u>864,690</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>1,106,894</u>	<u>1,106,894</u>
Fund balances, beginning of year	15,058,025	15,058,025	15,058,025	-
Fund balances, end of year	<u>\$ 15,058,025</u>	<u>\$ 15,058,025</u>	<u>\$ 16,164,919</u>	<u>\$ 1,106,894</u>

The accompanying notes to required supplementary
information is an integral part of this statement.

FLORIDA STATE UNIVERSITY SCHOOL, INC.
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

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

The Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual – General Fund is presented using the School’s budget format for all governmental funds.

(2) **Budgetary Basis of Accounting:**

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual budgets are adopted for the entire operation at the combined governmental level and may be amended by the Board of Directors (the Board). For fiscal year ended June 30, 2024, the budget presented has been amended according to Board procedures.

Budgets are presented on the modified accrual basis of accounting. The legal level of budgetary control is the fund level.

**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,
Florida State University School, 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 (*Government Auditing Standards*), the financial statements of the governmental activities and each major fund of Florida State University School, Inc. (the School), a component unit of Florida State University, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated November 18, 2024.

Report on 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 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph 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 have not been identified.

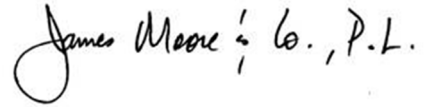
A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination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

Report on 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*.

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.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Tallahassee, Florida
November 18, 2024

**INDEPENDENT AUDITOR'S MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.850, RULES OF THE STATE OF FLORIDA OFFICE
OF THE AUDITOR GENERAL**

To the Board of Directors,
Florida State University School, Inc.:

Report on the Financial Statements

We have audited the financial statements of the governmental activities and each major fund of Florida State University School, Inc. (the School), a component unit of Florida State University, as of and for the fiscal year ended June 30, 2024, and have issued our report thereon dated November 18, 2024.

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 Auditor's 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 that report, which is dated November 18, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations in the preceding 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 are Florida State University School, Inc., 730341.

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 the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

Transparency

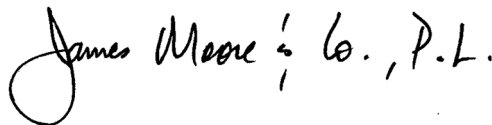
Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor general, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the School maintains on its Website the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its Website the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

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

Purpose of the 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, Federal and other granting agencies, Board of Directors, and applicable management, and the School and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive, flowing style.

Tallahassee, Florida
November 18, 2024