

**INDIANTOWN HIGH SCHOOL
A CHARTER SCHOOL OPERATED BY
INDIAN RIVER STATE COLLEGE**

FINANCIAL STATEMENTS

June 30, 2025

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**Indiantown High School
A Charter School Operated by Indian River State College**

Financial Statements

June 30, 2025

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Report of Independent Auditors

To the Board of Trustees
Indiantown High School
A Charter School Operated by
Indian River State College
Fort Pierce, Florida

Opinion

We have audited the accompanying basic financial statements of Indiantown High School ("IHS"), A Charter School Operated by Indian River State College ("IRSC"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise IHS's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of Indiantown High School as of June 30, 2025, and the respective changes in its' financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note A, the accompanying financial statements were prepared to present the financial position, changes in financial position and cash flows of Indiantown High School and are not intended to be a complete presentation of the Indian River State College's financial statements.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standard applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of IHS and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Fort Pierce / Stuart



Board of Trustees
Indiantown High School
A Charter School Operated by
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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 Indiantown High School's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt 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 GAAS 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 GAAS 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 circumstance, but not for the purpose of expressing an opinion on the effectiveness of Indiantown High 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 Indiantown High 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.

Board of Trustees
Indiantown High School
A Charter School Operated by
Indian River State College

Other Matters

Required Supplementary Information

Governmental accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4-8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by *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 in accordance with governmental auditing standards generally accepted in the United States of America, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2025 on our consideration of Indiantown High School's internal control over financial reporting and our tests of its' compliance with certain provisions of laws, regulations, contracts and grant agreements.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Indiantown High School's internal control over financial reporting and compliance.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

November 14, 2025

**INDIANTOWN HIGH SCHOOL
A CHARTER SCHOOL OPERATED
BY INDIAN RIVER STATE COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025**

Introduction

The following Management's Discussion and Analysis ("MD&A") provides an overview of the financial position and activities of the Indiantown High School ("IHS"), A Charter School Operated by Indian River State College ("IRSC") for the year ended June 30, 2025. This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes, which follow this section.

IHS is operated by Indian River State College ("IRSC") and is housed on the Indian River State College, Indiantown Education Center in Indiantown, Florida. Students attending IHS enjoy full access to all College facilities, activities, and services. Fiscal year 2024-2025 was available to Grades 9-12. Enrollment during fiscal year 2024-2025 consisted of 95 students.

Using the Financial Statements

This report consists of three basic financial statements: the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position and the Statement of Cash Flows that provides information on IHS as a whole and presents a long-term view of IHS's finances. The following activities are included in IHS's basic financial statements:

- The Primary Institution, Indiantown High School, is a public charter high school operated by Indian River State College and sponsored by the School Board of Martin County, open to Martin County public, private or home school students who are in grades 9-12. The purpose of IHS is to provide academic and technical education for high school students and the opportunity to complete a high school diploma and an Associate Degree, simultaneously, in either academic transfer or technical education options. The high school is distinguished by the application of varied instructional delivery and learning styles, a technology-across-the-curriculum approach and incorporation of an integrated academic seminar series at each grade level.

The Management's Discussion and Analysis (MD&A), Financial Statements and accompanying Notes are prepared in accordance with the appropriate Governmental Accounting Standards Board (GASB) pronouncements: Statement No. 35, Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities.

Statement of Net Position

The Statement of Net Position presents a financial picture of IHS's financial condition at June 30, 2025 by reporting assets (current and non-current), liabilities (current and non-current), and net position (assets less liabilities).

Assets

Total assets of IHS's at June 30, 2025 were \$291,124, consisting of cash and investments and due from other governments. Total assets decreased by \$(320,357) or (52.4)% over the prior fiscal year primarily due to a decrease in cash.

**INDIANTOWN HIGH SCHOOL
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MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025**

Liabilities

Total liabilities at June 30, 2025 were \$98,268, a \$52,426 or 114.4% increase from the prior year balance. This increase is primarily attributed to an increase in accrued liabilities.

Liabilities consisting of accounts payable, accrued liabilities, and compensated absences.

Net Position

Net position was \$192,856 and consisted of two categories, defined as follows:

- Unrestricted – This category represents the net assets held by IHS that have no formal restrictions placed upon them.
- Restricted – This category represents Capital Outlay Funds.

**Condensed Statement of Position
At June 30, 2025 and June 30, 2024**

	6/30/2025	6/30/2024
Current assets	\$ 291,124	\$ 611,481
Current liabilities	85,160	35,926
Non-current liabilities	13,108	9,916
Total Liabilities	98,268	45,842
Unrestricted	47,483	196,509
Restricted	145,373	-
Total Net Position	\$ 192,856	\$ 196,509

Statement of Revenues, Expenses, and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position, which is generally referred to as the activities statement, presents the total revenues (operating and non-operating) received and expenses (operating and non-operating) paid and owed, as well as income or loss from operations for the fiscal years 2025 and 2024.

Revenues

Non-operating revenues for fiscal years ending June 30, 2025 and 2024 totaled \$1,412,753 and \$1,417,429, respectively, a decrease of \$(4,676) or (0.3)%. For 2025, intergovernmental revenues from Martin County District School Board totaled \$916,965.

IHS received general allocation funding from IRSC of \$300,000 for fiscal year 2025 and \$183,072 for fiscal year 2024. The funds were used mainly to support IHS's operating activities.

Expenses

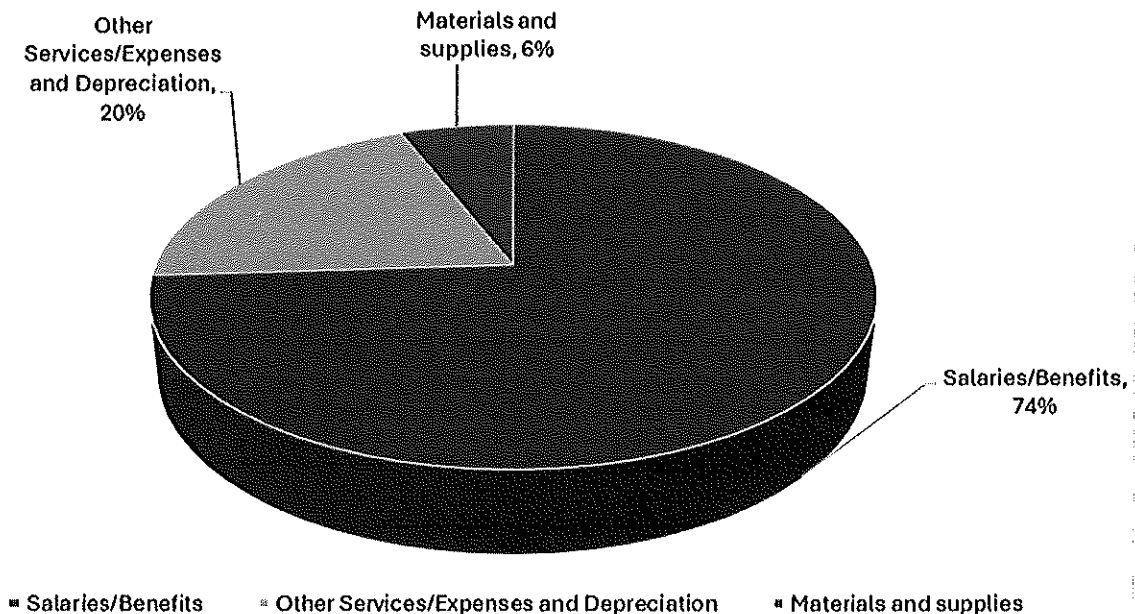
Total operating expenses for IHS for the fiscal years ending June 30, 2025 and 2024 were \$1,785,536 and \$1,144,820, respectively, representing an increase of \$640,716 or approximately 56%. This increase is related to the increase in salaries and benefits in the current year.

**INDIANTOWN HIGH SCHOOL
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MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025**

**Condensed Statement of Revenues, Expenses and Changes in Net Position
For the June 30th Fiscal Years Ended**

	<u>FYE 2025</u>	<u>FYE 2024</u>
OPERATING EXPENSES:		
Salaries and benefits	\$ 1,325,796	\$ 872,315
Other services/expenses and depreciation	354,445	244,110
Materials and supplies	105,295	28,395
Total Operating Expenses	<u>1,785,536</u>	<u>1,144,820</u>
NON-OPERATING REVENUES:		
School board funding and sales tax referendum	916,965	460,857
Facilities operation funding	300,000	183,072
Other income and interest	-	773,500
Operating grants	139,367	-
Capital grants	56,421	-
Total Non-Operating Revenues	<u>1,412,753</u>	<u>1,417,429</u>
CHANGE IN NET POSITION	(372,783)	272,609
Net Position-Beginning of Year	<u>565,639</u>	<u>293,030</u>
Net Position-End of Year	<u>\$ 192,856</u>	<u>\$ 565,639</u>

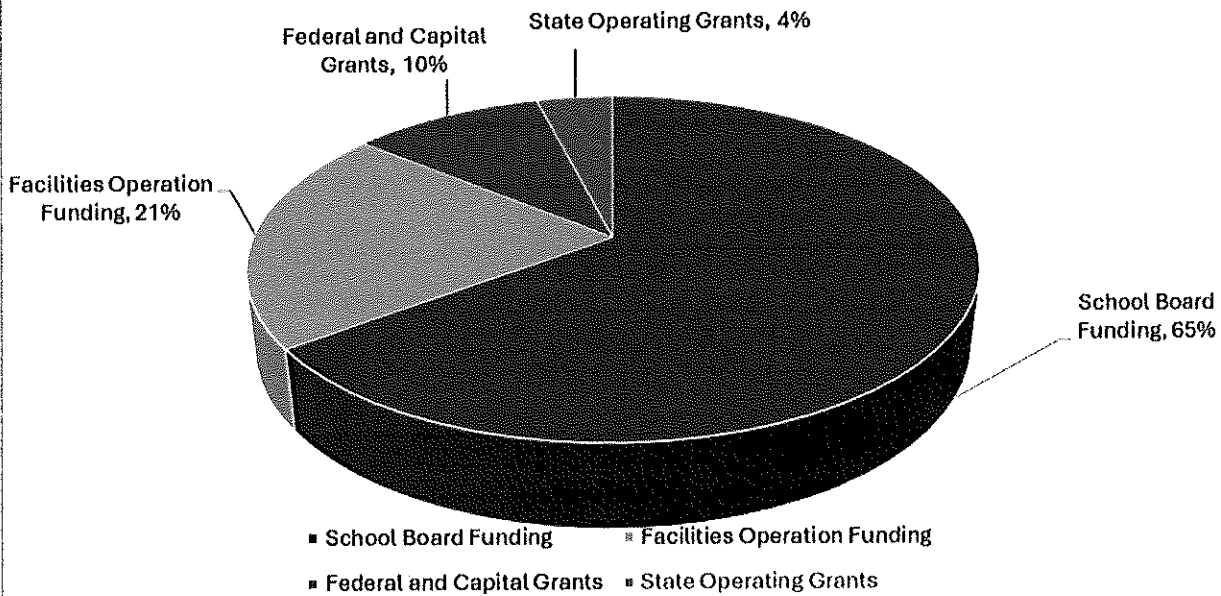
IHS OPERATING EXPENSES FY 2025



**INDIANTOWN HIGH SCHOOL
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MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025**

**Condensed Statement of Revenues, Expenses and Changes in Net Position
For the June 30th Fiscal Years Ended (Continued)**

IHS NONOPERATING REVENUES FY 2025



Statement of Cash Flows

The Statement of Cash Flows provides a summary of the sources and uses of cash by categories. The primary purpose of the Statement of Cash Flows is to provide information about IHS's cash receipts and payments during the year and help assess IHS's ability to generate future net cash flows and meet future obligations.

A major source of cash is the pass through of legislative appropriations received from the State of Florida, Department of Education to the IHS sponsor, the Martin County District School Board, totaling \$916,965. The main uses of Cash for Operating Activities were payments to suppliers totaling \$459,740 and payments to employees in the amount of \$1,273,370.

The Cash Flows from Noncapital Financing Activities include receipts from state and local sources totaling \$1,191,846.

The Cash Flows from Capital Financing Activities include receipts from state and local sources totaling \$56,421.

Overall, cash at the fiscal year end totaled \$126,638.

**INDIANTOWN HIGH SCHOOL
A CHARTER SCHOOL OPERATED
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MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025**

**Condensed Statement of Cash Flows
For the Fiscal Year Ended June 30, 2025**

Cash Flows from Operating Activities	\$ (1,733,110)
Cash Flows from Noncapital Financing Activities	1,191,846
Cash Flows from Capital Financing Activities	56,421
Net Decrease in Cash	<u>(484,843)</u>
Cash and cash equivalents, beginning of year	611,481
Cash and cash equivalents, end of year	<u><u>\$ 126,638</u></u>

Economic Factors That Will Affect the Future

Indiantown High School does not anticipate any economic factors to have any significant effect on the financial position or results of operations of Indiantown High School in fiscal year 2026.

Request for Information

Questions concerning information provided in the Management's Discussion and Analysis, financial statements, and notes thereto, or requests for additional financial information should be addressed to Edith Pacacha, Vice President of Administration and Finance, CFO, Indian River State College, 3209 Virginia Avenue, Fort Pierce, Florida 34981.

INDIANTOWN HIGH SCHOOL
A CHARTER SCHOOL OPERATED BY INDIAN RIVER STATE COLLEGE
STATEMENT OF NET POSITION
June 30, 2025

ASSETS

Current Assets	
Cash and cash equivalents	\$ 126,638
Due from other governments	<u>164,486</u>
Total Assets	<u><u>291,124</u></u>

LIABILITIES

Current Liabilities	
Accounts payable and accrued liabilities	67,662
Compensated absences	<u>17,498</u>
Total Current Liabilities	<u><u>85,160</u></u>

Non-current Liabilities	
Compensated absences	<u>13,108</u>
Total Liabilities	<u><u>98,268</u></u>

NET POSITION

Unrestricted	47,483
Restricted for capital projects	<u>145,373</u>
Total Net Position	<u><u>\$ 192,856</u></u>

See accompanying notes to financial statements.

INDIANTOWN HIGH SCHOOL
A CHARTER SCHOOL OPERATED BY INDIAN RIVER STATE COLLEGE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended June 30, 2025

Operating Expenses	
Salaries	\$ 933,043
Benefits	392,753
Other services and expenses	354,445
Materials and supplies	105,295
Total Operating Expenses	<u>1,785,536</u>
Operating Loss	<u>(1,785,536)</u>
Non-operating Revenues	
Intergovernmental revenues	916,965
Facilities operation funding from Indian River State College	300,000
Operating grants	139,367
Capital grants	56,421
Total Non-operating Revenues	<u>1,412,753</u>
Change in Net Position	(372,783)
Net Position, July 1, 2024	<u>565,639</u>
Net Position, June 30, 2025	<u><u>\$ 192,856</u></u>

See accompanying notes to financial statements.

INDIANTOWN HIGH SCHOOL
A CHARTER SCHOOL OPERATED BY INDIAN RIVER STATE COLLEGE
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2025

CASH FLOWS USED BY OPERATING ACTIVITIES	
Payments to employees	\$ (1,273,370)
Payments to suppliers	(459,740)
Net Cash Used by Operating Activities	<u>(1,733,110)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Receipts from state and local sources	<u>1,191,846</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Receipts from capital grants	<u>56,421</u>
Net decrease in cash and cash equivalents	(484,843)
Cash and Cash Equivalents - July 1, 2024	<u>611,481</u>
Cash and Cash Equivalents - June 30, 2025	<u><u>\$ 126,638</u></u>
Reconciliation of net operating (loss) to net cash used by operating activities	
Cash flows from operating activities:	
Operating loss	\$ (1,785,536)
Adjustments to reconcile net income/(loss) to net cash used by operating activities:	
Changes in assets and liabilities	
Increase in accounts payable/accrued expenses	31,736
Increase in accrued compensated absences	20,690
Total Adjustments	<u>52,426</u>
Net Cash Used by Operating Activities	<u><u>\$ (1,733,110)</u></u>

See accompanying notes to financial statements.

INDIANTOWN HIGH SCHOOL
A CHARTER SCHOOL OPERATED BY INDIAN RIVER STATE COLLEGE
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2025

	<u>Custodial Funds</u>
ASSETS	
Current Assets	
Cash and cash equivalents	<u>\$ 3,653</u>
NET POSITION	
Fiduciary net position - held for others	<u><u>\$ 3,653</u></u>

INDIANTOWN HIGH SCHOOL
A CHARTER SCHOOL OPERATED BY INDIAN RIVER STATE COLLEGE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2025

	Custodial Funds
ADDITIONS	
Miscellaneous Fundraising	\$ 3,800
DEDUCTIONS	
Other Fundraising	147
Change in Net Position	3,653
Net Position, July 1, 2024	-
Net Position, June 30, 2025	\$ 3,653

See accompanying notes to financial statements.

INDIANTOWN HIGH SCHOOL
A CHARTER SCHOOL OPERATED BY INDIAN RIVER STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Indiantown High School (“IHS”) is a charter school operated in Martin County, Florida by Indian River State College (the “College”). It is governed by the District Board of Trustees of the College who are appointed by the Governor of the State of Florida.

IHS is organized and operated in accordance with Section 1002.33, Florida Statutes. IHS operates under a charter of the sponsoring school district – The School Board of Martin County, Florida. The original charter agreement was entered into on June 7, 2022, effective July 1, 2022, for a five-year term ending June 30, 2027. The charter may be terminated by the School Board if good cause is shown.

The accompanying financial statements were prepared to present financial position, results of operations and cash flows of Indiantown High School and are not intended to be a complete presentation of the College’s financial statements.

Measurement Focus, Basis of Accounting and Basis of Presentation

IHS’s accounting policies conform with governmental accounting principles generally accepted in the United States of America applicable to colleges and universities as prescribed by the Government Accounting Standards Board (GASB). IHS follows Financial Accounting Standards Board statements and interpretations issued after November 30, 1989, unless those pronouncements conflict with GASB pronouncements. GASB allows public colleges various reporting options. IHS elected to report as an entity engaged in only business-type activities. This election requires the adoption of the accrual basis of accounting and reporting to include the following components:

- ◆ Management’s Discussion and Analysis (MD&A)
- ◆ Basic Financial Statements
 - Statement of Net Position
 - Statement of Revenues, Expenses, and Changes in Net Position
 - Statement of Cash Flows (presented using the direct method in compliance with GASB No. 9)
 - Notes to the Financial Statements

INDIANTOWN HIGH SCHOOL
A CHARTER SCHOOL OPERATED BY INDIAN RIVER STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Basis of accounting refers to when revenues, expenses and related assets and liabilities are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the measurement focus applied. IHS's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange activities are generally recognized when all applicable eligibility requirements, including time requirements, are met.

IHS's principal operating activity is instruction. Operating expenses include all fiscal transactions related to instruction as well as administration, academic support, and student services. Nonoperating revenues include State and local grants and appropriations and investment income.

The statement of net position is presented in a classified format to distinguish between current and non-current assets and liabilities. When both restricted and unrestricted resources are available to fund certain programs, it is IHS's policy to first apply the restricted resources to such programs followed by the use of unrestricted resources.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, cash in demand accounts and cash participation in the College's investment pool. For cash flow purposes the College considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Restricted Assets

Certain assets of IRSC and a corresponding liability or portion of net position is classified as restricted on the statement of net position because their use is limited either by law through constitutional provisions or enabling legislation, or by restrictions imposed externally by creditors. In a fund with both restricted and unrestricted assets, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

Compensated Absences

IHS implemented GASB Statement No. 101, Compensated Absences, which changes the accounting and financial report for compensated absences, effective for the fiscal year beginning July 1, 2024. This statement replaces GASB Statement No. 16 and provides updated guidance for recognizing and measuring liabilities related to compensated absences, such as vacation and sick leave. IHS has incorporated the provisions of GASB 101 prospectively and updated its financial reporting disclosures to reflect the new standard.

**INDIANTOWN HIGH SCHOOL
A CHARTER SCHOOL OPERATED BY INDIAN RIVER STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2025**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences (Continued)

Pursuant to the provisions of Chapter 250, Part III, Florida Statutes, State Board of Education rules and Board policies, employees earn annual vacation and sick leave based on the length of service, but subject to certain limitations regarding the amount that will be paid upon termination. These earnings for accumulated leave are recorded as a liability in IHS's financial statements.

IHS recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulated and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment, subject to caps. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation

IHS's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment.

Sick Leave

IHS's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of IHS, and, upon separation from service, no monetary obligation exists. However, a liability for estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

NOTE B – CASH AND CASH EQUIVALENTS

Cash as reported on the Statement of Net Position, includes the following:

Checking	\$ <u>130,291</u>
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Cash for the operation of IHS is combined with other cash of the District Board of Trustees of Indian River State College.

Banks qualified as public depositories under Chapter 280; Florida Statutes hold cash deposits of the College. In addition to insurance provided by the Federal Depository Insurance Corporation, all demand deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds and are collateralized under the provisions of the state statute noted above.

IHS follows the Indian River State College investment policy. As of June 30, 2025, IHS did not have any investments.

**INDIANTOWN HIGH SCHOOL
A CHARTER SCHOOL OPERATED BY INDIAN RIVER STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2025**

NOTE B – CASH AND CASH EQUIVALENTS

IHS categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted priced in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

Based on the criteria in the preceding paragraph, IHS did not hold any investments subject to the fair value hierarchy.

Interest Rate Risk – The investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – The investment policy of the college limits investments to certain fixed income securities.

Concentration of Credit Risk – The investment policy places a limit on the amount it may invest in any one investment type.

NOTE C – ACCRUED COMPENSATED ABSENCES

Indiantown High School follows Indian River State College's policies for compensated absences, who recognizes the liabilities in accordance with GASB Statement No. 101 – Compensated Absences. Types of leave include annual leave and sick leave, subject to policy limitations and eligibility criteria.

Liabilities are measured using current pay rates and applicable payroll-related costs. Recognition is based on the likelihood of leave being used or paid, including historical usage patterns and retirement probabilities.

A summary of changes in accrued compensated absences for the year ended June 30, 2025, as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Compensated absences	<u>\$ 9,916</u>	<u>\$98,729</u>	<u>\$ (78,039)</u>	<u>\$ 30,606</u>	<u>\$ 17,498</u>

**INDIANTOWN HIGH SCHOOL
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NOTES TO FINANCIAL STATEMENTS
June 30, 2025**

NOTE D – RETIREMENT PLAN

Most employees working in regularly established positions of the College are covered by the Florida Retirement system, a State-administered, cost-sharing, multiple-employer, defined benefit retirement plan (the "Plan"). All instructors and supporting staff of IHS are employed by Indian River State College. Plan provisions are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 605 Florida Administrative Code, wherein Plan eligibility, contributions, and benefits are defined and described in detail. Essentially, all regular employees of participating employers are eligible and must enroll as members of the Plan.

Benefits vest at specified ages or number of years of service depending upon the employee's classification. The Plan also includes an early retirement provision but imposes a penalty for each year a member retires before the specified retirement age. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments, as well as supplements for certain employees to cover social security benefits lost by virtue of retirement system membership.

A Deferred Retirement Option Program ("DROP"), subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with the Florida Retirement System employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the Florida Retirement System Trust Fund and accrue interest. IHS did not have any employees enrolled in the Deferred Retirement Option Program for the fiscal year ended June 30, 2025.

The Plan's financial statements and other supplemental information are included in the State's Comprehensive Annual Financial Report, which may be obtained by contacting the Florida Department of Financial Services in Tallahassee, Florida. Also, an annual report on the Plan, which includes its financial statements, required supplemental information, actuarial report and other relevant information may be obtained from the Florida Department of Management Services, Division of Retirement in Tallahassee, Florida.

**INDIANTOWN HIGH SCHOOL
A CHARTER SCHOOL OPERATED BY INDIAN RIVER STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2025**

NOTE D – RETIREMENT PLAN (CONTINUED)

The contribution rates for Plan members are established, and may be amended, by the State of Florida. Contribution rates during the fiscal year ended June 30, 2025 are presented in the following table:

<u>Class or Plan</u>	<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer (A)</u>
Florida Retirement System, Regular	3%	13.63%
Florida Retirement System, CCORP	3%	9.99%
Florida Retirement System, Special Risk	3%	32.79%
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes or Plan	0%	21.13%
Florida Retirement System, Reemployed Retiree	(B)	(B)

(A) Employer rates include the post-employment health insurance subsidy of 1.66 percent and 0.06 percent for administrative costs of the Public Employee Optional Retirement Program.

(B) Contribution rates are dependent upon retirement class or plan in which reemployed.

The College recognizes the unfunded pension obligation at the entity level. Any amount of this obligation allocable to IHS is deemed immaterial.

IHS's liability for participation in the Plan is the payment of the required contribution at the rates and frequencies established by law on future payrolls of IHS. IHS's employer contributions to the Plan for the fiscal years ended June 30, 2025 and 2024, totaled \$123,196 and \$79,107, respectively, which were equal to the required contributions for the fiscal year. Effective July 1, 2011, employees were required to contribute 3% and the employer contribution rate was reduced for all membership. The employee contribution portion for the fiscal year ended June 30, 2025 and 2024, was \$84,617 and \$69,607, respectively.

Public Employee Optional Retirement Program (PEORP) – Pursuant to Section 121.4501, Florida Statutes, and the Florida Legislature created a defined contribution program called the Public Employee Optional Retirement Program. The program is an option to the Florida Retirement System and is self-directed by the employee. A retirement account is established for each employee who selects this option and an employer contribution is directed to the individual account. The employees have the responsibility of selecting how their funds are invested within the approved set of investment choices and may take their funds when they leave the Florida Retirement System. IHS had eight employees enrolled in the Program for the fiscal year ended June 30, 2025 required contribution of \$30,482, was made to the plan.

NOTE E – INDIRECT COST ALLOCATION

IHS's operating expenses include certain indirect operating costs of the College, such as accounting services, which are charged at \$1,000 per month. Other services, such as facility rent and administrative support, are provided by the College at no cost to IHS.

INDIANTOWN HIGH SCHOOL
A CHARTER SCHOOL OPERATED BY INDIAN RIVER STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE F – RISK MANAGEMENT

IHS is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. IHS is insured for these risks through the Florida Community Colleges Risk Management Consortium. The Consortium was created under authority of Section 1001.64(27), Florida Statutes by the Boards of Trustees of the Florida Public Community Colleges for the purpose of joining a cooperative effort to develop, implement and participate in a coordinated statewide community college risk management program. The Consortium is to be self-sustaining through member assessments (premiums) and is reinsured through commercial companies for claims in excess of specified amounts. Insurance coverage obtained through the Consortium included health, dental, fire and extended property, general and automobile liability, workers' compensation, and other liability coverage. Settled claims resulting from these risks have not exceeded coverage since inception.

NOTE G – RELATED PARTY TRANSACTIONS

The building housing Indiantown High School was built in a prior year for a total of approximately \$25 million with roughly \$15 million of that total funded by Indian River State College Foundation. Indiantown High School is utilizing the building at no cost to Indiantown High School.

Additionally, Indiantown High School received funding from Indian River State College, totaling \$300,000, in the current year.

NOTE H – CHANGE IN ACCOUNTING PRINCIPLE

GASB Statement No. 101, *Compensated Absences*, was implemented effective July 1, 2024, resulting in a refined recognition model for compensated absences. This includes probability-based recognition for sick leave and expanded disclosure requirements. The Implementation did not have a material impact on IHS's financial position or results of operations. Accordingly, no restatement of beginning net position was required.



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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Trustees
Indiantown High School
A Charter School Operated by
Indian River State College
Fort Pierce, 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, as listed in the table of contents, of Indiantown High School, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated November 14, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit, we considered Indiantown High 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 Indiantown High School's internal control. Accordingly, we do not express an opinion on the effectiveness of Indiantown High 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 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 have not been identified.

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To the Board of Trustees
Indiantown High School
A Charter School Operated by
Indian River State College

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Indiantown High School's financial statements are free of 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.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

November 14, 2025



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MANAGEMENT LETTER

To the Board of Trustees
Indiantown High School
A Charter School Operated by
Indian River State College
Fort Pierce, Florida

Report on the Financial Statements

We have audited the financial statements of the Indiantown High School, A Charter School Operated by Indian River State College, Florida, as of and for the year ended June 30, 2025, and have issued our report thereon dated November 14, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report which is dated November 14, 2025 should be considered in conjunction with this management letter.

Prior Audit Findings

The Rules of the Auditor General (Section 10.854(1)(e)1.) 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 made in the preceding audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Indiantown High School and 0231.

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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 Indiantown High 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 Indiantown High 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 Indiantown High School. It is management's responsibility to monitor the Indiantown High 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 recommendation.

Transparency

Rules of the Auditor General (Sections 10.854(1)(e)7 and 10.855(13)) require that we apply appropriate procedures to determine whether Indiantown High School, A Charter School Operated by Indian River State College maintains on its web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that Indiantown High School, A Charter School Operated by Indian River State College maintained on its web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Rules of the Auditor General (Section 10.854(1)(e)4.) 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 warrants the attention of those charges with governance. In connection with our audit, we did not have any such findings.



Berger, Toombs, Elam,
Gaines & Frank
Certified Public Accountants PL

Board of Trustees
Indiantown High School
A Charter School Operated by
Indian River State College

Purpose of this Letter

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

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

November 14, 2025