

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

**Financial Statements
with Independent Auditor's Reports Thereon**

June 30, 2024



McCRADY & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

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RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management of Ridgeview Global Studies Academy, Inc. (the "School") offers the following narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2024. Readers are encouraged to use this information in conjunction with information furnished in the School's financial statements. This summary should not be taken as a replacement for the audit, which consists of the basic financial statements and other supplemental information.

FINANCIAL HIGHLIGHTS

- ❖ The School's combined governmental fund balance at June 30, 2024 is approximately \$8 million.
- ❖ For the fiscal year ended June 30, 2024, the School's change in combined fund balances increased by approximately \$1 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to School's basic financial statements. The School's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the School through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the understanding of the financial condition of School.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide a broad overview of the School's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the School's financial status as a whole.

The two government-wide statements report the School's net position and the current year changes. The net position is the difference between the School's total assets and total liabilities. Measuring the net position is one way to evaluate the School's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities, 2) business-type activities, and 3) component units. The governmental activities include the School's basic services. The business-type activities are those services that the School charges for, that are not directly related to the School's mission. For the year ended June 30, 2024, the School had no business-type activities or component units.

Fund Financial Statements

The fund financial statements provide a more detailed look at the School's most significant activities. A fund is a group of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. All of the operations of the School are presented in governmental funds only.

Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. The School's basic services are accounted for in the governmental funds. These funds focus on how assets that can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method also has a current financial resources focus. As a result, the governmental fund financial statements provide a detailed short-term view of the financial resources available to finance the School's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The School adopts an annual budget for its general and special revenue funds, as required by the Florida Statutes. The budgets are legally adopted by management of the School and its Board. Budgetary comparison schedules have been included as part of the required supplementary information. The budgetary comparison schedules show four columns: 1) the original budget as adopted by the Board, 2) the final budget as amended by the Board, 3) the actual resources, charges and ending balances in the general fund, and 4) the variance between the final budget and the actual resources and charges.

Notes to Financial Statements

The notes to financial statements provide additional information that is essential to the full understanding of the information reported in the government-wide and fund financial statements. The notes to the financial statements start on page 16 of this report.

Other Reports

This report also includes the Independent Auditor's Report on Internal Controls Over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*, as well as the management letter required by the Rules of the Auditor General, Chapter 10.850, *Audits of Charter Schools and Similar Entities*.

BALANCE SHEET – GOVERNMENTAL FUNDS

Fund Balances

The School's combined fund balances as of June 30, 2024 and 2023 is summarized as follows:

	Governmental Activities		Variance
	2024	2023	
Current and other assets	\$ 8,985,874	\$ 8,342,607	\$ 643,267
Total assets	<u>8,985,874</u>	<u>8,342,607</u>	<u>643,267</u>
Current and other liabilities	<u>974,255</u>	<u>1,366,771</u>	<u>(392,516)</u>
Total liabilities	<u>974,255</u>	<u>1,366,771</u>	<u>(392,516)</u>
Fund Balances:			
Nonspendable:			
Other current assets	-	168,501	(168,501)
Assigned:			
Designated for School-based student activity organizations	148,857	125,878	22,979
Spendable:			
Unassigned	<u>7,862,762</u>	<u>6,681,457</u>	<u>1,181,305</u>
Total fund balances	\$ <u>8,011,619</u>	\$ <u>6,975,836</u>	\$ <u>1,035,783</u>

The change in current assets is primarily due to an increase in cash from operations. The decrease in current liabilities is the result of timing of payments. Nonspendable assets consisted of prepaid expenses in the prior year that were not prepaid in the current year. The increase in fund balance is a result of the current year increase in cash.

Change in Fund Balances

The School's total change in combined fund balances is approximately \$1.0 in fiscal 2024.

Revenues:	2024	2023	Variance
Federal sources passed through local school district	\$ 3,315,956	\$ 3,790,825	\$ (474,869)
State and local sources	14,221,100	12,848,740	1,372,360
Contributions and other revenues	531,881	504,330	27,551
Total revenues	18,068,937	17,143,895	925,042
Expenditures:			
Instruction	10,239,300	10,205,669	33,631
Pupil personnel services	454,066	429,904	24,162
Instructional media services	117,065	140,269	(23,204)
Instructional staff training	2,245	6,146	(3,901)
Board	51,264	46,995	4,269
General administration	40,828	37,770	3,058
School administration	1,355,573	1,216,126	139,447
Facilities construction and acquisition	-	1,308	(1,308)
Fiscal services	64,548	70,483	(5,935)
Food services	1,115,405	988,234	127,171
Central services	-	6,328	(6,328)
Pupil transportation	572,575	538,689	33,886
Operation of plant	1,150,430	923,615	226,815
Community services	120,589	123,314	(2,725)
Debt service:			
Principal	249,292	242,120	7,172
Interest	468,247	475,420	(7,173)
Capital outlay	1,031,727	325,970	705,757
Total expenditures	17,033,154	15,778,360	1,254,794
Net changes in fund balances	\$ 1,035,783	\$ 1,365,535	\$ (329,752)

The change in federal sources is due to a decrease in funding received under the ESSER grant to mitigate the effects of the COVID-19 pandemic in the current year. The change in state and local sources is primarily due to the increase in student population.

The changes in instruction, administration, food services, and pupil transportation is a result of the increase in student population. Operation of plant increased primarily due to contracted security expenses. Capital outlay expenditures increased as the school purchased four additional buses in the current year. All other functions remained consistent, with minor variances due to normal operations.

FINANCIAL ANALYSIS OF THE SCHOOL'S FUNDS

The focus of School's governmental funds is to provide information on near term inflows, outflows, and balances of usable resources. Such information is useful in assessing the School's financing requirements. Specifically, unrestricted fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

As the School completed the year, its governmental funds reported a combined fund balance of approximately \$8 million. Revenues and expenditures changed overall for the same reasons described above.

General and Special Revenue Fund Budgetary Highlights

During the fiscal year, the School amended its budget once. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget once exact information is available, 2) amendments made to recognize changes in funding amounts, and 3) changes in appropriations that become necessary to maintain services. Actual revenues and expenditures equaled final budgeted revenues and expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2024, the School had invested approximately \$15.0 million in capital assets, net of accumulated depreciation of approximately \$4.3 million.

	Governmental Activities		Increase
	2024	2023	(Decrease)
Land	\$ 1,254,590	\$ 1,254,590	\$ -
Building	14,190,259	14,224,239	(33,980)
Furniture, fixtures, and equipment	1,296,478	918,695	377,783
Vehicles	2,398,043	1,837,719	560,324
Construction in progress	127,600	-	127,600
Computer software	32,235	32,235	-
	<u>(4,285,840)</u>	<u>(3,616,335)</u>	<u>(669,505)</u>
Total capital assets	\$ 15,013,365	\$ 14,651,143	\$ 362,222

This year's major additions include:

- Buses - \$560,324
- School sign - \$90,201
- Playground equipment - \$97,352

More detailed information about the School's capital assets is presented in Note 4 to the financial statements.

Long-Term Liabilities

As of June 30, 2024, the School has approximately \$16 million long-term debt. For the year ended June 30, 2024, the School made approximately \$249,000 in principal payments and incurred approximately \$468,000 in interest expenses. For more detailed information about the School's long-term debt, see Note 5 to the financial statements.

Additionally, the School has approximately \$9.15 million in pension liability. For more detailed information, see Note 6 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Amounts available for appropriation in the general fund are approximately \$14.85 million, an increase of approximately \$700,000 from 2024 actual amounts, exclusive of revenues from internal funds. The change is due to a budgeted increase in student enrollment.

Budgeted expenditures in the general fund are approximately \$13.86 million, an increase of approximately \$1 million from the 2024 actual amounts, exclusive of other financing sources activities. The change is primarily due to an overall increase in salaries and benefits to accommodate the additional student population.

If these estimates are realized, the School's general fund balance is expected to increase during the fiscal year ending June 30, 2025.

CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT

This financial report is designed to provide interested parties with a general overview of the School's finances and to demonstrate the School's accountability for the money it receives. Should additional information be required, please contact the School's administrative offices at 1000 Dunson Road, Davenport, Florida 33896.



Independent Auditor's Report

To the Board of Directors of Ridgeview Global Studies Academy, Inc.,
a Charter School and Component Unit of the District
School Board of Polk County, Florida

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Ridgeview Global Studies Academy (the 'School'), 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof 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 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.

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 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, budgetary comparison and pension information on pages 1-6 and 38-39 and 40-41 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 25, 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 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 School's 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 School's internal control over financial reporting and compliance.

The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are not presented and are not a required part of the basic financial statements.

McCrary & Associates, PLLC

Altamonte Springs, Florida
September 25, 2024

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RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

Statement of Net Position

June 30, 2024

	Governmental Activities
	<u> </u>
ASSETS	
Cash and cash equivalents	\$ 6,785,059
Certificates of deposit	728,731
Due from other agency	743,336
Capital assets:	
Land	1,254,590
Building	14,190,259
Furniture, fixtures and equipment	1,296,478
Vehicles	2,398,043
Computer software	32,235
Construction in progress	127,600
Less accumulated depreciation	<u>(4,285,840)</u>
Total capital assets, net	<u>15,013,365</u>
Total assets	<u>\$ 23,270,491</u>
DEFERRED OUTFLOW OF RESOURCES	
Amount deferred on pension liability	\$ 3,016,661
LIABILITIES	
Accounts payable and accrued expenses	245,507
Compensated absences payable	615,676
Long-term liabilities:	
Portion due or payable within one year:	
Notes payable	256,687
Portion due or payable after one year:	
Notes payable	15,482,150
Pension liability	<u>9,150,721</u>
Total liabilities	<u>25,750,741</u>
DEFERRED INFLOW OF RESOURCES	
Amount deferred on pension liability	555,219
NET POSITION	
Invested in capital assets, net of related debt	(725,472)
Unrestricted	<u>706,664</u>
Total net position	<u><u>\$ (18,808)</u></u>

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

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

Statement of Activities

For the Year Ended June 30, 2024

	Program Specific Revenues			Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Total
Governmental Activities:						
Instruction	\$ 12,020,989	\$ -	\$ 1,825,651	\$ -	\$ (10,195,338)	\$ (10,195,338)
Pupil personnel services	453,268	-	9,082	-	(444,186)	(444,186)
Instructional media services	116,085	-	-	-	(116,085)	(116,085)
Instructional staff training	2,245	-	-	-	(2,245)	(2,245)
Board	51,264	-	-	-	(51,264)	(51,264)
General administration	40,828	-	-	-	(40,828)	(40,828)
School administration	1,362,119	-	-	-	(1,362,119)	(1,362,119)
Facilities construction and acquisition	388,744	-	-	-	(388,744)	(388,744)
Fiscal services	64,548	-	-	-	(64,548)	(64,548)
Food services	1,132,570	18,886	911,817	-	(201,867)	(201,867)
Central services	7,787	-	-	-	(7,787)	(7,787)
Pupil transportation	776,155	-	-	-	(776,155)	(776,155)
Operation of plant	1,158,773	-	-	-	(1,158,773)	(1,158,773)
Community services	120,589	178,226	-	-	57,637	57,637
Interest	468,247	-	-	576,420	108,173	108,173
Total primary government	\$ 18,164,211	\$ 197,112	\$ 2,746,550	\$ 576,420	(14,644,129)	(14,644,129)
General revenues:						
Federal sources passed through local school district					\$ 569,406	\$ 569,406
State and local sources					13,644,680	13,644,680
Contributions and other revenues					334,769	334,769
Total general revenues					14,548,855	14,548,855
Changes in net position					(95,274)	(95,274)
Net position at beginning of year					334,299	334,299
Prior period adjustment (See note X)					(257,833)	(257,833)
Net position at beginning of year, as restated					76,466	76,466
Net position at end of year					<u>\$ (18,808)</u>	<u>\$ (18,808)</u>

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

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

Balance Sheet - Governmental Funds

June 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Other Governmental Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 6,640,996	\$ 144,063	\$ -	\$ 6,785,059
Certificates of deposit	728,731	-	-	728,731
Due from other agency	119,388	584,685	39,263	743,336
Due from special revenue fund	768,011	-	-	768,011
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 8,257,126</u>	<u>\$ 728,748</u>	<u>\$ 39,263</u>	<u>\$ 9,025,137</u>
LIABILITIES				
Accounts payable and accrued expenditures	\$ 245,507	\$ -	\$ -	\$ 245,507
Due to general fund	-	728,748	39,263	768,011
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>245,507</u>	<u>728,748</u>	<u>39,263</u>	<u>1,013,518</u>
FUND BALANCES				
Assigned:				
Designated for School-based student activity organizations	148,857	-	-	148,857
Spendable:				
Unassigned	7,862,762	-	-	7,862,762
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	<u>8,011,619</u>	<u>-</u>	<u>-</u>	<u>8,011,619</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 8,257,126</u>	<u>\$ 728,748</u>	<u>\$ 39,263</u>	<u>\$ 9,025,137</u>

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

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position**

June 30, 2024

Total fund balances - governmental funds \$ 8,011,619

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The cost of the assets at year end consist of:

Capital assets	19,299,205
Accumulated depreciation	(4,285,840)

Amounts accrued for compensated absences are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. (615,676)

Long-term liabilities, including notes payable and obligations under capital leases, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. The long-term liabilities at year-end consisted of:

Notes payable	(15,738,837)
Pension liability	(9,150,721)

Deferred amounts are reported in the Statement of Net Position as deferred outflows or deferred inflows of resources but are not reported in the funds.

2,461,442

Total net position - governmental activities \$ (18,808)

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

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

**Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds**

For the Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Other Governmental Fund	Total Governmental Funds
REVENUES				
Federal sources passed through local school district	\$ -	\$ 3,315,956	\$ -	\$ 3,315,956
State and local sources	13,644,680	-	576,420	14,221,100
Contributions and other revenue	512,995	18,886	-	531,881
Total revenues	14,157,675	3,334,842	576,420	18,068,937
EXPENDITURES				
Current:				
Instruction	8,413,649	1,825,651	-	10,239,300
Pupil personnel services	444,984	9,082	-	454,066
Instructional media services	117,065	-	-	117,065
Instructional staff training	2,245	-	-	2,245
Board	51,264	-	-	51,264
General administration	40,828	-	-	40,828
School administration	1,355,573	-	-	1,355,573
Fiscal services	64,548	-	-	64,548
Food services	-	1,115,405	-	1,115,405
Pupil transportation	572,575	-	-	572,575
Operation of plant	1,150,430	-	-	1,150,430
Community services	120,589	-	-	120,589
Debt service:				
Principal	-	-	468,247	468,247
Interest	-	-	249,292	249,292
Capital outlay	462,321	569,406	-	1,031,727
Total expenditures	12,796,071	3,519,544	717,539	17,033,154
Excess (deficiency) of revenues over expenditures	1,361,604	(184,702)	(141,119)	1,035,783
OTHER FINANCING SOURCES (USES)				
Operating transfer in	-	157,639	141,119	298,758
Operating transfer out	(298,758)	-	-	(298,758)
Total other financing sources (uses)	(298,758)	157,639	141,119	-
Net changes in fund balances	1,062,846	(27,063)	-	1,035,783
Fund balances at beginning of year	6,948,773	27,063	-	6,975,836
Fund balances at end of year	\$ 8,011,619	\$ -	\$ -	\$ 8,011,619

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

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

**Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities**

For the Year Ended June 30, 2024

Net changes in fund balances - total governmental funds \$ 1,035,783

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amounts incurred in the current period:

Capital outlays	1,031,727
Depreciation expense	(669,505)

Compensated absences included 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. 19,162

Principal payments on long-term liabilities are expenditures in the governmental funds, but the repayments reduce long-term liabilities in the statement of net position. 249,292

In the Statement of Activities, some revenues and expenses are recognized that do not provide current financial resources and are not recognized in the governmental funds, such as deferred inflows and outflows of resources. (1,761,733)

Change in net assets of governmental activities \$ (95,274)

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

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

Note to Financial Statements

For the Year Ended June 30, 2024

1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Ridgeview Global Studies Academy, Inc. (the School) is a not-for-profit corporation organized pursuant to chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act and Section 1002.22, Florida Statutes. The governing body of the School is the not-for-profit corporation Board of Directors, which is composed of five members. Effective July 1, 2001, the School converted from a public school to a charter school.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the District School Board of Polk County Florida, (the School Board). The School is considered a component unit of the School Board and meets the definition of a governmental entity under the Governmental Accounting Standards Board (GASB).

Charter Contract

The current charter expires June 30, 2039 due to high performing school status and may be renewed for a maximum of an additional fifteen years by mutual written agreement between the School and the School Board. Upon the expiration of the charter, the School Board may elect not to renew the charter under grounds specified in the charter. In this case, the School Board is required to notify the School in writing at least 90 days prior to the charter's expiration. However, the School Board may terminate the current charter at any time if good cause is shown. In the event of termination of the charter, any property purchased by the School with public funds and any unencumbered public funds revert back to the School Board.

Basis of Presentation

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

Government-Wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the School in a manner similar to that of a private-sector business. The statement of net position and statement of activities are designed to provide financial information about the School as a whole on an accrual basis of accounting. The statement of net position provides information about the School's financial position, its assets and its liabilities, using an economic resources measurement focus.

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The statement of activities presents a comparison between direct expenses and program revenue for each function or program of the School's governmental activities. Direct expenses are those that are specifically associated with a program or function, therefore, are clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of goods and services offered by the program and grants and contributions restricted for meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues.

Fund Financial Statements

The governmental fund financial statements report detailed information about the School's most significant funds, not the School as a whole. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School uses fund accounting to ensure and demonstrate compliance with finance related requirements. Certain funds are established by law while others are created by grant agreements. The following are the individual governmental funds reported in the fund financial statements:

- General Fund – the School's primary operating fund that accounts for all financial resources of the school, except those required to be accounted for in another fund.
- Capital Projects Fund – to account for all resources for the acquisition and construction of capital items by the School purchased with capital outlay funds or the proceeds from debt.
- Special Revenue Fund – to account for the proceeds of specific revenue sources restricted or committed to expenditures for a specific purpose.
- Debt Service Fund – to account for the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs.

For the purpose of these statements, the general and special revenue funds are considered major funds. The debt service and capital projects funds are reported as other governmental funds.

Basis of Accounting

Basis of accounting refers to when revenues and expenses/expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recognized when earned and expenses/expenditures are recognized when a liability is incurred, regardless of the timing the related cash flows take place.

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The governmental funds basic financial statements are reported using the modified accrual basis of accounting. Under this method, revenues are recognized when they become measurable and available. Revenues are considered to be available when they are collectable within a current 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.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from the acquisition of long-term debt are reported as other financing sources.

Budgetary Basis Accounting

Budgets are prepared using the modified accrual basis of accounting and the governing board must approve all budgets and amendments. During the fiscal year, expenditures were controlled at the object level. Budgets may be amended by resolution of the Board prior to the date of the annual report.

Use of Estimates

In preparing the financial statements in conformity with accounting principles generally accepted in the United States, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the balance sheet and revenues and expenses/expenditures for the period presented. Actual results could differ significantly from those estimates.

Interfund Transfers

The School reports its debt service fund expenditures and capital outlay revenue in other governmental funds. For the year ended June 30, 2024, the general fund transferred approximately \$141,000 to the other governmental funds for the current year debt service payments. Additionally, the general fund transferred approximately \$158,000 to the special revenue fund for food service operations.

Interfund Receivables and Payables

Activities between the funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as due to/from other funds. The general fund has recorded total receivables of approximately \$729,000, which is related to amounts paid by the general fund on behalf of the special revenue fund.

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**Notes to Financial Statements
(continued)**

Cash and Cash Equivalents

The School's cash and cash equivalents consist primarily of demand deposits and certificates of deposit with financial institutions.

As State of Florida Statutes and the School's policy require, all deposits be made into and 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 the institution, the collateral eligible for pledge, and reporting requirements of the qualified public depositor to the treasurer is defined by the ability to assess members of the pool should the need arise. The School's deposits are held in a qualified public depository. They are covered by the collateral pool as the School has identified itself as a public entity at June 30, 2024.

Capital Assets and Depreciation

The School's capital assets with useful lives of more than one year are stated at historical cost and are reported in the statement of net position in the government-wide financial statements. Donated capital assets are recorded at their estimated fair value on the date of donation. The School capitalizes assets with a cost of \$1,000 or more. Expenditures of normal maintenance and repair that do not add to the assets value or extend the useful lives are not capitalized. Depreciation is computed using the straight-line method. Estimated useful lives of the assets are as follows:

	<u>Years</u>
Buildings	40
Furniture, fixtures and equipment	3 – 5
Vehicles	5
Computer software	3

Compensated Absences

Compensated absences (i.e. paid absences for employee vacation leave and sick leave) are recorded as an expenditure in the governmental funds when leave is used or when accrued as payable to employees entitled to cash payment in lieu of taking leave. In the government-wide financial statements, compensated absences are recorded as an expense when earned by the employee.

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**Notes to Financial Statements
(continued)**

Pensions

In the government-wide statement of net position, liabilities are recognized for the School's proportionate share of each pension plan's net pension liability. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and additions to/deductions from the FRS's and the HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and the HIS plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The School's retirement plans and related amounts are described in Note 6.

Net Position and Fund Balance Classifications

Government-wide financial statements

The net position is classified and reported in three components:

- Investment in capital assets, net of related debt – consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any borrowings that are attributed to the acquisition or improvement of those assets.
- Restricted – consists of amounts with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments.
- Unrestricted – all other amounts that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Fund financial statements

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

- Nonspendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned). All nonspendable fund balances at year end relate to assets that are in nonspendable form.
- Restricted – fund balance that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.
- Committed – fund balance that can be used only for the specific purposes determined by a formal action of the School's Board of Governance.
- Assigned – fund balance that is intended to be used by the School's management for specific purposes but does not meet the criteria to be classified as restricted or committed.

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- Unassigned – fund balance that is the residual amount for the School’s general fund and includes all spendable amounts not contained in the other classifications.

This statement also clarifies the definition of the Special Revenue Fund to denote it may be used to account for the proceeds of specific revenue sources (other than trusts for individual, private organizations or other governmental agencies or for major capital projects) legally restricted to expenditures for specified purposes.

Order of Fund Balance Spending Policy

The School’s policy is to apply expenditures against nonspendable fund balances, restricted fund balances, committed fund balances, assigned fund balance, and unassigned fund balances at the end of the fiscal year. First, nonspendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including nonspendable amounts). Any remaining fund balance amounts for the non-general funds are to be classified as committed fund balance. It is also possible for the non-general funds to be classified as restricted fund balance. It is possible for the non-general funds to have a negative unassigned fund balance when nonspendable amounts plus the restricted fund balances for specific purposes exceed the positive fund balance for the non-general fund.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports 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 school has one item that qualifies for reporting in this category which is the deferred amount of pension reported in the government-wide statement of net position.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The School has one item that qualifies for reporting in this category which is the deferred amount of pension reported in the government-wide statement of net position. A deferred amount of pension results from the difference in the expected and actual amounts of experience, earnings and contributions. This amount is deferred and amortized over the service life of all employees that are provided with pensions through the pension plan. However, earnings are amortized over 5 years.

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**Notes to Financial Statements
(continued)**

Revenue Sources

Revenues for operations are received primarily from the District School Board of Polk County, Florida pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the School District. The School Board receives a 2% administrative fee from the School, which is withheld from the respective FEFP payments. The administrative expense is reflected as a general administration expense/expenditure in the accompanying statement of activities and statement of revenues, expenditures and changes in fund balances of governmental funds. The administrative fee is calculated on the FEFP revenue up to 250 students. The difference between the actual expense and the expense calculated on total FEFP revenue is restricted for capital outlay expenditures.

Under provisions of Section 1011.62, Florida Statutes, the District reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program (FEFP). Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey period. The FDOE may also adjust subsequent fiscal period allocations based on an audit of the School's compliance in determining and reporting FTE and related data. Generally, such adjustments are treated as reductions or additions of revenues in the year when the adjustments are made.

The basic amount of funding through the FEFP under Section 1011.62 is calculated based on (1) unweighted FTE, multiplied by (2) the cost factor for each program multiplied by (3) the base student allocation established by the Florida legislature. Additional funds for exceptional students who do not have a matrix of services are provided through the guaranteed allocation designated in Section 1011.62(1)(e)2., Florida Statutes. For the year ended June 30, 2024, the School reported 1,568 unweighted FTE.

The School received additional funding under other federal and state grants. This assistance is generally received based on applications submitted to various granting agencies. For federal and state grants in which funding is awarded based on incurring eligible expenditures, revenue is recognized as the amount of eligible expenditures have been incurred.

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**Notes to Financial Statements
(continued)**

2 FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States (GAAP) define fair value for an investment generally as the price an organization would receive upon selling the investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. The information available to measure fair value varies depending on the nature of each investment and its market or markets. Accordingly, GAAP recognizes a hierarchy of "inputs" an organization may use in determining or estimating fair value. The inputs are categorized into "levels" that relate to the extent to which an input is objectively observable and the extent to which markets exist for identical or comparable investments. In determining or estimating fair value, an organization is required to maximize the use of observable market data (to the extent available) and minimize the use of unobservable inputs. The hierarchy assigns the highest priority to unadjusted quoted prices in active markets for identical items (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). The fair value hierarchy distinguishes between independent observable inputs and unobservable inputs used to measure fair value as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2: Inputs other than quoted market prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for an asset or liability. Level 3 inputs should be used to measure fair value to the extent that observable level 1 or 2 inputs are not available.

The estimated fair value of the School's pension liability and related deferred outflows and inflows determined using Level 3 inputs is based on information provided by the Auditor General. The estimated fair value of the School's pensions and related deferred outflows and inflows using Level 3 inputs is determined by calculating the present value of the future distributions expected to be paid, using published life expectancy tables and discount rates ranging from approximately 2% to 4.3%. There were no changes in valuation techniques during the year.

The carrying values of cash and cash equivalents, cash restricted for long-term purposes, due from other agencies and the note payable do not differ materially from reasonable estimates of fair value, as the terms of such instruments do not vary significantly from the assumptions that would be made in estimating fair value.

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Estimated fair value of certain assets and (liabilities) measured on a recurring basis at June 30, 2024, are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Deferred outflows related to pension liability	-	-	3,016,661	3,016,661
Pension liability	-	-	(9,150,721)	(9,150,721)
Deferred inflows related to pension liability	-	-	(555,219)	(555,219)
Total	<u>-</u>	<u>-</u>	<u>(6,689,279)</u>	<u>(6,689,279)</u>

3 DUE FROM OTHER AGENCY

Due from another agency included in the accompanying financial statements includes approximately \$433,000, \$144,000, \$39,000 and \$120,000 of ESSER, Title I, capital outlay and IRS refund, respectively. Based on the source of these funds, management has evaluated the collectability and an allowance for doubtful accounts is not considered necessary.

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**Notes to Financial Statements
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4 CAPITAL ASSETS

Capital assets as of June 30, 2024 were as follows:

	Beginning Balance	Increases	Net transfers	Ending Balance
Capital assets:				
Non depreciable assets:				
Land and improvements	\$ 1,254,590	\$ -	\$ -	\$ 1,254,590
Construction in progress	-	127,600	-	127,600
Depreciable assets:				
Buildings	14,224,239	-	(33,980)	14,190,259
Furniture, fixtures and equipment	918,695	343,803	33,980	1,296,478
Vehicles	1,837,719	560,324	-	2,398,043
Computer software	32,235	-	-	32,235
Total capital assets	18,267,478	1,031,727	-	19,299,115
Accumulated depreciation:				
Buildings	(1,372,106)	(384,729)	-	(1,756,835)
Furniture, fixture and equipment	(693,275)	(76,217)	-	(769,492)
Vehicles	(1,518,719)	(208,559)	-	(1,727,278)
Computer software	(32,235)	-	-	(32,235)
Total accumulated depreciation	(3,616,335)	(669,505)	-	(4,285,840)
Capital assets, net	\$ 14,651,143	\$ 362,222	\$ -	\$ 15,013,365
Depreciation expense:				
Instruction			\$ 29,180	
Instructional media services			105	
School administration			545	
Facilities			388,744	
Food services			10,686	
Central services			7,787	
Transportation			203,580	
Operation of plant			28,878	
Total governmental activities depreciation expense			\$ 669,505	

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**Notes to Financial Statements
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5 LONG-TERM LIABILITIES

Loan Payables

In December 2018, the School obtained two building loans in the amount of \$9,000,000 and \$2,760,000 with a security instrument given to the United States of America acting through the Rural Housing Services or United States Department of Agriculture (USDA). The security interest is held by a local financial institution. The loans bear interest at a fixed rate of 3.25% per annum. Both loans mature in June 2059.

In February 2022, the School obtained a loan in the amount of \$4,993,700 with a security instrument given to the United States of America acting through the Rural Housing Services or United States Department of Agriculture (USDA). The security interest is held by a local financial institution. The loans bear interest at a fixed rate of 2.16% per annum. The loan matures in February 2062.

Future debt service relating to the loans from the USDA to long term building loans. The future minimum payments are as follows as of June 30, 2024:

Year ended June 30,	Principal	Interest	Total
2025	\$ 256,687	\$ 460,851	\$ 717,538
2026	264,305	453,233	717,538
2027	272,157	445,381	717,538
2028	280,250	437,288	717,538
2029	288,592	428,946	717,538
2030-2034	1,577,357	2,010,332	3,587,689
2035-2039	1,828,025	1,759,664	3,587,689
2040-2044	2,119,941	1,467,748	3,587,689
2045-2049	2,460,075	1,127,614	3,587,689
2050-2054	2,856,596	731,093	3,587,689
2055-2059	3,051,794	270,437	3,322,231
2060-2064	483,058	14,497	497,555
	<u>\$ 15,738,837</u>	<u>\$ 9,607,083</u>	<u>\$ 20,345,920</u>

The following schedule provides a summary of changes in long-term debt for the year ended June 30, 2024:

	Balance 6/30/23	Additions	Payments	Balance 6/30/24
Notes and loan payable	<u>\$ 15,988,129</u>	<u>\$ -</u>	<u>\$ (249,292)</u>	<u>\$ 15,738,837</u>

Total interest paid for the School during the year ended June 30, 2024 totaled approximately \$468,000.

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6 RETIREMENT PLANS

PENSION PLANS

Reporting Entity

The Florida Department of Management Services, Division of Retirement (the "Division"), is part of the primary government of the state of Florida and is responsible for administering the Florida Retirement System Pension Plan and Other State-Administered Systems (system). For the fiscal year ended June 30, 2023, the division administered two cost-sharing, multiple employer defined benefit plans, one single employer defined benefit plan, two defined contribution plans, a supplemental funding of defined benefit plans for municipal police officers and firefighters, and various general revenue funded pension programs. The division issued a publicly available, audited annual comprehensive financial report (ACFR) on behalf of the system that includes financial statements, notes and required supplementary information for each of the pension plans. Detailed information about the plans is provided in the ACFR, which is available online, or by contacting the division.

Cost-Sharing Defined Benefit Plans

As required by Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68), this report includes the allocation of the collective net pension liability and associated pension expense, deferred outflows of resources and deferred inflows of resources for each of the participating employers in the system's cost-sharing, multiple employer defined benefit plans:

- The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer qualified defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the FRS Pension Plan. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state community college, or district school board, unless restricted from FRS membership under sections 121.053 and 121.122, Florida Statutes, or allowed to participate in a non-integrated defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.
- The Retiree Health Insurance Subsidy (HIS) Program is a non-qualified, cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the HIS Program. The benefit is a monthly payment to assist eligible retirees and surviving beneficiaries of the state-administered retirement systems in paying their health insurance costs. Per Chapter 2023-193, Laws of Florida, the level of monthly benefits increased from \$5 times years of

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service to \$7.50, with an increased minimum of \$45 and maximum of \$225. This change applies to all years of service for both members currently in pay and members not yet in pay. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which may include Medicare.

Approximately 1,000 participating employers are served by the two defined benefit plans. Of these, more than 900 employers, referred to as reporting employers, report payroll and remit contributions to the division for their covered employees and, in some cases, for the covered employees of associated participating employers.

Basis of Accounting

Employers participating in the FRS Pension Plan and HIS Program are required to report pension information in their financial statements for fiscal periods beginning on or after June 15, 2014, in accordance with GASB 68. The Schedules of Employer Allocations and Schedules of Pension Amounts by Employer (pension allocation schedules) and notes to the schedules, along with the system's ACFR, provide employers with the required information for reporting.

The underlying financial information used to prepare the pension allocation schedules is based on the system's records. The financial statements for the cost-sharing defined benefit plans are prepared using the flow of economic resources measurement focus and the accrual basis of accounting and are prepared in accordance with accounting principles generally accepted in the United States. The system's financial statements are available online or by contacting the Division. There have been no significant changes since the publication of the financial statements.

Employer Contributions

Contributions are recognized as revenue in the period for which the contributions are due pursuant to statutory and contractual requirements. Employee contributions required pursuant to section 121.71(3), Florida Statutes, are accounted for by the FRS as employer-paid employee contributions and are treated as employer contributions under 26 U.S.C. s. 414(h)(2) allowing these contributions to be deducted on a pre-tax basis. Pension expense reported in the pension allocation schedules is reduced by these amounts.

Total employer contributions are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes. Employer contributions reflected in the financial statements and in the pension allocation schedules for the cost-sharing defined benefit plans represent contributions specific to each defined benefit plan and do not equal total blended contributions remitted by the employer.

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Use of Estimates

The preparation of these schedules, and the associated financial statements, requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and changes therein, including appropriate disclosures at the date of the financial statements. Actual results could differ from those estimates.

Net Pension Plan's Fiduciary Net Position

The components of the collective fiduciary's net position liability of the participating employers for each defined benefit plan for the measurement date of June 30, 2023 are shown below (*in thousands*):

	<u>FRS</u>	<u>HIS</u>
Total pension liability	\$ 226,204,201,000	\$ 16,563,148,691
Plan fiduciary net position	(186,357,365,968)	(681,814,936)
Net pension liability	<u>\$ 39,846,835,032</u>	<u>\$ 15,881,333,755</u>
Plan fiduciary net position as a percentage of the total pension liability	82.89%	4.12%

The total pension liability for the FRS was determined by the plan's actuary and reported in the plan's GASB 67 valuation as of June 30, 2023. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements. Update procedures were not used.

The total pension liability for the HIS was determined by the plan's actuary and reported in the plan's GASB 67 valuation as of June 30, 2023. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements. Update procedures were not used.

Basis of Allocation

The School's proportionate share reported in the pension allocation schedules was calculated using accrued retirement contributions related to the reporting periods included in the system's current and several prior measurement dates. Prior measurement dates shown in exhibits align with the oldest deferred (inflow)/outflow base through June 30, 2023, for employers that were members of the FRS and HIS during those fiscal years. For fiscal years ended June 30, 2015, through June 30, 2023, in addition to contributions from employers, the required accrued contributions for the division (paid on behalf of the division's employees who administer the plans) were allocated to each employer on a proportional basis. The division administers the plans, and

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therefore, cannot allocate a portion of the liability to itself. Although GASB 68 encourages the use of the School's projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is acceptable. The aggregate employer contribution amounts for each fiscal year agree to the employer contribution amounts reported in the system's ACFR for that fiscal year.

The proportion calculated based on contributions for each of the fiscal years presented in the pension allocation schedules was applied to the net pension liability and other pension amounts applicable to that fiscal year to determine each employer's proportionate share of the liability, deferred outflows of resources, deferred inflows of resources and associated pension expense.

For the purposes of the pension allocation schedules, pension amounts are allocated to reporting employers. The pension amounts of participating employers whose payrolls are reported and contributions are remitted by another entity are included in the reporting employer's amounts and will be allocated to the participating employer by the reporting employer.

Actuarial Methods and Assumptions

The Florida Retirement System (FRS) Actuarial Assumption Conference is responsible for setting the assumptions used in the funding valuations of the defined benefit pension plan pursuant to section 216.136(10), Florida Statutes. The Division determines the assumptions in the valuations for GASB 67 reporting purposes. The FRS Pension Plan's GASB 67 valuation is performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2019 for the period July 1, 2013, through June 30, 2018. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth, including inflation, for both plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.70%. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.65% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both the FRS Pension Plan and HIS Program were based on the PUB-2010 base table.

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

**Notes to Financial Statements
(continued)**

The following changes in actuarial assumptions occurred in 2023:

- HIS: The discount rate was modified to reflect the change in the value of the municipal bond index between GASB measurement dates.
- HIS: Chapter 2023-193, Laws of Florida (Senate Bill 7024), increased the level of monthly benefits from \$5 times years of service to \$7.50, with an increased minimum of \$45 and maximum of \$225. This change applies to all years of service for both members currently receiving benefits and members not yet receiving benefits.

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the collective net pension liability of the participating employers if the discount rate was 1.00% higher or 1.00% lower than the current discount rate at June 30, 2023.

School's Proportionate Share of FRS Net Pension Liability			School's Proportionate Share of HIS Net Pension Liability		
1% Decrease	Current Discount Rate	1% Increase	1% Decrease	Current Discount Rate	1% Increase
5.70%	6.70%	7.70%	2.65%	3.65%	4.65%
\$9,980,641	\$5,842,770	\$2,380,946	\$3,773,856	\$3,307,951	\$2,921,747

The School's proportions are as follows:

	FRS	HIS
June 30, 2023	.01466%	.02082%
June 30, 2022	.01559%	.02132%
Change	-.00093%	-.00049%

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

**Notes to Financial Statements
(continued)**

Pension Expense and Deferred Outflow / Inflow of Resources

In accordance with GASB 68, paragraphs 54 and 71, changes in the School's proportionate share of the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current reporting period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors – amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees).
- Changes of assumptions or other inputs are amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees).
- Changes in proportion and differences between contributions and proportionate share of contributions amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Differences between expected and actual earnings on pension plan investments – amortized over five years.

Employer contributions to the pension plans from the School's employers are not included in collective pension expense; however, employee contributions are used to reduce pension expense.

The average expected remaining service life of all employees provided with pensions through the pension plans at June 30, 2023, was 5.3 years for FRS and 6.3 years for HIS.

At June 30, 2023, the School reported deferred outflows of resources and deferred inflow of resources related to the pensions from the following sources:

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

**Notes to Financial Statements
(continued)**

<u>Description</u>	FRS	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 548,586	\$ -
Changes of assumptions	380,880	-
Net difference between projected and actual investment earnings	244,010	-
Employer-specific amounts due to changes in employer proportion	494,752	213,850
School FRS contributions subsequent to the measurement date	<u>827,496</u>	<u>-</u>
Total	\$ <u>2,495,724</u>	\$ <u>213,850</u>

<u>Description</u>	HIS	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 48,426	\$ 7,764
Changes of assumptions	86,965	286,645
Net difference between projected and actual investment earnings	1,708	-
Employer-specific amounts due to changes in employer proportion	227,312	46,960
School FRS contributions subsequent to the measurement date	<u>156,937</u>	<u>-</u>
Total	\$ <u>520,937</u>	\$ <u>341,369</u>

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

**Notes to Financial Statements
(continued)**

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the subsequent reporting period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension expense will be recognized as follows:

Measurement period ending June 30,	FRS Expense	HIS Expense
2024	\$ 198,213	\$ 4,026
2025	(78,531)	2,441
2026	1,189,370	4,061
2027	112,980	7,966
2028	32,346	4,220
Thereafter	-	328
Total	\$ 1,454,378	\$ 23,042

Additional Financial and Actuarial Information

Additional audited financial information supporting the Schedules of Employer Allocations and the Schedules of Pension Amounts by Employer is located in the Florida Retirement System Pension Plan and Other State-Administered Systems ACFR for the fiscal year ended June 30, 2023. The system's ACFR and the actuarial valuation reports referenced herein are available online at: http://www.dms.myflorida.com/workforce_operations/retirement/publications.

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

**Notes to Financial Statements
(continued)**

7 SCHEDULE OF STATE AND LOCAL REVENUE SOURCES

The following is a schedule of state and local revenue sources:

District School Board of Polk County, Florida:	
Florida Education Finance Program	\$ 8,469,824
Class size reduction	1,516,825
Discretionary local effort	623,513
Discretionary millage compression allocation	617,279
Transportation	545,258
ESE guaranteed allocation	525,096
Teacher salary increase allocation	501,927
Capital outlay	427,529
Supplemental academic instruction	394,383
School recognition fund	268,797
Local capital outlay	148,891
Safe schools	119,515
Civics grant	21,000
Cyber grant	2,000
Total	<u>\$ 14,181,837</u>

The administrative fee paid to the School Board during the year ended June 30, 2024 totaled approximately \$40,800, which is reflected as a general administration expense/expenditure in the accompanying statement of activities and statement of revenues, expenditures and changes in fund balances of governmental funds.

8 RISK MANAGEMENT PROGRAM

Workers' compensation coverage, health and hospitalization, general liability, professional liability and property coverage are being provided through purchased commercial insurance with minimum deductibles for each line of coverage. Settled claims resulting from these risks have not historically exceeded commercial coverage.

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

**Notes to Financial Statements
(continued)**

9 COMMITMENTS AND CONTINGENT LIABILITIES

Grants

The School participates in state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable as year end may be impaired.

In the opinion of the School, there are no significant contingent liabilities related to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

Legal Matters

In the normal course of conducting its operations, the School occasionally becomes party to various legal actions and proceedings. Management believes the ultimate resolution of such legal matters will not have a significant adverse effect on the accompanying financial statements.

10 CAMPUS FACILITIES

The title to the school building and facilities and other capital assets acquired prior to July 1, 2001 remain with the School Board. Florida Statutes provide that the use of the school building and facilities be furnished to charter schools on the same basis as made available to other public schools in the district. No rental or leasing fee may be charged by the district school board to the charter school or to the parents and teachers who organize the charter school.

In management's opinion, the value of facilities utilized by the School are significant; therefore, any substantial changes in Florida Statutes related to facilities used by conversion schools could have a material effect on the School's operations.

11 INCOME TAXES

The School qualifies as a tax-exempt organization under Internal Revenue Code Section 501(c)(3), and is therefore, exempt from income taxes. Accordingly, no tax provision has been made in the accompanying financial statements. Additionally, no uncertain tax positions have been made requiring disclosure in the related notes to the financial statements. The School's income tax returns for the past three tax years are subject to examination by tax authorities, and may change upon examination.

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

**Notes to Financial Statements
(continued)**

12 SUBSEQUENT EVENTS

In accordance with GASB Codification Section 2250.106, the School has evaluated subsequent events and transactions for potential recognition or disclosure through September 25, 2024, which is the date the financial statements were available to be issued.

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

Budgetary Comparison Schedule - General Fund

For the Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
State and local sources	\$ 12,943,907	\$ 13,644,680	\$ 13,644,680	\$ -
Contributions and other revenue	-	512,995	512,995	-
Total revenues	<u>12,943,907</u>	<u>14,157,675</u>	<u>14,157,675</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	7,935,456	8,413,649	8,413,649	-
Pupil personnel services	496,085	444,984	444,984	-
Instructional media services	159,258	117,065	117,065	-
Instructional staff training	5,000	2,245	2,245	-
Board	53,000	51,264	51,264	-
General administration	38,000	40,828	40,828	-
School administration	1,399,080	1,355,573	1,355,573	-
Fiscal services	75,000	64,548	64,548	-
Central services	6,500	-	-	-
Pupil transportation	531,282	572,575	572,575	-
Operation of plant	1,083,283	1,150,430	1,150,430	-
Community services	-	120,589	120,589	-
Capital outlay	522,388	462,321	462,321	-
Total expenditures	<u>12,304,332</u>	<u>12,796,071</u>	<u>12,796,071</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>639,575</u>	<u>1,361,604</u>	<u>1,361,604</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Operating transfer out	<u>(250,000)</u>	<u>(298,758)</u>	<u>(298,758)</u>	<u>-</u>
Total other financing sources	<u>(250,000)</u>	<u>(298,758)</u>	<u>(298,758)</u>	<u>-</u>
Net changes in fund balances	<u>389,575</u>	<u>1,062,846</u>	<u>1,062,846</u>	<u>-</u>
Fund balances at beginning of year	<u>6,948,773</u>	<u>6,948,773</u>	<u>6,948,773</u>	<u>-</u>
Fund balances at end of year	<u>\$ 7,338,348</u>	<u>\$ 8,011,619</u>	<u>\$ 8,011,619</u>	<u>\$ -</u>

See report of independent auditors.

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

Budgetary Comparison Schedule - Special Revenue Fund

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance
	Original	Final		
REVENUES				
Federal sources	\$ 1,375,525	\$ 3,315,956	\$ 3,315,956	\$ -
Other revenue	-	18,886	18,886	-
Total revenues	<u>1,375,525</u>	<u>3,334,842</u>	<u>3,334,842</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	1,305,997	1,825,651	1,825,651	-
Food services	69,528	1,115,405	1,115,405	-
Capital outlay	-	569,406	569,406	-
Total expenditures	<u>1,375,525</u>	<u>3,519,544</u>	<u>3,519,544</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(184,702)</u>	<u>(184,702)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Operating transfer in	-	157,639	157,639	-
Total other financing sources	<u>-</u>	<u>157,639</u>	<u>157,639</u>	<u>-</u>
Net changes in fund balances	-	(27,063)	(27,063)	-
Fund balances at beginning of year	<u>27,063</u>	<u>27,063</u>	<u>27,063</u>	<u>-</u>
Fund balances at end of year	<u>\$ 27,063</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See report of independent auditors.

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

Required Supplementary Information

Schedule of the School's Proportionate Share of the Net Pension Liability-
Florida Retirement System Pension Plan

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School's proportion of the FRS net pension liability (asset)	0.0146%	0.0156%	0.0142%	0.0129%	0.0126%	0.0123%	0.0108%	0.0097%	0.0102%	0.0098%
School's proportionate share of the FRS net pension liability (asset)	\$ 5,842,770	\$ 5,801,152	\$ 1,071,746	\$ 5,580,472	\$ 4,327,641	\$ 3,692,807	\$ 3,187,776	\$ 2,437,687	\$ 1,314,304	\$ 600,315
School's covered-employee payroll	\$ 8,260,883	\$ 8,697,681	\$ 7,813,818	\$ 7,357,596	\$ 6,569,038	\$ 6,420,216	\$ 5,289,325	\$ 5,184,255	\$ 4,545,017	\$ 4,227,518
School's proportionate share if the FRS net pension liability (asset) as a percentage of its covered-employee payroll	71%	67%	14%	76%	66%	58%	60%	47%	29%	14%
FRS Plan fiduciary net position as a percentage of the total pension liability	82.4%	82.9%	96.4%	78.9%	82.6%	84.3%	83.9%	84.9%	92.0%	96.1%

Schedule of School Contributions
Florida Retirement System Pension Plan

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required FRS contribution	\$ 827,496	\$ 743,237	\$ 687,933	\$ 548,060	\$ 436,626	\$ 389,644	\$ 349,403	\$ 235,432	\$ 235,432	\$ 248,089
FRS contribution in relation to the contractually required FRS contribution	(827,496)	(743,237)	(687,933)	(548,060)	(436,626)	(389,644)	(349,403)	(235,432)	(235,432)	(248,089)
FRS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School's covered employee payroll	\$ 8,260,883	\$ 8,697,681	\$ 7,813,818	\$ 7,357,596	\$ 6,569,038	\$ 6,420,216	\$ 5,289,325	\$ 5,184,255	\$ 4,545,017	\$ 4,227,518
FRS contribution as a percentage of covered- employee payroll	10.0%	8.5%	8.8%	7.4%	6.6%	6.1%	6.6%	4.5%	5.2%	5.9%

See Independent Auditor's Report

RIDGEVIEW GLOBAL STUDIES ACADEMY, INC.

**A Charter School and Component Unit of the
District School Board of Polk County, Florida**

Schedule of the School's Proportionate Share of the Net Pension Liability-
Health Insurance Subsidy Pension Plan

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School's proportion of the HIS net pension liability (asset)	0.0208%	0.0213%	0.0197%	0.0193%	0.0188%	0.0183%	0.0164%	0.0127%	0.0139%	0.0139%
School's proportionate share of the HIS net pension liability (asset)	\$ 3,307,951	\$ 2,258,312	\$ 2,417,679	\$ 2,350,428	\$ 2,105,624	\$ 1,938,330	\$ 1,749,206	\$ 1,715,878	\$ 1,417,842	\$ 1,282,936
School's covered-employee payroll	\$ 8,260,883	\$ 8,697,681	\$ 7,813,818	\$ 7,357,596	\$ 6,569,038	\$ 6,420,216	\$ 5,289,325	\$ 5,184,255	\$ 4,545,017	\$ 4,227,518
School's proportionate share if the HIS net pension liability (asset) as a percentage of its covered-employee payroll	40%	26%	31%	32%	32%	30%	33%	33%	31%	30%
HIS Plan fiduciary net position as a percentage of the total pension liability	4.1%	4.8%	3.6%	3.0%	2.6%	2.2%	1.6%	1.0%	0.5%	1.0%

Schedule of School Contributions
Health Insurance Subsidy Pension Plan

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required HIS contribution	\$ 121,253	\$ 121,253	\$ 121,253	\$ 116,576	\$ 112,080	\$ 104,498	\$ 99,315	\$ 75,464	\$ 75,464	\$ 53,144
HIS contribution in relation to the contractually required HIS contribution	(121,253)	(121,253)	(121,253)	(116,576)	(112,080)	(104,498)	(99,315)	(75,464)	(75,464)	(53,144)
HIS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School's covered-employee payroll	\$ 8,260,883	\$ 8,697,681	\$ 7,813,818	\$ 7,357,596	\$ 6,569,038	\$ 6,420,216	\$ 5,289,325	\$ 5,184,255	\$ 4,545,017	\$ 4,227,518
HIS contribution as a percentage of covered employee payroll	1.5%	1.4%	1.6%	1.6%	1.7%	1.6%	1.9%	1.5%	1.7%	1.1%

See Independent Auditor's Report



McCRAZY & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

**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 of Ridgeview Global Studies Academy, Inc.
A Charter School and Component Unit of the District
School Board of Polk County, 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, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Ridgeview Global Studies Academy (the "School"), 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 September 25, 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 audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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

McCrary & Associates, PLLC

Altamonte Springs, Florida
September 25, 2024

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**Additional Information Required by
Rules of the Auditor General,
Chapter 10.850, *Audits of Charter Schools
and Similar Entities***



McCRA DY & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

**Management Letter as Required by Rules of the Florida Auditor General,
Chapter 10.850, Florida Statutes, *Charter School Audits***

To the Board of Directors of Ridgeview Global Studies Academy, Inc.
a Charter School and Component Unit
of the District School Board of Polk County, Florida

Report on the Financial Statements

We have audited the financial statements of Ridgeview Global Studies Academy (the "School") as of and for the fiscal year ended June 30, 2024, and have issued our report thereon dated September 25, 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 Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in that report, if applicable, which is dated, September 25, 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 prior year audit report.

Official Title

Section 10.854(1)(e)5. Rules of the Auditor General, requires the name or official title of the entity be disclosed in this management letter. The official title of the entity is Ridgeview Global Studies Academy. The School code is 0441.

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 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 the School maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note such findings nor did the school or management represent 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, applicable management, and the District School Board of Polk County and is not intended to be and should not be used by anyone other than these specified parties.

McCrary & Associates, PLLC

Altamonte Springs, Florida
September 25, 2024

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