

**IDEA BASSETT AND
IDEA RIVER BLUFF**

**Basic Financial Statements and
Supplemental Information**

June 30, 2024

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INDEPENDENT AUDITOR’S REPORT

To the Board of Directors
IDEA Bassett and IDEA River Bluff
Jacksonville, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of IDEA Bassett and IDEA River Bluff (the “Schools”), divisions of IDEA Florida, Inc., as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Schools’ basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Schools, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Schools, 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.

Emphasis of Matter

As discussed in Note A, the financial statements of the Schools are intended to present the financial position and change in financial position of only that portion of the governmental activities and each major fund of IDEA Florida, Inc. that is attributable to the transactions of the Schools. They do not purport to, and do not, present fairly the financial position of IDEA Florida, Inc. as of June 30, 2024 and the changes in its financial position and budgetary comparisons, where applicable, for the year ended June 30, 2024 in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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 Schools’ ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Schools' 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 Schools' 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 for the General Fund and Special Revenue Fund on pages 3 through 6 and 22 through 23, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2024, on our consideration of the Schools' 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Schools' 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 Schools' internal control over financial reporting and compliance.

Moss, Krusick & Associates, LLC

Winter Park, Florida
September 30, 2024

Management's Discussion and Analysis

Our discussion and analysis of IDEA Bassett's and IDEA River Bluff's (the "Schools") financial performance provides an overview of the Schools' financial activities for the year ended June 30, 2024 with certain comparative information for 2023. Please read this section in conjunction with the Schools' financial statements, which immediately follow this discussion.

Financial Highlights

The following are the highlights of financial activity for the year ended June 30, 2024:

- The Schools' total assets exceeded its liabilities at June 30, 2024 by \$5,798,905 (net position), compared to (\$1,608,217) for the year ended June 30, 2023.
- The Schools' total revenues were \$35,283,462 primarily consisting of \$26,950,721 from general revenues including FTE revenues and state money from the Department of Education and \$8,332,741 from operating grants, capital grants, and contributions. The Schools' expenses for the year were \$27,876,340. Net position for the year increased by \$7,407,122.

Overview of the Financial Statements

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

Government-wide financial statements:

The government-wide financial statements, which consist of the following two statements, are designed to provide readers with a broad overview of the Schools' finances, in a manner similar to a private-sector business:

- The statement of net position presents information on all the Schools' assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Schools are improving or deteriorating.
- The statement of activities presents information showing how the Schools' net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by grants and entitlements from the state for full-time equivalent funding. The Schools do not have any business-type activities. The governmental activities of the Schools primarily include instruction and instructional support services.

The government-wide financial statements can be found on pages 7 and 8 of this report.

Fund financial statements:

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Schools only have one category of funds - governmental funds.

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

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

The Schools maintain several individual governmental funds. The General Fund, Special Revenue Fund and Capital Projects Fund are considered to be the Schools' major funds.

A budgetary comparison statement has been provided for the General Fund and Special Revenue Fund to demonstrate compliance with the budgets.

The governmental fund financial statements can be found on pages 9 through 12 of this report.

Notes to basic financial statements:

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 13 through 21 of this report.

Other information:

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Schools' General Fund and Special Revenue Fund adopted budgets to actual results. Required supplementary information can be found on pages 22 and 23 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of financial position.

The following table reflects the condensed government-wide statements of net position as of June 30:

	2024	2023	Change
Assets			
Current assets	\$ 8,487,401	\$ 4,896,224	\$ 3,591,177
Noncurrent assets	67,812,232	9,977,952	57,834,280
Total assets	<u>76,299,633</u>	<u>14,874,176</u>	<u>61,425,457</u>
Liabilities			
Current liabilities	6,162,338	5,802,201	360,137
Non-current liabilities	64,338,390	10,680,192	53,658,198
Total liabilities	<u>70,500,728</u>	<u>16,482,393</u>	<u>54,018,335</u>
Net position (deficit)			
Net investment in capital assets	1,305,700	1,230,930	74,770
Restricted	1,150,581	-	1,150,581
Unrestricted (deficit)	3,342,624	(2,839,147)	6,181,771
Total net position (deficit)	<u>\$ 5,798,905</u>	<u>\$ (1,608,217)</u>	<u>\$ 7,407,122</u>

A portion of the Schools' net position reflect its investment in capital assets, less any related outstanding debt used to acquire those assets. The Schools use these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the Schools' investment in its capital assets is reported net of related debt (if any), it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Resources that are subject to external restrictions on how they may be used are classified as restricted assets. As of June 30, 2024, the Schools had \$1,150,581 restricted assets held in cash. The increase in noncurrent assets and noncurrent liabilities at June 30, 2024 compared to June 30, 2023 relates to approximately \$60.5 million of new building and equipment leases during the year less amortization and lease payments.

As reflected below, the net position is showing an increase of \$7,407,122 and decrease of \$1,634,723 for the years ended June 30, 2024 and 2023, respectively, as summarized in the following table:

	2024	2023	Change
Revenues:			
General revenues	\$ 26,950,721	\$ 17,596,175	\$ 9,354,546
Program revenues	8,332,741	2,618,602	5,714,139
Total revenues	<u>35,283,462</u>	<u>20,214,777</u>	<u>15,068,685</u>
Expenses:			
Instruction	8,941,264	6,895,965	2,045,299
Instructional support services	3,537,891	11,367,540	(7,829,649)
Operation of non-instructional services	15,397,185	3,585,995	11,811,190
Total expenses	<u>27,876,340</u>	<u>21,849,500</u>	<u>6,026,840</u>
Changes in net position	<u>\$ 7,407,122</u>	<u>\$ (1,634,723)</u>	<u>\$ 9,041,845</u>

The increase in revenues and expenses is directly related to 2024 being the second year of operations and the increase of students from 737 to 1,600 in 2024. The increased enrollment has provided increased FTE revenues, federal and state grant funding, and increased salary and plant costs.

Financial Analysis of the Schools' Funds

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

General Fund. The fund balance of the General Fund increased by \$2,963,856 from \$2,548,890 at June 30, 2023 to \$5,512,746 at June 30, 2024.

Special Revenue Fund. The fund balance of the Special Revenue Fund remained the same at \$0 after transfers to the General Fund of \$15,989 which means that all special revenue funds were spent during the year.

Capital Projects Fund. The fund balance of the Capital Projects Fund remained the same at \$0 which means that all special revenue funds were spent during the year.

Capital Assets and Debt Administration

Capital assets: The Schools' investment in capital assets as of June 30, 2024 was approximately \$67.8 million, net of accumulated depreciation and amortization. This investment in capital assets is composed of right of use buildings, furniture and equipment and vehicles. A more detailed analysis is provided in Note E to the financial statements.

Long-term debt: At June 30, 2024, the Schools had outstanding debt of approximately \$1.0 million and lease obligations of \$66.5 million. A more detailed analysis is provided in Note G and H to the financial statements.

The net investment in capital assets totaled approximately \$1.3 million at June 30, 2024 compared to \$1.2 million at June 30, 2023.

Budgetary Highlights

General Fund. Actual revenues were less than originally budgeted by \$1,409,619. Actual expenditures were greater than originally budgeted expenditures by \$1,000,348 which was primarily due to the Schools' budgeting for additional FTE and expected instruction costs but were over budgeted. The Board of Directors amends the Schools' budget throughout the fiscal year to reflect changes in expected revenue and expenditures and changes in FTE counts.

Special Revenue Fund. The fund balance of the Special Revenue Fund remained the same at \$0 after transfers to the General Fund of \$15,989 which means that all special revenue funds were spent during the year.

The budgeted information can be found on pages 22 through 23 of this report.

Economic Factors for 2024-2025

Increasing school enrollment from 1,411 in 2023-2024 to 2,076 in the 2024-2025 school year will significantly increase Florida Education Finance Program (FEFP) revenues.

Requests for Information

This financial report is designed to provide a general overview of IDEA Bassett and IDEA River Bluff's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to IDEA Florida, Inc. 9321 W. Sam Houston Parkway South, Houston, TX 77099.

IDEA BASSETT AND IDEA RIVER BLUFF

STATEMENT OF NET POSITION

June 30, 2024

	Governmental Activities
ASSETS	
CURRENT ASSETS	
Cash	\$ 3,799,922
Due from government agencies	1,532,029
Due from management company	3,135,925
Prepaid items	<u>19,525</u>
Total current assets	<u>8,487,401</u>
NONCURRENT ASSETS	
Capital assets, net of accumulated depreciation and amortization	<u>67,812,232</u>
Total assets	<u>76,299,633</u>
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Accounts payable	2,020,985
Accrued liabilities	953,417
Unearned revenue	253
Line of credit	1,019,541
Leases	<u>2,168,142</u>
Total current liabilities	6,162,338
NONCURRENT LIABILITIES	
Leases	<u>64,338,390</u>
Total liabilities	<u>70,500,728</u>
NET POSITION	
Net investment in capital assets	1,305,700
Restricted for:	
Bus purchases	1,107,058
Other purposes	39,791
Student scholarships	3,732
Unrestricted	<u>3,342,624</u>
Total net position	<u>\$ 5,798,905</u>

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

IDEA BASSETT AND IDEA RIVER BLUFF

STATEMENT OF ACTIVITIES

Year Ended June 30, 2024

Functions/ Programs	Expenses	Program Revenues			Governmental
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Activities Net (Expense) Revenue and Changes in Net Position
Governmental activities:					
Regular instruction	\$ 8,941,264	\$ -	\$ 1,737,005	\$ -	\$ (7,204,259)
Student support services	824,999	-	-	-	(824,999)
Instructional media services	77,418	-	-	-	(77,418)
Instruction related technology	308,344	-	-	-	(308,344)
Staff training	5,407	-	-	-	(5,407)
General and administrative services	6,652,697	-	580,778	-	(6,071,919)
Plant operations and maintenance	7,528,320	-	-	4,420,182	(3,108,138)
Transportation	1,382,042	-	-	-	(1,382,042)
Fiscal services	118,220	-	-	-	(118,220)
Community services	55,794	-	-	-	(55,794)
Food services	1,469,575	-	1,594,776	-	125,201
Central services	131,191	-	-	-	(131,191)
Debt service	127,646	-	-	-	(127,646)
Interest expense	253,423	-	-	-	(253,423)
Total governmental activities	<u>\$ 27,876,340</u>	<u>\$ -</u>	<u>\$ 3,912,559</u>	<u>\$ 4,420,182</u>	<u>(19,543,599)</u>
General revenues:					
FTE nonspecific revenues and Schools of Hope Funding					26,938,329
Local revenue					12,392
Total general revenues					<u>26,950,721</u>
Change in net position					7,407,122
Net position (deficit) at July 1, 2023					<u>(1,608,217)</u>
Net position at June 30, 2024					<u>\$ 5,798,905</u>

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

IDEA BASSETT AND IDEA RIVER BLUFF
BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash	\$ 3,799,922	\$ -	\$ -	\$ 3,799,922
Due from government agencies	1,532,029	-	-	1,532,029
Due from management company	3,135,925	-	-	3,135,925
Prepaid items	19,525	-	-	19,525
Total assets	<u>\$ 8,487,401</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,487,401</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 2,020,985	\$ -	\$ -	\$ 2,020,985
Accrued liabilities	953,417	-	-	953,417
Unearned revenue	253	-	-	253
Total liabilities	<u>2,974,655</u>	<u>-</u>	<u>-</u>	<u>2,974,655</u>
FUND BALANCES				
Nonspendable				
Prepaid items	19,525	-	-	19,525
Restricted for:				
Bus purchases	1,107,058	-	-	1,107,058
Other purposes	39,791	-	-	39,791
Student scholarships	3,732	-	-	3,732
Unassigned	4,342,640	-	-	4,342,640
Total fund balances	<u>5,512,746</u>	<u>-</u>	<u>-</u>	<u>5,512,746</u>
Total liabilities and fund balances	<u>\$ 8,487,401</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,487,401</u>

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

IDEA BASSETT AND IDEA RIVER BLUFF

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION

June 30, 2024

Governmental fund balances:		\$	5,512,746
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Cost of capital assets	\$	73,734,432	
Accumulated depreciation and amortization		<u>(5,922,200)</u>	
Total capital assets			67,812,232
Liabilities not payable with current available resources are not reported as fund liabilities in the governmental fund statements. All liabilities both current and long-term, are reported in the government-wide statements.			
Debt			(1,019,541)
Leases			<u>(66,506,532)</u>
Total net position of governmental activities		\$	<u>5,798,905</u>

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

IDEA BASSETT AND IDEA RIVER BLUFF

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**

Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Revenues				
State sources	\$ 26,938,329	\$ -	\$ 4,420,182	\$ 31,358,511
Federal sources	-	3,912,559	-	3,912,559
Local sources	12,392	-	-	12,392
Total revenues	<u>26,950,721</u>	<u>3,912,559</u>	<u>4,420,182</u>	<u>35,283,462</u>
Expenditures				
Current:				
Regular instruction	7,157,898	1,783,366	-	8,941,264
Student support services	762,306	62,693	-	824,999
Instructional media services	61,918	15,500	-	77,418
Instruction related technology	225,427	13,887	-	239,314
Staff training	1,957	3,450	-	5,407
General and administrative services	6,201,949	430,704	-	6,632,653
Plant operations and maintenance	4,751,847	34,322	4,420,182	9,206,351
Transportation	1,043,346	53,306	-	1,096,652
Fiscal services	117,109	1,111	-	118,220
Community services	55,794	-	-	55,794
Food services	12,930	1,456,645	-	1,469,575
Central services	57,627	73,564	-	131,191
Professional services	127,646	-	-	127,646
Debt service:				
Principal payments on debt	5,868,496	-	-	5,868,496
Interest	253,423	-	-	253,423
Total expenditures	<u>26,699,673</u>	<u>3,928,548</u>	<u>4,420,182</u>	<u>35,048,403</u>
Excess (deficiency) of revenues over (under) expenditures	<u>251,048</u>	<u>(15,989)</u>	<u>-</u>	<u>235,059</u>
Other financing sources (uses):				
Transfers in	157,920	15,989	-	173,909
Transfers out	(173,909)	-	-	(173,909)
Loan proceeds	1,500,000	-	-	1,500,000
Proceeds from sale of capital assets	1,228,797	-	-	1,228,797
Total other financing sources (uses)	<u>2,712,808</u>	<u>15,989</u>	<u>-</u>	<u>2,728,797</u>
Net change in fund balances	2,963,856	-	-	2,963,856
Fund balances at July 1, 2023	2,548,890	-	-	2,548,890
Fund balances at June 30, 2024	<u>\$ 5,512,746</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,512,746</u>

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

IDEA BASSETT AND IDEA RIVER BLUFF

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES**

Year Ended June 30, 2024

Net change in fund balances - governmental funds		\$ 2,963,856
<p>Amounts reported for governmental activities in the statement of activities are different because:</p> <p>Governmental funds report capital outlays as expenditures; in the statement of activities these costs are allocated over their estimated useful lives as a provision for depreciation and amortization.</p>		
Expenditures for capital assets	\$ 62,562,381	
Less: provision for depreciation and amortization	<u>(3,499,303)</u>	
Total capital assets		59,063,078
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position</p>		
Proceeds from sale of capital assets		(1,228,797)
<p>Debt proceeds and other financing sources provide current financial resources of governmental funds while the repayment of the related debt principal consumes those financial resources.</p>		
Issuance of debt	\$ (1,500,000)	
Issuance of leases	(60,621,675)	
Principal payments on debt	5,868,496	
Principal payments on leases	<u>2,862,164</u>	
		<u>(53,391,015)</u>
Change in net position of governmental activities		<u><u>\$ 7,407,122</u></u>

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

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

NOTE A – SUMMARY OF REPORTING ENTITY AND SIGNFICANT ACCOUNTING POLICIES

IDEA Bassett and IDEA River Bluff (collectively, the “Schools”), are divisions of IDEA Florida, Inc. (the “Organization”). The Schools commenced operations in August 2022 and offer classes for pre-kindergarten through 8th grade students in Duval County, Florida. An average of approximately 1,800 students were enrolled in classes for the School’s 2023-24 school year.

The basic financial statements of the Schools present only the balances, activity and disclosures related to the Schools. They do not purport to, and do not, present fairly the financial position of IDEA Florida, Inc. as of June 30, 2024, and the changes in its financial position or budgetary comparisons, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Reporting entity: The Schools operate under a charter granted by the sponsoring Schools’ district, the Schools’ Board of Duval County, Florida (the “Schools’ Board”). The charters are effective until July 30, 2027. At the end of the term of the charter, the charter will be renewed upon written request by the Schools unless the terms of the charter were violated. If the Schools’ Board chooses not to renew or terminate the charters under grounds specified in the charter agreements, the Schools’ Board is required to notify the Schools in writing at least ninety days prior to the charters’ expiration or termination. During the term of the charter, the Schools’ Board may also terminate the charter if terms of the charter agreements are violated.

Component units: The Schools may also be financially accountable if an organization is fiscally dependent on the Schools regardless of whether the organization has a separately elected governing board, a governing board appointed by another government, or a jointly approved board. In addition, component units can be other organizations for which the nature and significance of their relationship with the Schools are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. As a result of evaluating the above criteria, management has determined that no component units exist for which the Schools are financially accountable which would require inclusion in the Schools’ financial statements.

Basis of presentation: Based on the guidance presented in the American Institute of Certified Public Accountants Audit and Accounting Guide – Not-for-Profit Organizations and provisions of Section 228.056(9), Florida Statutes, the Schools are presented as a governmental organization for financial statement reporting purposes.

Government-wide financial statements: Government-wide financial statements, including the statement of net position and the statement of activities, present information about the Schools as a whole.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the Schools’ governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Schools.

This government-wide focus is more on the ability to sustain the Schools as an entity and the change in the Schools’ net position resulting from the current year’s activities.

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

NOTE A – SUMMARY OF REPORTING ENTITY AND SIGNFICANT ACCOUNTING POLICIES (continued)

Fund financial statements: Fund financial statements report detailed information about the Schools in the governmental funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The Schools report the following major governmental funds:

- **General Fund** – This fund is used to account for all operating activities of the Schools except for those required to be accounted for in another fund.
- **Special Revenue Fund** – This fund is used to account for federal grants that are legally restricted to expenditures for particular purposes.
- **Capital Projects Fund** – This fund is used to account for state capital outlay funding that is legally restricted to expenditures for particular purposes.

Net position: Net position is classified in three categories. The general meaning of each is as follows:

- Net investment in capital assets - represents the difference between the cost of capital assets, less accumulated depreciation and amortization reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets (if any).
- Restricted net position - consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - indicates that portion of net position that will need to be funded by future operations.

Fund balance: The Schools have implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance classifications to report on the nature and extent to which the Schools are bound to have constraints on the specific purposes for which amounts in those funds can be spent.

The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance – consists of amounts that are not in spendable form and of net position that are legally or contractually required to be maintained intact.
- Restricted fund balance – consists of amounts with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Committed fund balance – consists of amounts that can be used for specific purposes pursuant to constraints imposed by the government itself, using its highest level of decision making authority.
- Assigned fund balance – consists of amounts that are constrained by the government's intended use of resources but are neither restricted or committed.
- Unassigned – consists of net resources in excess of what can be properly classified in one of the above categories.

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

NOTE A – SUMMARY OF REPORTING ENTITY AND SIGNFICANT ACCOUNTING POLICIES (continued)

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the Schools consider restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the Schools consider amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Schools' governing body or its delegated official or body has provided otherwise in its commitment or assignment actions. The details of the fund balances are included in the Balance Sheet – Governmental Funds.

Measurement focus and basis of accounting: The basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. Governmental funds use the current financial resources measurement focus and the government-wide statement uses the economic resources measurement focus.

Governmental activity in the government-wide financial statements is presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental fund financial statements are presented on the modified accrual basis of accounting under which revenue is recognized in the accounting period in which it becomes susceptible to accrual (i.e., when it becomes both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the current period is defined as sixty days.

Cash and cash equivalents: Cash and cash equivalents are defined as demand deposits, money market accounts, and short-term investments with original maturities of three months or less from the date of acquisition.

Prepaid items: Certain payments to vendors reflect costs applicable to future accounting period and are recorded as prepaid items.

Capital assets: Capital assets purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the Schools as assets with a cost of \$1,000 or more and a useful life of over one year. Donated capital assets are valued at their estimated fair market value as of the date received. Additions, improvements, and other expenditures that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related capital assets. Other costs for repairs and maintenance are expensed as incurred.

Depreciation and amortization on all assets is provided on the straight-line basis over the capital assets' estimated useful lives or lease term, whichever is shorter, as follows:

Building – right of use	5 years
Furniture and equipment	5 years
Vehicles	5 years

Right of use asset: The Schools have recorded a right of use lease asset as a result of implementing GASB 87. The right of use asset is initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right of use asset is amortized on a straight-line basis over the life of the related lease.

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

NOTE A – SUMMARY OF REPORTING ENTITY AND SIGNFICANT ACCOUNTING POLICIES (continued)

Compensated absences: The Schools' policy allows employees to carry over unused vacation time during the year. Unused sick leave benefits are not paid upon separation from service. No liability for compensated absences was recorded for the year ending June 30, 2024.

Unearned revenue: Unearned revenue arises when the Schools receive inflows of resources that do not meet the criteria for revenue recognition. At June 30, 2024, the Schools had unearned revenue of \$253, which represented referendum funds not yet earned.

Deferred outflows/inflows of resources: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Schools do not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Schools have not recorded any deferred inflows as of June 30, 2024.

Revenue recognition: Student funding is provided by the State of Florida through the District and the Florida State Department of Education. Such funding is recorded as entitlement revenue in the government-wide financial statements and state source revenue in the fund financial statements. This funding is received on a pro rata basis over a twelve-month period and is adjusted for changes in full-time equivalent (FTE) student population.

Grant and contract revenue: Grant and contract revenue is recognized when the allowable costs, as defined by the individual grant or contract, are incurred.

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

Income taxes: The Schools are a division of a nonprofit corporation that qualifies as a tax-exempt organization under Internal Revenue Code Section 501(c)(3), and is, therefore, exempt from income tax. Accordingly, no tax provision has been made in the accompanying financial statements.

GASB pronouncement adopted: GASB issued Statement No. 101, *Compensated Absences*, in June 2022. GASB 101 increases the usefulness of governments' financial statements by requiring recognition of liabilities for compensated absences that previously were not recognized as an obligation of the government. It establishes a criteria for the recognition and measurement of the government. The provisions in GASB 101 were early implemented in the year ended June 30, 2024. The implementation of the new pronouncement did not have any impact on the financial statements as the Schools do not have any liabilities for compensated absences.

Date of management review: Subsequent events were evaluated by management through September 30, 2024, which is the date the financial statements were available for issuance.

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

NOTE B – CASH AND CASH EQUIVALENTS

The Schools use a pooled cash method of accounting as part of IDEA Florida, Inc. (the “Organization”). At June 30, 2024, the carrying amount of the deposits and cash on hand totaled \$3,799,922, with a pooled bank balance of \$6,721,447, which includes the balances of the Organization.

State statutes require, and it is the Schools’ policy, that all deposits be made into, and be held by, financial institutions designated by the Treasurer of the State of Florida as “qualified public depositories” as defined by Chapter 280 of the Florida Statutes. This Statute requires that every qualified public depository institution maintain eligible collateral to secure the public entity’s funds. The minimum collateral to be pledged by an institution, the collateral eligible for pledge, and the reporting requirements of the qualified public depositor to the Treasurer is defined by statute. Collateral is pooled in a multiple qualified public depository institution pool with the ability to assess members of the pool should need arise. The Schools’ deposits are held in a qualified public depository and are covered by the collateral pool because the Schools has identified itself as a public entity.

NOTE C – BUDGETS

The Schools formally adopted budgets for the General and Special Revenue Funds by function for the year ended June 30, 2024. The budgets have been prepared in accordance with accounting principles generally accepted in the United States of America. A comparison of actual results of operations to the budgeted amounts for the General Fund and Special Revenue Fund are presented as required supplementary information.

For the year ended June 30, 2024, certain expenditures exceeded appropriations in the General Fund and Special Revenue Fund. These over expenditures were mainly caused by the Schools not budgeting for capital expenditures and certain special revenue activity.

NOTE D – DUE FROM GOVERNMENT AGENCIES

Due from government agencies at June 30, 2024 consists primarily of amounts due from the Department of Education for Elementary and Secondary Emergency Assistance Grants (ESSER), and Title (I through IV) grants and amounts due from Department of Agriculture for child nutrition programs.

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

NOTE E – CAPITAL ASSETS

A summary of changes in governmental capital assets is as follows:

	Balance at July 1, 2023	Additions	Deletions	Balance at June 30, 2024
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Capital assets not being depreciated/amortized:				
Construction in progress	\$ 152,365	\$ -	\$ (152,365)	\$ -
Total capital assets not being depreciated/amortized	<u>152,365</u>	<u>-</u>	<u>(152,365)</u>	<u>-</u>
Capital assets depreciated/amortized:				
Right of use:				
Building	10,439,725	60,284,229	-	70,723,954
Office equipment	286,377	337,446	-	623,823
Furniture and equipment	205,609	152,364	-	357,973
Vehicles	1,802,575	1,940,707	(1,714,600)	2,028,682
Total capital assets being depreciated/amortized	<u>12,734,286</u>	<u>62,714,746</u>	<u>(1,714,600)</u>	<u>73,734,432</u>
Accumulated depreciation/amortization:				
Right of use:				
Building	2,409,773	2,967,085	-	5,376,858
Office equipment	70,800	156,560	-	227,360
Furniture and equipment	31,756	72,676	-	104,432
Vehicles	396,371	302,982	(485,803)	213,550
Total accumulated depreciation/amortization	<u>2,908,700</u>	<u>3,499,303</u>	<u>(485,803)</u>	<u>5,922,200</u>
Total governmental activities capital assets, net	<u>\$ 9,977,951</u>	<u>\$ 59,215,443</u>	<u>\$ (1,381,162)</u>	<u>\$ 67,812,232</u>

Depreciation and amortization for the year ended June 30, 2024 included in the Statement of Activities is as follows:

Plant operations and maintenance	\$ 3,124,835
Transportation	285,390
Instruction related technology	69,030
General and administrative services	<u>20,048</u>
Total governmental activities depreciation and amortization expense	<u>\$ 3,499,303</u>

As part of the Schools' charter contract, all capital assets purchased with public funds will automatically revert to the District upon the non-renewal or termination of this contract.

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

NOTE F – LINE OF CREDIT

In 2023, the Schools entered into a \$10 million line of credit agreement with Charter Asset Management to provide working capital to Idea Florida, Inc. The line has a maturity of August 31, 2024, and each advance will bore an interest rate equal to the Prime Rate plus 3.20% (11.7% at June 30, 2024). As of June 30, 2024, the line of credit had an outstanding balance of \$1,019,541. The line of credit also contains various financial covenants of which the Organization is in compliance and upon maturity, was not renewed.

NOTE G – DEBT

Debt activity as of June 30, 2024 consists of the following:

	Balance at July 1, 2023	Additions	Retirements	Balance at June 30, 2024	Due Within One Year
Line of credit	\$ 4,750,000	\$ 1,500,000	\$ 5,230,459	\$ 1,019,541	\$ 1,019,541
CFNF Note payable	638,037	-	638,037	-	-
	<u>\$ 5,388,037</u>	<u>\$ 1,500,000</u>	<u>\$ 5,868,496</u>	<u>\$ 1,019,541</u>	<u>\$ 1,019,541</u>

CFNF Note Payable: Previously, the Schools entered into a loan agreement for \$1,200,000 to provide funding to open the schools located in Jacksonville, Florida. The note bore interest of 2.00% per annum and matured on April 30, 2024. Monthly interest only payments of \$2,000 were due through September 1, 2022, at which time monthly payments of \$58,196 began and continued through maturity. The note was paid in full as of June 30, 2024.

NOTE H – LEASES

During fiscal 2024, the Schools occupied their locations activating their facility leases effective through June 30, 2026. In addition, they entered into several other equipment leases for operations. The lease agreements qualify as other than short- term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the implementation date of July 1, 2022 and subsequently as new leases are entered into. The discount rates used to recognize the right of use asset and the lease liability was 5.00% to 5.17%. Payments are due monthly of approximately \$451,000 for 2025.

The following is a schedule of the Schools' future base rent payments as of June 30, 2024:

Years Ending June 30,	Principal	Interest	Total
2025	\$ 2,168,142	\$ 3,248,275	\$ 5,416,417
2026	2,666,917	3,129,066	5,795,983
2027	641,070	3,052,643	3,693,713
2028	14,705,601	2,847,086	17,552,687
2029	686,871	2,288,178	2,975,049
Thereafter	45,637,931	40,537,549	86,175,480
	<u>\$ 66,506,532</u>	<u>\$ 55,102,797</u>	<u>\$ 121,609,329</u>

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

NOTE H – LEASES (continued)

The lease activity for the year ended June 30, 2024 are as follows:

	Balance at July 1, 2023	Additions	Retirements	Balance at June 30, 2024	Amount Due Within One Year
Leases:					
Building	\$ 8,531,445	\$ 60,284,229	\$ 2,705,604	\$ 66,110,070	\$ 2,007,770
Equipment	215,576	337,446	156,560	396,462	160,372
Leases - building and equipment	<u>\$ 8,747,021</u>	<u>\$ 60,621,675</u>	<u>\$ 2,862,164</u>	<u>\$ 66,506,532</u>	<u>\$ 2,168,142</u>

NOTE I – CONTINGENCIES AND COMMITMENTS

Grant agreements: The Schools, as a department of the Organization, received financial assistance from Federal and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and may be subject to audit by the grantor agencies. In accordance with Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, the Organization is required to conduct “single audits” when either the threshold for federal awards or state financial assistance exceeds \$750,000. The federal threshold is exceeded for the Organization, and as a result, the Organization is in the process of completing this requirement.

Management Agreement: The Organization entered into a management services agreement with IPS Enterprises, Inc. (“IPS”) effective January 1, 2020 and ending June 30, 2026. The agreement is automatically renewed concurrently with the renewal of any charter schools contract entered into by the Organization. The agreement also applies to any new charter schools performance- based agreements entered into by the Organization.

The agreement provides the Organization with the authority to manage, administer, oversee and supervise all the operations and activities of the charter schools. Contractually, for the services rendered, IPS may charge 15% of all revenues received by the Schools, exclusive of those received from the “Schools of Hope Program”, however, during the year ended June 30, 2024, 10% of Florida Education Finance Program was utilized as the base for the calculation. The management fee for the year ended June 30, 2024 was \$1,360,649. In addition, the Schools have a balance due from IPS of \$3,135,925 representing temporary amounts due for various transactions consummated on the Schools’ behalf.

NOTE J – CAPITAL APPROPRIATIONS FUNDING

The Florida Department of Education has approved a Charter School Capital Outlay (CSCO) award for the Schools. In each year that funds are appropriated by the State for charter school capital outlay purposes, those funds are allocated among eligible charter schools. The funds for the Schools’ allocation are transferred to the Schools once a CSCO Plan has been provided to and approved by the sponsoring district. The Schools’ CSCO Award totaled \$919,002 for the 2023-24 school year, which has been recognized as revenue in the accompanying basic financial statements. If the CSCO funds are used to acquire tangible property assets, the School Board has a reversionary interest in those assets. In the event of nonrenewal, termination or breach of the charter school agreement, ownership of the assets would automatically revert to the School Board. The Schools have elected to use these funds to pay for a portion of the operation of plant expenses.

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

NOTE K – RISK FINANCING

The Schools are exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets and natural disasters. The Schools have obtained property insurance from commercial companies including, but not limited to, general liability and errors and omissions insurance. There have been no claims in excess of insurance coverage limits during 2023-24.

REQUIRED SUPPLEMENTAL INFORMATION

IDEA BASSETT AND IDEA RIVER BLUFF

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND**

Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
State sources	\$ 28,360,340	\$ 35,079,547	\$ 26,938,329	\$ (8,141,218)
Local sources	-	-	12,392	12,392
Total revenues	<u>28,360,340</u>	<u>35,079,547</u>	<u>26,950,721</u>	<u>(8,128,826)</u>
Expenditures				
Current:				
Regular Instruction	7,893,585	9,179,190	7,157,898	2,021,292
Student support services	763,254	989,267	762,306	226,961
Instructional media services	96,495	107,112	61,918	45,194
Instruction related technology	223,171	243,972	225,427	18,545
Staff training	20,364	19,320	1,957	17,363
General and administrative services	5,956,793	7,249,738	6,201,949	1,047,789
Plant operations and maintenance	9,732,421	12,589,338	4,751,847	7,837,491
Transportation	792,332	876,039	1,043,346	(167,307)
Fiscal services	41,565	118,432	117,109	1,323
Community services	36,731	74,928	55,794	19,134
Food services	1,994	3,717	12,930	(9,213)
Central services	140,620	153,852	57,627	96,225
Professional services	-	8,668	127,646	(118,978)
Debt service:				
Principal payments on debt	-	-	5,868,496	(5,868,496)
Interest	-	54,091	253,423	(199,332)
Total expenditures	<u>25,699,325</u>	<u>31,667,664</u>	<u>26,699,673</u>	<u>4,967,991</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,661,015</u>	<u>3,411,883</u>	<u>251,048</u>	<u>(3,160,835)</u>
Other financing sources (uses):				
Transfers in	-	-	157,920	157,920
Transfers out	-	-	(173,909)	(173,909)
Loan proceeds	-	-	1,500,000	1,500,000
Proceeds from sale of capital assets	-	-	1,228,797	1,228,797
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>2,712,808</u>	<u>2,712,808</u>
Net change in fund balance	<u>2,661,015</u>	<u>3,411,883</u>	<u>2,963,856</u>	<u>(448,027)</u>
Fund balance at July 1, 2023	<u>2,548,890</u>	<u>2,548,890</u>	<u>2,548,890</u>	<u>-</u>
Fund balance at June 30, 2024	<u>\$ 5,209,905</u>	<u>\$ 5,960,773</u>	<u>\$ 5,512,746</u>	<u>\$ (448,027)</u>

See note to required supplemental information.

IDEA BASSETT AND IDEA RIVER BLUFF

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUND**

Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
National School Lunch and Breakfast Programs	\$ 1,780,776	\$ 1,780,776	\$ 1,594,776	\$ (186,000)
ESSER	1,327,556	2,275,239	580,778	(1,694,461)
Title grants	231,177	1,014,582	671,848	(342,734)
Other federal grants	121,942	1,115,555	1,065,157	(50,398)
Total revenues	<u>3,461,451</u>	<u>6,186,152</u>	<u>3,912,559</u>	<u>(2,273,593)</u>
Expenditures				
Current:				
Regular instruction	943,952	3,554,726	1,783,366	1,771,360
Student support services	17,994	48,572	62,693	(14,121)
Instructional media services	-	194,835	15,500	179,335
Instruction related technology	-	11,788	13,887	(2,099)
Staff training	-	34,610	3,450	31,160
General and administrative services	339,234	161,487	430,704	(269,217)
Plant operations and maintenance	407,085	443,193	34,322	408,871
Transportation	604,260	731,759	53,306	678,453
Fiscal services	-	-	1,111	(1,111)
Food services	1,786,926	1,842,133	1,456,645	385,488
Central services	12,853	12,974	73,564	(60,590)
Total expenditures	<u>4,112,304</u>	<u>7,036,077</u>	<u>3,928,548</u>	<u>3,107,529</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(650,853)</u>	<u>(849,925)</u>	<u>(15,989)</u>	<u>833,936</u>
Other financing sources (uses):				
Transfers in	-	-	15,989	(15,989)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>15,989</u>	<u>(15,989)</u>
Net change in fund balance	<u>(650,853)</u>	<u>(849,925)</u>	<u>-</u>	<u>817,947</u>
Fund balance at July 1, 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at June 30, 2024	<u>\$ (650,853)</u>	<u>\$ (849,925)</u>	<u>\$ -</u>	<u>\$ 817,947</u>

See note to required supplemental information.

SUPPLEMENTAL INFORMATION



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American Institute of
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INDEPENDENT AUDITOR’S 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
IDEA Bassett and IDEA River Bluff
Jacksonville, Florida

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, each major fund, and the aggregate remaining fund information of IDEA Bassett and IDEA River Bluff (the “Schools”), divisions of IDEA Florida, Inc., as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Schools’ basic financial statements, and have issued our report thereon dated September 30, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Schools’ internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Schools’ internal control. Accordingly, we do not express an opinion on the effectiveness of the Schools’ internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Schools’ 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.

Moss, Krusick & Associates, LLC

Winter Park, Florida
September 30, 2024



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American Institute of
Certified Public
Accountants

Florida Institute of
Certified Public
Accountants

MANAGEMENT LETTER

To the Board of Directors
IDEA Bassett and IDEA River Bluff
Jacksonville, Florida

Report on the Financial Statements

We have audited the financial statements of IDEA Bassett and IDEA River Bluff (the "Schools"), divisions of IDEA Florida, Inc., as of and for the fiscal year ended June 30, 2024, and have issued our report thereon dated September 30, 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 September 30, 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 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 titles and the school codes assigned by the Florida Department of Education of the Schools, respectively, are IDEA Bassett and IDEA River Bluff and 165931 and 165951.

Financial Condition and Management

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not the Schools have 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 Schools. 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 Schools. It is management's responsibility to monitor the Schools' 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.

Financial Condition and Management (continued)

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

Transparency

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

Additional Matters

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

Purpose of this Letter

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

Moss, Krusick & Associates, LLC

Winter Park, Florida
September 30, 2024

MANAGEMENT FINDINGS, RECOMMENDATIONS AND RESPONSES

For the year ended June 30, 2024, there were no management findings, recommendations or responses.