

FRANKLIN ACADEMY COOPER CITY

COOPER CITY, FLORIDA
(A CHARTER SCHOOL UNDER FRANKLIN
ACADEMY FOUNDATION, INC. AND SUBSIDIARY)
W/L# 5037
(A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF BROWARD COUNTY,
FLORIDA)

BASIC FINANCIAL STATEMENTS, INDEPENDENT
AUDITOR'S REPORT

JUNE 30, 2025

FRANKLIN ACADEMY COOPER CITY
BASIC FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION
JUNE 30, 2025

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FRANKLIN ACADEMY COOPER CITY CHARTER SCHOOL
(A charter school under Franklin Academy Foundation, Inc. and
Subsidiary) W/L# 5037

6301 S. Flamingo Road
Cooper City, FL 33330

2024-2025

BOARD OF DIRECTORS

Dr. David Thomas, Chair
Mrs. Alexandra Lonsdale
Mrs. Debbie Orshefsky
Dr. Jaqueline Greenberg

SCHOOL ADMINISTRATION

Mrs. Alexandra Fox, Principal

OTHER CORPORATE OFFICERS

Mr. Scott E. Sznitken, Executive Director



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Franklin Academy Cooper City Charter School
Cooper City, Florida

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Franklin Academy Cooper City Charter School (the "School"), a charter school under Franklin Academy Foundation, Inc. and Subsidiary, which is a component unit of the District School Board of Broward County, as of and for the year ended June 30, 2025, 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 Franklin Academy Cooper City Charter School, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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 Matters

As described in Note 1, the accompanying financial statements referred to above present only the financial position of the School as of June 30, 2025, and the respective changes in financial position or the year then ended, and is not intended to be a complete presentation of Franklin Academy Foundation, Inc. and Subsidiary. These financial statements do not purport to and do not present fairly the financial position of Franklin Academy Foundation, Inc. and Subsidiary as of June 30, 2025 and its changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated September 19, 2025 on our consideration of the School’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the School’s internal control over financial reporting and compliance.

Verdeja - Alvarez, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 19, 2025

Management's Discussion and Analysis
Franklin Academy Cooper City
(A charter school Under Franklin Academy Foundation, Inc. and Subsidiary)
June 30, 2025

The corporate officers of Franklin Academy Cooper City have prepared this narrative overview and analysis of the school's financial activities for the fiscal year ended June 30, 2025.

FINANCIAL HIGHLIGHTS

1. The school's net position as of June 30, 2025 was \$10,311,578.
2. At year-end, the School had current assets of \$10,747,047.
3. The net position of the School increased by \$2,695,728 during the year.
4. The unassigned fund balance at year end was \$7,153,832.

Overview Of The Financial Statements

This discussion and analysis are intended to serve as an introduction to the School's basic financial statements. The School's financial statements for the year ended June 30, 2025 are presented in accordance with GASB Codification Section 2200. The financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the School's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The difference between the four is reported as *net positions*. Over time increases or decreases in net position may serve as an indicator of whether the financial position of the School is improving or deteriorating.

The *Statement of Activities* presents information on how the School's net position changed during the fiscal year. All changes in net position are reported when the underlying event occurs without regard to the timing of related cash flows. Accordingly, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 10-11 of this report.

Fund Financial Statements

A "fund" is a collection of related accounts grouped to maintain control over resources that have been segregated for specific activities, projects, or objectives. The School like other state and local governments uses fund accounting to ensure and report compliance with finance-related legal requirements.

All of the funds of the School are governmental funds. *Government Funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Government Fund financial statements, however, focus on *near-term* inflows and outflows of spendable resources, as well as on the balances of spendable resources which are available at the end of the fiscal year. Such information may be used to evaluate a government’s requirements for near-term financing.

The Board of the School adopts an annual appropriated budget for its major governmental funds. A budgetary comparison statement has been provided for the major governmental funds to demonstrate compliance with the School’s budget.

The basic governmental fund financial statements can be found on pages 12-15 of this report.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 16-26 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a charter school’s financial position. In the case of the School, the net position was \$10,311,578 at the close of the fiscal year. A summary of the School’s net position as of June 30, 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash	\$ 7,011,925	\$ 3,132,720
Restricted cash	2,551,566	2,469,868
Due from other agencies	1,193,612	2,431,589
Due from Franklin Foundation, Inc.	3,275,412	3,343,757
Capital assets, net	<u>18,068,961</u>	<u>18,566,516</u>
Total Assets	<u>\$ 32,101,476</u>	<u>\$ 29,944,450</u>
LIABILITIES AND NET POSITION		
Salaries and wages payable	\$ 880,287	\$ 877,456
Account payable and accrued liabilities	94,194	110,191
Accrued interest	413,525	422,332
Bond payable	<u>20,391,836</u>	<u>20,918,621</u>
Total Liabilities	<u>21,779,842</u>	<u>22,328,600</u>
Net Position:		
Restricted	2,138,041	2,047,536
Net investment in capital assets	(2,322,875)	(2,352,105)
Unrestricted	<u>10,506,468</u>	<u>7,920,419</u>
Total Net Position	<u>10,321,634</u>	<u>7,615,850</u>
Total Liabilities and Net Position	<u>\$ 32,101,476</u>	<u>\$ 29,944,450</u>

At the end of the year, the School reported a positive balance in total net position.

A summary and analysis of the School’s revenues and expenses for the years ended June 30, 2025 and 2024 is as follows:

REVENUES	<u>2025</u>	<u>2024</u>
Program Revenues		
Capital Grants and Contributions	\$ 1,226,154	\$ 942,815
State passed through local	9,749	-
Federal sources	2,387,155	2,847,095
Lunch Program fees	24,276	212,706
General Revenues		
Local Sources (FTE and other non specific revenues)	14,090,580	13,250,803
Other revenues	765,093	535,613
Total Revenues	<u>\$ 18,503,007</u>	<u>\$ 17,789,032</u>
EXPENSES		
Instruction	\$ 8,607,167	\$ 8,195,102
Student support services	315,039	264,695
General administration	47,693	48,297
School administration	1,617,130	1,429,584
Fiscal services	1,065,480	1,052,478
Food services	719,066	661,824
Central services	23,508	17,658
Pupil transportation	322,551	316,492
Operation of plant	1,801,447	1,607,814
Maintenance of plant	168,951	61,369
Administrative technology services	112,545	83,476
Interest expense	996,646	1,018,491
Total Expenses	<u>\$ 15,797,223</u>	<u>\$ 14,757,280</u>
Increase in Net Position	2,705,784	3,031,752
Net Position at Beginning of Year	<u>7,615,850</u>	<u>4,584,098</u>
Net Position at End of Year	<u>\$ 10,321,634</u>	<u>\$ 7,615,850</u>

Student enrollment remained consistent during the 2024-2025 school year. As a result of increases in in-person learning and student and community events, the School’s revenues increased by \$703,919 and expenses increased by \$1,039,943 due to increases in instructional services including salaries and benefits. The School had an increase in its net position of \$2,695,728 for the year.

REQUESTS FOR INFORMATION

This financial report is intended to provide a general overview of the finances of the Charter School. Requests for additional information may be addressed to Alexandra Fox, 6301 S. Flamingo Road, Cooper City, FL 33330.

SCHOOL LOCATION AND LEASE OF FACILITY

The School leases a facility located at 6301 South Flamingo Road, Cooper City, FL 33330.

CAPITAL IMPROVEMENT REQUIREMENTS

The School maintains a continuous capital improvements program to enhance facilities and update fixtures and equipment as required.

SCHOOL ENROLLMENT

This past year, the School had approximately 1,300 students enrolled in grades kindergarten through eighth.

ACCOMPLISHMENTS

With the 24-25 school year theme of ‘The path to excellence has no end...Go For Gold!’, we truly went for GOLD.

With the continuation of our Strategic Plan to reach all learners, we provided small group supplemental instruction to our students that targeted their specific gaps. This Strategic Plan yielded steady student growth, as evident by our school grade; we maintained our "A" status by earning a 72%.

A variety of family and community events were hosted on our campus including our Scholastic Book Fair fundraiser and family night, the Night of the Arts, Hispanic Heritage Night, Family Picnic, Literacy Night, Black History Showcase & Gallery, and local, quarterly Chess Tournaments where over 30 schools participated in each tournament. We also executed our third Falcon Rush fundraiser that raised over \$82,000.

We continue with full immersion of our International Baccalaureate Middle Years Program as we gear up for our Evaluation Review in January of 2026. Our staff engaged in true Professional Learning Communities to better hone in on each standard and benchmark for their respective grade levels.

FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUND

As noted earlier, the School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

GOVERNMENTAL FUNDS

The focus of the School’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the School’s financing requirements. In particular, the *unassigned fund balance* may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

Most of the School’s operations are funded in the General Fund. The majority of the General Fund revenues are distributed to the School by the District through the Florida Education Finance Program (FEFP), which uses formulas to distribute state funds and an amount of local property taxes (i.e., required local effort) established each year by the Florida Legislature.

At the end of the fiscal year, the School’s governmental general fund reported ending fund balance of \$9,359,041. The fund balance unassigned and available for spending at the School’s discretion is \$7,153,832.

CAPITAL ASSETS

The School’s investment in capital assets as of June 30, 2025 amounts to \$18,068,961 (net of accumulated depreciation). This investment in capital assets includes land, building and improvements, furniture, fixtures and computer equipment. The school has an outstanding debt associated to Capital Assets of \$20,391,836 at June 30, 2025.

GOVERNMENTAL FUND BUDGET ANALYSIS AND HIGHLIGHTS

Prior to the start of the School’s fiscal year, the Board of the Charter School adopted an annual budget. A budgetary comparison statement has been provided for the governmental funds to demonstrate compliance with the School’s budget.

	All Governmental Funds		
	Original Budget	Final Budget	Actual
REVENUES			
State capital outlay funding	\$ -	\$ 1,226,154	\$ 1,226,154
State passed through local	12,161,066	14,100,329	14,100,329
Federal sources	719,035	2,387,155	2,387,155
Lunch programs fees	-	24,276	24,276
Charges and other revenues	88,781	765,093	765,093
TOTAL REVENUES	<u>\$ 12,968,882</u>	<u>\$ 18,503,007</u>	<u>\$ 18,503,007</u>
CURRENT EXPENDITURES			
Instruction	\$ 6,788,055	\$ 8,374,431	\$ 8,374,431
Instructional and student support services	308,027	315,039	315,039
General administration	12,800	47,693	47,693
School administration	980,510	1,236,214	1,236,214
Fiscal services	1,099,910	1,065,480	1,065,480
Food services	673,677	719,066	719,066
Central services	142,826	23,508	23,508
Operation of plant	1,384,529	1,368,348	1,368,348
Transportation	264,195	322,551	322,551
Maintenance of plant	523,583	168,951	168,951
Administrative technology services	167,462	112,545	112,545
Other capital outlay	-	549,196	549,196
Repayment of principal	-	529,240	529,240
Interest	487,884	994,191	994,191
TOTAL EXPENDITURES	<u>\$ 12,833,458</u>	<u>\$ 15,826,453</u>	<u>\$ 15,826,453</u>
Excess of revenues over expenditures	<u>135,424</u>	<u>2,676,554</u>	<u>2,676,554</u>
Other financing sources (uses):			
Payments received on notes receivable	<u>-</u>	<u>68,345</u>	<u>68,345</u>
Net change in fund balance	<u>\$ 135,424</u>	<u>\$ 2,744,899</u>	<u>\$ 2,744,899</u>

Most variances in the budget and actual results occurred as a result of the Budget adopted being more conservative than actual results for the year. In addition, funding for the federal lunch program increased as more students were in-person compared to prior year. Over the course of the year, the School revised its budgets for all funds and the final budgets were equal to actual expenditures.

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
STATEMENT OF NET POSITION
JUNE 30, 2025**

	<u>Governmental Activities</u>
ASSETS	
CURRENT ASSETS	
Cash	\$ 7,011,925
Restricted cash, held by trustee	2,551,566
Due from other agencies	1,193,612
TOTAL CURRENT ASSETS	<u>10,757,103</u>
Due from Franklin Academy Foundation, Inc.	3,275,412
Capital assets, non-depreciable	3,500,000
Capital assets, depreciable	22,178,757
Less: accumulated depreciation	<u>(7,609,796)</u>
	<u>18,068,961</u>
TOTAL ASSETS	<u>\$ 32,101,476</u>
LIABILITIES	
CURRENT LIABILITIES:	
Salaries and wages payable	\$ 880,287
Account payable and accrued liabilities	94,194
Accrued interest	413,525
TOTAL CURRENT LIABILITIES	<u>1,388,006</u>
Long-term debt:	
Revenue bond payable within one year	529,240
Revenue bond payable in more than one year	19,862,596
TOTAL LIABILITIES	<u>21,779,842</u>
NET POSITION	
Net investment in capital assets	(2,322,875)
Restricted	2,138,041
Unrestricted	10,506,468
TOTAL NET POSITION	<u>10,321,634</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 32,101,476</u>

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

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

FUNCTIONS	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 8,607,167	\$ -	\$ 1,366,148	\$ -	\$ (7,241,019)
Instructional and student support services	315,039	-	296,025	-	(19,014)
General administration	47,693	-	880	-	(46,813)
School administration	1,617,130	-	-	-	(1,617,130)
Fiscal services	1,065,480	-	-	-	(1,065,480)
Food services	719,066	24,276	659,023	-	(35,767)
Central services	23,508	-	-	-	(23,508)
Operation of plant	1,801,447	-	65,079	1,226,154	(510,214)
Transportation	322,551	-	-	-	(322,551)
Maintenance of plant	168,951	-	9,749	-	(159,202)
Administrative technology services	112,545	-	-	-	(112,545)
Interest expense	996,646	-	-	-	(996,646)
Total Governmental Activities	\$15,797,223	\$ 24,276	\$ 2,396,904	\$ 1,226,154	\$ (12,149,889)
General revenues:					
FTE and other nonspecific revenues					\$ 14,090,580
Interest and other miscellaneous local sources revenues					765,093
					<u>14,855,673</u>
Change in Net Position					2,705,784
Net position, beginning					7,615,850
Net position, ending					<u>\$ 10,321,634</u>

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

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2025**

	General Fund	Non-major Governmental Funds	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash	\$ 7,011,925	\$ -	\$ -	\$ -	\$ 7,011,925
Restricted cash:					
Funds held by trustee	-	-	-	2,551,566	2,551,566
Due from other agencies	1,122,633	67,168	3,811	-	1,193,612
Due from fund	3,811	-	-	-	3,811
TOTAL ASSETS	\$ 8,138,369	\$ 67,168	\$ 3,811	\$ 2,551,566	\$ 10,760,914
LIABILITIES					
Salaries and wages payable	\$ 880,287	\$ -	\$ -	\$ -	\$ 880,287
Account payable	94,194	-	-	-	94,194
Accrued interest	-	-	-	413,525	413,525
Due to fund	-	-	3,811	-	3,811
TOTAL LIABILITIES	974,481	-	3,811	413,525	1,391,817
FUND BALANCE					
Restricted - debt service	-	-	-	2,138,041	2,138,041
Restricted - capital outlay	-	67,168	-	-	67,168
Unassigned	7,163,888	-	-	-	7,163,888
TOTAL FUND BALANCE	7,163,888	67,168	-	2,138,041	9,369,097
TOTAL LIABILITIES AND FUND BALANCE	\$ 8,138,369	\$ 67,168	\$ 3,811	\$ 2,551,566	\$ 10,760,914

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

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
JUNE 30, 2025**

Total Fund Balance - Governmental Funds	\$	9,369,097
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.		18,068,961
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Long-term receivables in governmental activities are financial assets but are not reported in the governmental funds.		3,275,412
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Long term debt in governmental activities are financial obligations but are not reported in the governmental funds.		(20,391,836)
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Total Net Position - Governmental Activities	\$	<u>10,321,634</u>
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The accompanying notes are an integral part of this financial statement.

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025**

	General Fund	Non-major Governmental Funds	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
State capital outlay funding	\$ -	\$ 1,226,154	\$ -	\$ -	\$ 1,226,154
State passed through local	14,090,580	-	9,749	-	14,100,329
Federal sources	-	-	2,387,155	-	2,387,155
Lunch programs fees	-	-	24,276	-	24,276
Charges and other revenues	692,388	-	-	72,705	765,093
TOTAL REVENUES	\$ 14,782,968	\$ 1,226,154	\$ 2,421,180	\$ 72,705	\$ 18,503,007
EXPENDITURES					
Current:					
Instruction	\$ 7,008,283	\$ -	\$ 1,366,148	\$ -	\$ 8,374,431
Instructional and student support services	19,014	-	296,025	-	315,039
General administration	46,813	-	880	-	47,693
School administration	1,236,214	-	-	-	1,236,214
Fiscal services	1,065,480	-	-	-	1,065,480
Food services	35,767	-	683,299	-	719,066
Central services	23,508	-	-	-	23,508
Operation of plant	1,303,269	-	65,079	-	1,368,348
Transportation	312,802	-	9,749	-	322,551
Maintenance of plant	168,951	-	-	-	168,951
Administrative technology services	112,545	-	-	-	112,545
Capital Outlay:					
Other capital outlay	549,196	-	-	-	549,196
Debt Service:					
Repayment of principal	-	-	-	529,240	529,240
Interest	-	-	-	994,191	994,191
TOTAL EXPENDITURES	\$ 11,881,842	\$ -	\$ 2,421,180	\$ 1,523,431	\$ 15,826,453
Excess (deficit) of revenues over expenditures	2,901,126	1,226,154	-	(1,450,726)	2,676,554
OTHER FINANCING SOURCES (USES)					
Transfers in (out)	(382,245)	(1,158,986)	-	1,541,231	-
Advances to Franklin Academy Foundation, Inc.	68,345	-	-	-	68,345
NET CHANGE IN FUND BALANCE	2,587,226	67,168	-	90,505	2,744,899
Fund Balance at beginning of year	4,576,662	-	-	2,047,536	6,624,198
Fund Balance at end of year	\$ 7,163,888	\$ 67,168	\$ -	\$ 2,138,041	\$ 9,369,097

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

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

Change in Fund Balance - Governmental Funds \$ 2,744,899

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital outlays	549,196
Depreciation expense	(1,046,751)

Decreases in long-term receivables is an other financing source in the governmental funds, but decreases long-term assets in the statement of net position. This is the net amount by which long-term receivables decreased in the current period.

Decrease in long-term receivables	(68,345)
-----------------------------------	----------

Repayments of long term debt are expenditures in the governmental funds, but the repayment reduces long term liabilities in the statement of net position. Amortization of debt premiums or discounts are not reported in the governmental funds, but increase or decrease liabilities in the statement of net position.

Repayments of principal	529,240
Amortization of discount	(2,455)

Change in Net Position of Governmental Activities	\$ 2,705,784
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The accompanying notes are an integral part of this financial statement.

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 1 – ORGANIZATION AND OPERATIONS

Reporting Entity

Franklin Academy Cooper City (the "School"), is a component unit of the School Board of Broward County, Florida (the "District"). The Schools charter is held by Franklin Academy Foundation, Inc. and Subsidiary, a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act. The governing body of the School is the board of directors of Franklin Academy Foundation, Inc. and Subsidiary, which is composed of five members and also governs other charter schools. The board of directors has determined that no component units exists that would require inclusion in the School's financial statements.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter granted by the sponsoring district, the School Board of Broward County, Florida. The current charter expires on June 30, 2032 and is renewable for an additional term pursuant to law and/or by a mutual written agreement between the School and the District. At the end of the term of the charter, the District may choose not to renew the charter under the grounds specified in the charter in which case the District is required to notify the School in writing at least 90 days prior to the charters expiration. During the term of the charter, the District may terminate the charter if good cause is shown.

The School's location is in Cooper City, Florida for children from kindergarten through eighth grade and is funded by the District. These financial statements are for the year ended June 30, 2025, when a total of approximately 1,300 students were enrolled for the school year.

Basis of presentation

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

Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The School does not have any items that qualify for reporting in this category.
Franklin Academy Cooper City.

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 1 – ORGANIZATION AND OPERATIONS (Continued)

Government-wide and Fund Financial Statements

Government Wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information about the School as a whole. Any internal interfund activity has been eliminated from these financial statements. Both statements report only governmental activities as the School does not engage in any business type activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees; (2) operating grants such as the National School Lunch Program, Federal grants, and other state allocations; and (3) capital grants specific to capital outlay.

In addition, revenues not classified as program revenues are shown as general revenues, which include Florida Education Finance Program (FEFP) revenues and other miscellaneous sources.

Fund Financial Statements

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

General Fund - is the School's primary operating fund. It accounts for all financial resources of the school, except those required to be accounted for in another fund.

Special Revenue Fund - accounts for specific revenue, such as Federal or State grants, federal lunch program and COVID emergency relief funds that are legally restricted to expenditure for particular purposes. Also includes the School's internal accounts related to student athletics, class and club activities, and other school organizations.

Debt Service Fund – accounts for the resources accumulated and payments made for principal and interest on long-term debt of the School.

Measurement Focus and Basis of Accounting

The financial statements of the School are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The School's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) *Codification of Accounting and Financial Reporting Guidance*.

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 1 – ORGANIZATION AND OPERATIONS (Continued)

Measurement Focus and Basis of Accounting (Continued)

The government-wide statements report using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. “Measurable” means the amount of the transaction can be determined. “Available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Florida Education Finance Program (FEFP) revenues are recognized when received. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Charges for services and fees are recognized when cash is collected as amounts are not measurable. When grant terms provide that the expenditure of funds is the prime factor for determining eligibility for federal, state, and other grant funds, revenue is recognized at the time the expenditure is made. Expenditures are recorded when the related fund liability is incurred, except for long-term debt principal and interest which are reported as expenditures in the year due.

Budgets and Budgetary Accounting

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

Cash

Cash and cash equivalents include all highly liquid investments with a maturity of three months or less.

Inter-fund Transfers

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

Due from Other Governments or Agencies

Amounts due to the School by other governments or agencies are for grants or programs under which the services have been provided by the School.

Long –Term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

**FRANKLIN ACADEMY COOPER CITY
 (A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 1 – ORGANIZATION AND OPERATIONS (Continued)

Capital Assets

The School’s property, plant and equipment with useful lives of more than one year are stated at historical cost and comprehensively reported in the statement of net position in the government-wide financial statements. Donated capital assets are recorded at their estimated fair market value on the date donated. The School generally capitalizes assets with a cost of \$500 or more. Building improvements, additions and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in government-wide statements. Proceeds received from the sale of or disposal of capital assets are recorded as other financing sources in the fund financial statements. Estimated useful lives, in years, for depreciable assets are as follows:

Building Improvements	5 Years
Furniture, Equipment and Software	5 Years
Textbooks	3 Years
Building	40 Years

Compensated Absences

For all full-time, regular, 10-month employees (meaning employees whose position requires them to work only during the academic school year, approximately 10 months of the year), PTO is accrued at the rate of 8 hours per month. Each fiscal year (July 1 through June 30), 10-month employees are eligible to earn up to a maximum of 80 hours of PTO. At the end of a fiscal year, exempt 10-month employees are eligible for PTO buyback for up to five (5) days of accrued but unused PTO. PTO buyback is at the substitute teacher rate in effect at the time of the buyback. Under the School’s policy, any unused PTO at the end of the fiscal year expires and is not carried forward.

In accordance with GASB Statement No. 101, Compensated Absences, the School records a liability for PTO as it is earned by employees because it is attributable to services already rendered, accumulates, and is more likely than not to be either used for time off or paid through the School’s buyback provision. Because unused PTO does not carry over beyond the fiscal year and is not paid out, no liability for PTO is recorded at year-end.

The School also provides certain days to be used for specific personal matter such as family death and jury duty. Because the use of such days is contingent upon those events taking place and such events are out of the control of both the employer and the employee, there is no accrual for such days.

Revenue Sources

Revenues for current operations are received primarily from the State through the District pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School will report the number of full-time equivalent (FTE) students and related data to the District. Under the provisions of Section 1011.62, Florida Statutes, the District reports the number of the full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the FEFP.

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 1 – ORGANIZATION AND OPERATIONS (Continued)

Revenue Sources (Continued)

Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods. After review and verification of FTE reports and supporting documentation, the FDOE may adjust subsequent fiscal period allocations of FEFP funding for prior year errors disclosed by its review as well as to prevent statewide allocations from exceeding the amount authorized by the Legislature. Normally, such adjustments are treated as reductions of revenue in the year the adjustment is made.

The School receives state funds through the District under charter school capital outlay funding pursuant to Section 1013.62, Florida Statutes. Funds are based on a capital outlay plan submitted to the District and are to be used for lease of school facilities. In addition, the School may receive a portion of the local capital improvement ad valorem tax revenues levied by the District.

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

Net position and Fund balance classifications

Government-wide financial statements

Equity is classified as net position and displayed in three (3) components:

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

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

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 1 – ORGANIZATION AND OPERATIONS (Continued)

Fund financial statements

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

- Nonspendable - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Consists of fund balance associated with inventories, and prepaid expenses.
- Restricted - fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. Restricted fund balance of the School relates to reserves required by the landlord for property maintenance and repairs. Restricted balances at year end relate to bonds issued.
- Committed - fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School's Board of Directors. There are no committed fund balances at year end.
- Assigned - fund balance classification are intended to be used by the School's management for specific purposes but do not meet the criteria to be classified as restricted or committed. There are no assigned fund balances at year end.
- Unassigned - portion of the fund balance that has not been restricted, committed or assigned for a specific purpose. This is the residual classification for the School's general fund.

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

Income Taxes

Franklin Academy Foundation, Inc. and Subsidiary qualifies as a tax-exempt organization under Internal Revenue Code Section 501(c)(3), and is, therefore, exempt from income tax. Accordingly, no tax provision has been made in the accompanying financial statements.

Use of Estimates

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

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 19, 2025, which is the date the financial statements were available to be issued.

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 1 – ORGANIZATION AND OPERATIONS (Continued)

Adopted Accounting Pronouncements

During the year ended June 30, 2025, the School implemented the provisions of GASB Statement No. 101, Compensated Absences. GASB 101 establishes a single recognition and measurement model for liabilities related to compensated absences, including vacation, sick leave, and other paid time off, that is attributable to services already rendered and accumulates for use in future periods. Under GASB 101, a liability is recognized if it is more likely than not that the leave will be used for time off or otherwise paid to the employee. Implementation of GASB 101 did not have a material impact on the School’s financial statements.

NOTE 2 – CAPITAL ASSETS

The following schedule provides a summary of changes in capital assets, acquired substantially with public funds, for the period ended June 30, 2025:

	Balance July 1, 2024	Additions	Retirements	Balance June 30, 2025
Capital Assets, not being depreciated:				
Land	\$ 3,500,000	\$ -	\$ -	\$ 3,500,000
Capital Assets, depreciated:				
Buildings and improvements	18,059,775	239,500	-	18,299,275
Computer equipment and software	1,153,591	213,638	-	1,367,229
Furniture, equipment and textbooks	2,416,195	96,058	-	2,512,253
Total Capital Assets	<u>\$ 25,129,561</u>	<u>\$ 549,196</u>	<u>\$ -</u>	<u>\$ 25,678,757</u>
Less Accumulated Depreciation:				
Buildings and improvements	\$ (3,625,324)	\$ (566,375)	\$ -	\$ (4,191,699)
Computer equipment and software	(929,654)	(218,288)	-	(1,147,942)
Furniture, equipment and textbooks	(2,008,067)	(262,088)	-	(2,270,155)
Total Accumulated Depreciation	<u>(6,563,045)</u>	<u>(1,046,751)</u>	<u>-</u>	<u>(7,609,796)</u>
Capital Assets, net	<u>\$ 18,566,516</u>	<u>\$ (497,555)</u>	<u>\$ -</u>	<u>\$ 18,068,961</u>

Depreciation expense for the year ended June 30, 2025 was \$1,046,751, of which \$433,099 was allocated to operation of plant, \$380,916 was allocated to school administration, and \$232,736 was allocated to instruction.

NOTE 3 – DEPOSITS AND INVESTMENTS

Deposits

The School’s policy is to maintain its cash and cash equivalents in major banks and in high grade investments. As of June 30, 2025, the carrying amount of the School’s deposits was \$7,011,925 and the respective bank balances totaled \$7,011,925.

Deposits at FDIC-insured institutions are insured up to \$250,000 per depositor, per financial institution. The School is a charter school under Franklin Academy Foundation, Inc. and Subsidiary, which also operates various other charter schools. All bank accounts are opened under the account ownership of Franklin Academy Foundation, Inc. and Subsidiary, therefore, bank balances at times may potentially be in excess of FDIC coverage. As of June 30, 2025, bank balances in potential excess of FDIC coverage totaled \$6,761,926.

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 4 – DUE FROM OTHER AGENCIES

The amounts due from other agencies included in the accompanying statement of net position and balance sheet – governmental funds mainly consist of amounts due from the District under referendum, which total \$39,717, under Capital Outlay, which totaled \$67,168, under Title I, which total \$10,056, under NSLP, which total \$3,811 and under the 2018 referendum settlement, which total \$1,072,860. These receivables are considered to be fully collectible and as such, no allowance for uncollectible accounts is recorded.

In 2018, the District obtained funding through a voter-approved referendum within Broward County. The District did not share funding with the Charter schools operating within the District's jurisdiction. The District has entered into a formal agreement with the Charter holder to repay the withheld referendum funds over a period of three years. As per the agreement, the funds are no longer subject to restrictions on the use of the funds, as long as they are spent for a lawful purpose under Florida Statutes. Under this agreement, the District will make three yearly installment payments to the Charter holder, consisting of both principal and interest. The total outstanding amount due to the Charter holder as of June 30, 2025 is \$10,819,993. A portion of which was allocated to the School totaling \$2,281,786. Due to uncertainty regarding the collectability of the funds, management has elected to only record funds as they are received. Subsequent to the year-end \$1,072,860 was collected. As such the School has recorded amounts due from other agencies in the accompanying statement of net position and balance sheet – governmental funds of \$1,072,860.

NOTE 5 –MANAGEMENT

The School uses Franklin Academy Foundation Inc., (the holder of the School's charter) to provide complete administrative and management services to all Franklin Academy schools. These services include but are not limited to: administration of support services (facility maintenance, food service, transportation, etc); governmental compliance reporting; coordination of legal support for school operations; district management/liaison; parent customer service; grant application/management; charter application development/submission/approval; site selection/development; construction project management; school marketing/enrollment management; financing management; and public relations.

Based on the School's Administrative Services agreement with Franklin Academy Foundation, Inc., the School was charged \$740 per student in 2024-2025. During the year, the School made payments totaling \$989,905.

In addition, Building Hope Services, LLC., a professional charter school management company, provides accounting and human resources management services to the School including, but not limited to, regulatory compliance, maintenance of the books and records, bookkeeping, budgeting and financial reporting. The agreement between the School and the management company calls for a fee of \$50 per full time equivalent (FTE) student per year up to 1,500 students with a reduction of \$10 per student for every additional 500 students. The agreement can be terminated at any time by the board with 30 day notice. During the year ended June 30, 2025, the School incurred approximately \$73,893 in management fees. Building Hope Services, LLC. is located at 1225 SE 2nd Avenue, Fort Lauderdale, Florida, 33316.

NOTE 6 –RELATED PARTY TRANSACTIONS

The School transacts with its charter holder, Franklin Academy Foundation, Inc. and has recorded such transactions as long-term receivables from Franklin Academy Foundation, Inc. At June 30, 2025, the School had a long-term receivable of \$3,275,412.

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 6 –RELATED PARTY TRANSACTIONS (Continued)

Changes in long-term receivables during the year were as follows:

	Balance July 1, 2024	Additions	Collections	Balance June 30, 2025
Franklin Academy Foundation, Inc.	\$ 3,343,757	\$ 184,615	\$ (252,960)	\$ 3,275,412
Total Long Term Receivables	<u>\$ 3,343,757</u>	<u>\$ 184,615</u>	<u>\$ (252,960)</u>	<u>\$ 3,275,412</u>

Pursuant to the Charter School contract with the School District, the District withholds an administrative fee of up to 5% of the qualifying revenues of the School and up to and including 250 students. For the year ended June 30, 2025, administrative fees totaled \$38,873.

NOTE 7 – LONG TERM DEBT

Revenue Bond

Educational Facilities Revenue Bonds, Series 2016A and 2016B - The Florida Development Finance Corporation (the “issuer”) issued Educational Revenue Bonds, Series 2016A, in aggregate principal amount \$50,625,000 (the “Series 2016A Bonds”) and Florida Charter Foundation, Inc. issued Taxable Educational Facilities Revenue Bond Series 2016B, in the aggregate principal amount of \$195,000 (the ‘Series 2016B Bonds”). The bonds were used to (i) financial or refinance the acquisition, construction, rehabilitation, improvement and equipping of the Facilities for the School in Cooper City, Florida (Cooper City Project) and for Franklin B2 in Boynton Beach, Florida (Boynton Beach Project) (ii) the funding of capitalized interest on the Bond; (iii) the funding of a debt service reserve fund for the Bond; and (iv) certain cost of issuance of the Series 2016 Bonds. The Series 2016 A Bonds are subject to redemption prior to their stated maturity in part, randomly, from Mandatory Sinking Account Payments.

Interest is payable annually beginning July 2017. The bonds are secured by mortgage interest on the project to the benefit of US National Association (the “Trustee”) and assignment of payments (the “Pledge Revenue”) to the Trustee pursuant to the Indenture of Trust dated August 1, 2016. These Bonds are subject to interest rates ranging from 4.00% to 6.00%.

The bonds contain restrictive covenants related to debt service coverage ratio, days cash on hands requirements, student enrollment and reporting requirements.

The School’s debt agreements contain various covenants, restrictions and financial test requirements. In the event of default, the maturity can be accelerated and/or the underlying collateral may be subject to foreclosure.

Approximately 47% of the bond activity is allocable to the School for the Cooper City project.

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 7 – LONG TERM DEBT (Continued)

Revenue bond debt service requirements, for the full bond to be shared by both schools, to maturity are as follows:

Series 2016 A Bonds:		
Year	Principal	Interest
2026	\$ 1,160,000	\$ 2,067,638
2027	1,205,000	2,020,338
2028	1,255,000	1,966,431
2029	1,315,000	1,905,394
2030	1,375,000	1,841,506
2031-2035	7,935,000	8,136,644
2036-2040	10,015,000	5,992,456
2041-2045	12,765,000	3,169,375
2046-2047	6,045,000	305,875
	<u>\$ 43,070,000</u>	<u>\$ 27,405,656</u>

The Bonds were issued at a discount which was deferred and is being amortized over the life of the bonds using the effective interest method. The Bonds payable are presented net of the applicable discount. Amortization of Bond discount during the year amounted to \$2,455.

Long term debt activity for the School, for the year ended June 30, 2025 was as follows:

<u>Governmental activities:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Advances/ (Payments)</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Educational Facilities Revenue					
Bonds, Series 2016A	\$ 20,972,631	\$ -	\$ (529,240)	\$ 20,443,391	\$ 529,240
Bond Discount	(54,010)	-	2,455	(51,555)	-
Total	<u>\$ 20,918,621</u>	<u>\$ -</u>	<u>\$ (526,785)</u>	<u>\$ 20,391,836</u>	<u>\$ 529,240</u>

NOTE 8 – INTER-FUND TRANSFERS

Inter-fund transfers in government funds as of June 30, 2025 consists of the followings:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>
Transfer from capital outlay to debt service fund	\$ -	\$ (1,158,986)	\$ 1,158,986
Transfer from general fund to cover debt service requirements	(382,245)	-	382,245
Total Transfers, net	<u>\$ (382,245)</u>	<u>\$ (1,158,986)</u>	<u>\$ 1,541,231</u>

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 8 – INTER-FUND TRANSFERS (Continued)

Due from (due to) fund balances are as follows:

	General Fund	Special Revenue Fund
Due to General Fund from Special Revenue Fund for NSLP	\$ 3,811	\$ (3,811)
Total Due from (due to)	<u>\$ 3,811</u>	<u>\$ (3,811)</u>

NOTE 9 – COMMITMENTS, CONTINGENCIES AND CONCENTRATIONS

Contingencies and Concentrations

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

NOTE 10 – RISK MANAGEMENT

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

NOTE 11 – DEFINED CONTRIBUTION RETIREMENT PLAN

The School’s personnel are eligible to participate in a defined contribution 401(k) plan covering employees who meet certain age and tenure requirements. Under the Plan, the School provides a match of 2.5% of the employee’s compensation. The School contributed to the Plan \$62,561 for the year ended June 30, 2025. The School does not exercise any control or fiduciary responsibility over the Plans’ assets.

REQUIRED SUPPLEMENTAL INFORMATION

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
BUDGETARY COMPARISON SCHEDULES – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025**

	General Fund		
	Original Budget	Final Budget	Actual
REVENUES			
State passed through local	\$ 12,161,066	\$ 14,090,580	\$ 14,090,580
Charges and other revenues	88,781	692,388	692,388
TOTAL REVENUES	\$ 12,249,847	\$ 14,782,968	\$ 14,782,968
EXPENDITURES			
Instruction	\$ 6,742,697	\$ 7,008,283	\$ 7,008,283
Instructional and student support services	308,027	19,014	19,014
General administration	12,800	46,813	46,813
School administration	980,510	1,236,214	1,236,214
Fiscal services	1,099,910	1,065,480	1,065,480
Food services	-	35,767	35,767
Central services	142,826	23,508	23,508
Operation of plant	1,384,529	1,303,269	1,303,269
Transportation	264,195	312,802	312,802
Maintenance of plant	523,583	168,951	168,951
Administrative technology services	167,462	112,545	112,545
Other capital outlay	-	549,196	549,196
TOTAL CURRENT EXPENDITURES	11,626,539	11,881,842	11,881,842
 Excess of Revenues over Expenditures	 623,308	 2,901,126	 2,901,126
 Other financing sources (uses):			
Transfers in (out)	-	(382,245)	(382,245)
Receipts from Franklin Academy Foundation, Inc.	-	68,345	68,345
 Net change in fund balance	 \$ 623,308	 \$ 2,587,226	 \$ 2,587,226

Notes to Budgetary Comparison Schedule

An annual budget is adopted on the modified accrual basis of accounting, consistent with generally accepted accounting principles. Amendments to the budget can only be made with the approval of the Board of Directors.

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
BUDGETARY COMPARISON SCHEDULES – SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2025**

	Special Revenue Fund		
	Original Budget	Final Budget	Actual
REVENUES			
State passed through local	\$ -	\$ 9,749	\$ 9,749
Federal sources	719,035	2,387,155	2,387,155
Lunch programs fees	-	24,276	24,276
Charges and other local revenue	-	-	-
TOTAL REVENUES	<u>\$ 719,035</u>	<u>\$ 2,421,180</u>	<u>\$ 2,421,180</u>
EXPENDITURES			
Instruction	\$ 45,358	\$ 1,366,148	\$ 1,366,148
Instructional and student support services	-	296,025	296,025
Food services	673,677	683,299	683,299
Operation of plant	-	65,079	65,079
Transportation	-	9,749	9,749
TOTAL EXPENDITURES	<u>\$ 719,035</u>	<u>\$ 2,420,300</u>	<u>\$ 2,420,300</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 880</u>	<u>\$ 880</u>

Notes to Budgetary Comparison Schedule

An annual budget is adopted on the modified accrual basis of accounting, consistent with generally accepted accounting principles. Amendments to the budget can only be made with the approval of the Board of Directors.

**FRANKLIN ACADEMY COOPER CITY
(A CHARTER SCHOOL UNDER FRANKLIN ACADEMY FOUNDATION, INC.)
BUDGETARY COMPARISON SCHEDULES – DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2025**

	Debt Service Fund		
	Original Budget	Final Budget	Actual
REVENUES			
Interest Income	\$ -	\$ 72,705	\$ 72,705
TOTAL REVENUES	\$ -	\$ 72,705	\$ 72,705
Debt Service:			
Redemption of principal	-	\$ 529,240	\$ 529,240
Amortization of bond premium	-	-	-
Interest	487,884	994,191	994,191
Total Expenditures	487,884	1,523,431	1,523,431
Deficit of revenues over expenditures	(487,884)	(1,450,726)	(1,450,726)
Other financing sources (uses):			
Transfers in	487,884	1,541,231	1,541,231
Net change in fund balance	\$ -	\$ 90,505	\$ 90,505

Notes to Budgetary Comparison Schedule

An annual budget is adopted on the modified accrual basis of accounting, consistent with generally accepted accounting principles. Amendments to the budget can only be made with the approval of the Board of Directors.



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*

Board of Directors of
Franklin Academy Cooper City
Cooper City, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Franklin Academy Cooper City (the "School") as of and for the year ended June 30, 2025, 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 19, 2025.

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) to determine the 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 material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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.

Verdeja - Alvarez, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 19, 2025



MANAGEMENT LETTER

Board of Directors of
Franklin Academy Cooper City
Cooper City, Florida

Report on the Financial Statements

We have audited the financial statements of Franklin Academy Cooper City (the "School"), a non-major component unit of the District School Board of Broward County, Florida, as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated September 19, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and Chapter 10.850, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent 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, which is dated September 19, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Franklin Academy Cooper City and #065037.

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 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 financials 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. The financial condition assessment procedures applied in connection with our audit, has lead us to believe that the School's overall financial condition as of June 30, 2025 is not deteriorating.

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 us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

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

Verdeja - Alvarez, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 19, 2025