

**RICHARD MILBURN ACADEMY OF FLORIDA, INC.
RICHARD MILBURN ACADEMY OF VOLUSIA COUNTY**

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

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

June 30, 2025



McCRADY & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

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**RICHARD MILBURN ACADEMY OF FLORIDA, INC.
RICHARD MILBURN ACADEMY OF VOLUSIA COUNTY**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management of Richard Milburn Academy of Florida, Inc. - Richard Milburn Academy of Volusia County (the "School") offers the following narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2025.

Richard Milburn Academy has also been contracted by Volusia County schools to operate nine satellite programs co-located within the district high schools. The school replicates the core elements of the RMA model seeking students needing non-traditional pathways to graduation. Between 2021 and 2025 all the satellite locations have been fully implemented. The impact of these partnerships has been measurable, specifically contributing to increased graduation rates.

Management's discussion and analysis is included at the beginning of the School's basic financial statements to provide the past and current position of the School's financial condition. This summary should not be taken as a replacement for the audit, which consists of the basic financial statements and other supplemental information.

FINANCIAL HIGHLIGHTS

- ❖ The School ended the year with a net position of approximately \$1.37 million.
- ❖ For the fiscal year ended June 30, 2025, the School's expenses exceeded revenues by approximately \$1.83 million as supported in the Statement of Activities.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to School's basic financial statements. The School's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the School through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the understanding of the financial condition of School. This document also includes the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements in Accordance With *Government Auditing Standards*, as well as the management letter required by the Rules of the Auditor General, Chapter 10.850, *Audits of Charter Schools and Similar Entities*.

Government-Wide Financial Statements

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

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

The government-wide statements are divided into three categories: 1) governmental activities, 2) business-type activities, and 3) component units. The governmental activities include the School's basic services. The business-type activities are those services that the School charges for that are not directly related to the School's mission. For the year ended June 30, 2025, the School had no business-type activities or component units.

Fund Financial Statements

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

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

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

Notes to Financial Statements

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

This report also includes the 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*, as well as the management letter required by the Rules of the Auditor General, Chapter 10.850, *Audits of Charter Schools and Similar Entities*.

GOVERNMENT-WIDE ANALYSIS OF THE SCHOOL

The School's combined net position as of June 30, 2025 and 2024 is summarized as follows:

	<u>Governmental Activities</u>		
	<u>2025</u>	<u>2024</u>	<u>Changes</u>
Current and other assets	\$ 1,551,640	\$ 2,993,863	\$ (1,442,223)
Right to use asset, net	870,570	1,111,470	(240,900)
Capital assets, net	<u>407,955</u>	<u>616,059</u>	<u>(207,924)</u>
Total Assets	<u>2,830,165</u>	<u>4,721,392</u>	<u>(1,891,227)</u>
Current and other liabilities	546,095	410,490	358,173
Long-term liabilities	<u>910,397</u>	<u>1,111,610</u>	<u>(201,213)</u>
Total Liabilities	<u>1,679,060</u>	<u>1,522,100</u>	<u>156,960</u>
Net position:			
Invested in capital assets, net of related debt	407,955	616,059	(208,104)
Unrestricted	<u>965,718</u>	<u>2,583,233</u>	<u>(1,840,083)</u>
Total Net Position	<u>\$ 1,373,673</u>	<u>\$ 3,199,292</u>	<u>\$ (2,048,187)</u>

The change in current assets is due to a decrease in cash, which is due to current year operations. The decrease in capital assets is due to depreciation expensed during the year. The right to use asset and related long-term asset liabilities decreased in connection with current year payment of leases. The change in net position is due to the current year operating deficit.

Change in Net Position

The School's total expenses exceeded total revenues by approximately \$1.83 million in fiscal 2025— see table below.

	Governmental Activities		Variances
	2025	2024	
Revenue:			
Federal sources passed through local school district	\$ 676,416	\$ 447,520	\$ 228,896
State and local sources	6,113,769	8,200,770	(2,086,931)
Contributions and other revenue	78,801	144,764	(66,763)
Total revenues	<u>6,868,986</u>	<u>8,793,054</u>	<u>(1,924,068)</u>
Expenses:			
Instruction	3,720,175	3,518,077	202,098
Pupil personnel services	434,953	357,845	77,108
Board	51,594	45,297	6,297
General administration	91,167	91,365	(198)
School administration	3,290,595	2,899,215	391,380
Fiscal services	213,367	154,429	58,938
Operation of plant	844,578	941,847	(97,269)
Interest	48,206	5,032	43,174
Total expenses	<u>8,694,635</u>	<u>8,013,107</u>	<u>681,528</u>
Change in net position	\$ <u>(1,825,649)</u>	\$ <u>779,947</u>	\$ <u>(2,605,596)</u>

The decrease in federal sources passed through the local school district is due to the receipt of funds from Elementary and Secondary School Emergency Relief Fund (ESSER) grants in the prior year and not recurring in the current year. The decrease in state and local sources is primarily due an decrease in student population from 998 to 882 students, leading to an decrease in FEFP and capital outlay funding. The decrease in instruction and school administration is due to the decrease in student enrollment as noted above. A decrease in operation of plant is due to utilities and insurance premiums on the campus.

FINANCIAL ANALYSIS OF THE SCHOOL'S FUNDS

As the School completed the year, its governmental funds reported combined fund balances of \$782,977.

General Fund and Special Revenue Fund Budgetary Highlights

During the fiscal year, the School did not amend its budget. Generally, budget amendments fall into one of the three categories: 1) amendments made to adjust the estimates used to prepare the original budget once exact information is available, 2) amendments made to recognize changes in funding amounts, and 3) changes in appropriations that become necessary to maintain services.

In the general fund, total budgeted revenues were approximately \$1.6 million more than actual amounts. Actual expenditures were approximately \$185,000 million more than budgeted amounts.

In the special revenue fund, total actual revenues and expenditures were approximately \$676,000 more than budgeted amounts.

LONG TERM ASSETS AND LIABILITIES

Capital Assets

As of June 30, 2025, the School invested approximately \$408,000 in capital assets, net of accumulated depreciation of approximately \$835,000.

As of June 30, 2025 and 2024 comparative information regarding the School's capital assets is as follows:

	<u>Governmental Activities</u>		<u>Increase (Decrease)</u>
	<u>2025</u>	<u>2024</u>	
Leasehold improvements	\$ 53,971	\$ 53,971	\$ -
Furniture, fixtures and equipment	1,099,551	998,910	100,641
Motor vehicles	89,930	89,930	-
Less-accumulated depreciation	(835,497)	(526,722)	(308,775)
Total capital assets	<u>\$ 407,955</u>	<u>\$ 616,089</u>	<u>\$ 208,134</u>

More detailed information about the School's capital assets is presented in Note 3 to the financial statements.

Lease Asset and Liabilities

The School's right to use asset for the year ended June 30, 2025 of \$1,100,662, net of accumulated amortization of \$230,092 is related to the facility lease.

The School's long term debt for the year ended June 30, 2025 of \$910,397 was composed entirely of the lease payable related to the School's facility lease. Interest paid during fiscal year June 30, 2025 was approximately \$48,000. More detailed information about the School's lease asset and liabilities is presented in Note 4 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Budget Highlights for the Fiscal Year Ending June 30, 2026

Amounts available for appropriation in the general fund are approximately \$7.2 million, a increase of approximately \$1.5 million from the actual 2025. The 2026 budget was based on a more conservative student enrollment from 2025. Due to the decline in revenue in the current year, revenue is expected to decrease next year as student population reduced significantly during the year. Budgeted revenues do not include contributions and other revenue included in 2025 actual amounts.

Budgeted expenditures are expected to be approximately \$7.2 million, a decrease of approximately \$185,000 from the actual 2025. If these estimates are realized, the School's general fund balance is expected to remain consistent year over year.

CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT

This financial report is designed to provide interested parties with a general overview of the School's finances and to demonstrate the School's accountability for the money it receives. Should additional information be required, please contact the School's administrative offices at 1031 Mason Avenue Daytona Beach, Florida 32117.



Independent Auditor's Report

To the Board of Directors of Richard Milburn Academy of Florida, Inc.
Richard Milburn Academy of Volusia County
A Charter School and Component Unit of the District
School Board of Volusia County, Florida

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund information of the Richard Milburn Academy of Florida, Inc., Richard Milburn Academy of Volusia County (the "School"), a Charter School and Component Unit of the District School Board of Volusia County, Florida 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 as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Richard Milburn Academy of Florida, Inc. Richard Milburn Academy of Volusia County, a Charter School and Component Unit of the District School Board of Volusia County, Florida, as of and for the year ended 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 Schools' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not

absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 liability be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 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.

McCrary & Associates, PLLC

Altamonte Springs, Florida
September 22, 2025

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**RICHARD MILBURN ACADEMY OF FLORIDA, INC.
RICHARD MILBURN ACADEMY OF VOLUSIA COUNTY**

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

Statement of Net Position

June 30, 2025

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 1,536,224
Due from other agencies	15,416
Right to use assets:	
Property leases	1,100,662
Accumulated amortization	(230,092)
Total right to use assets	870,570
Capital assets:	
Furniture, fixtures and equipment	1,099,551
Leasehold improvements	53,971
Vehicles	89,930
Less accumulated depreciation	(835,497)
Total capital assets, net	407,955
Total assets	\$ 2,830,165
LIABILITIES	
Accounts payable and accrued expenses	\$ 546,095
Long-term liabilities	
Portion due or payable within one year:	
Finance lease obligations	218,589
Portion due or payable after one year:	
Finance lease obligations	691,808
Total liabilities	1,456,492
NET POSITION	
Invested in capital assets, net of related debt	407,955
Unrestricted	965,718
Total net position	1,373,673
Total liabilities and net position	\$ 2,830,165

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

**RICHARD MILBURN ACADEMY OF FLORIDA, INC.
RICHARD MILBURN ACADEMY OF VOLUSIA COUNTY**

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

Statement of Activities

June 30, 2025

	Program Specific Revenues			Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Total
Governmental Activities:						
Instruction	\$ 3,720,175	\$ -	\$ 260,746	\$ -	\$ (3,459,429)	\$ (3,459,429)
Pupil personnel services	434,953	-	407,986	-	(26,967)	(26,967)
Board	51,594	-	-	-	(51,594)	(51,594)
General administration	91,167	-	-	-	(91,167)	(91,167)
School administration	3,290,595	-	-	-	(3,290,595)	(3,290,595)
Fiscal services	213,367	-	-	-	(213,367)	(213,367)
Operation of plant	844,578	-	7,684	88,988	(747,906)	(747,906)
Interest	48,206	-	-	48,206	-	-
Total primary government	\$ 8,694,635	\$ -	\$ 676,416	\$ 137,194	(7,881,025)	(7,881,025)
General revenues:						
Federal through state sources					-	-
State and local sources					5,976,575	5,976,575
Contributions and other revenues					78,801	78,801
Total general revenues					<u>6,055,376</u>	<u>6,055,376</u>
Changes in net position					(1,825,649)	(1,825,649)
Net position at beginning of year					<u>3,199,322</u>	<u>3,199,322</u>
Net position at end of year					<u>\$ 1,373,673</u>	<u>\$ 1,373,673</u>

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

**RICHARD MILBURN ACADEMY OF FLORIDA, INC.
RICHARD MILBURN ACADEMY OF VOLUSIA COUNTY**

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

Balance Sheet - Governmental Funds

June 30, 2025

	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 1,536,224	\$ -	\$ 1,536,224
Due from other agencies	-	15,416	15,416
Other assets	-	-	-
Due from other funds	15,416	-	15,416
	\$ 1,551,640	\$ 15,416	\$ 1,567,056
Total assets	\$ 1,551,640	\$ 15,416	\$ 1,567,056
LIABILITIES			
Accounts payable and accrued expenses	\$ 546,095	\$ -	\$ 546,095
Due to general fund	-	15,416	15,416
	546,095	15,416	561,511
Total liabilities	546,095	15,416	561,511
FUND BALANCES			
Nonspendable:			
Spendable:			
Unassigned	1,005,545	-	1,005,545
	1,005,545	-	1,005,545
Total fund balances	1,005,545	-	1,005,545
Total liabilities and fund balances	\$ 1,551,640	\$ 15,416	\$ 1,567,056

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

**RICHARD MILBURN ACADEMY OF FLORIDA, INC.
RICHARD MILBURN ACADEMY OF VOLUSIA COUNTY**

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

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

June 30, 2025

Total fund balances - governmental funds	\$ 1,005,545
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Amounts reported for governmental activities in the statement of net position are different because:

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

Capital assets	1,243,452
Accumulated depreciation	(835,497)
Property leases	1,100,662
Accumulated amortization	(230,092)

Long-term liabilities, including notes payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year end consist of:

Finance lease obligations	(910,397)
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Statement of net position - governmental activities	\$ <u>1,373,673</u>
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The accompanying notes to financial statements are an integral part of this statement.

**RICHARD MILBURN ACADEMY OF FLORIDA, INC.
RICHARD MILBURN ACADEMY OF VOLUSIA COUNTY**

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

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

For the Year Ended June 30, 2025

	General Fund	Capital Projects Fund	Special Revenue Fund	Total Governmental Funds
REVENUES				
Federal sources passed through local school district	\$ -	\$ -	\$ 676,416	\$ 676,416
State and local sources	5,674,721	439,048	-	6,113,769
Contributions and other revenues	78,801	-	-	78,801
Total revenues	5,753,522	439,048	676,416	6,868,986
EXPENDITURES				
Current:				
Instruction	3,180,504	-	260,746	3,441,250
Pupil personnel services	26,967	-	407,986	434,953
Board	51,594	-	-	51,594
General administration	91,167	-	-	91,167
School administration	3,271,815	-	-	3,271,815
Fiscal services	213,367	-	-	213,367
Operation of plant	495,936	88,988	7,684	592,608
Capital outlay	-	100,641	-	100,641
Debt service				
Principal	-	201,213	-	201,213
Interest	-	48,206	-	48,206
Total expenditures	7,331,350	439,048	676,416	8,446,814
Excess (deficiencies) of revenue over expenditures	(1,577,828)	-	-	(1,577,828)
Fund balances at beginning of year	2,583,373	-	-	2,583,373
Fund balances at end of year	<u>\$ 1,005,545</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,005,545</u>

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

**RICHARD MILBURN ACADEMY OF FLORIDA, INC.
RICHARD MILBURN ACADEMY OF VOLUSIA COUNTY**

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

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

For the Year Ended June 30, 2025

Net changes in fund balances - total governmental funds	\$ (1,577,828)
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlays	100,641
Depreciation	(308,775)

Governmental funds the acquisition of leases as an expenditures. However, in the statement of activities, the cost of those assets is amortized over its useful lives. This is the amount incurred in the current period:

Amortization - right to use property lease	(240,900)
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Principal payments on long-term debt are expenditures in the governmental funds, but the repayments reduce long-term liabilities in the statement of net position.

201,213

Change in net position of governmental activities	\$ (1,825,649)
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The accompanying notes to financial statements are an integral part of this statement.

**RICHARD MILBURN ACADEMY OF FLORIDA, INC.
RICHARD MILBURN ACADEMY OF VOLUSIA COUNTY**

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

Notes to Financial Statements

For the Year Ended June 30, 2025

1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Richard Milburn Academy of Florida, Inc. - Richard Milburn Academy of Volusia County, Florida (the "School") is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes and the Florida Not-for-Profit Corporation Act. The governing body of the School is the not-for-profit corporation Board of Directors the ("Board"), which is composed of five members.

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

Charter Contract

The School operates under a charter granted by the Volusia County School Board (the "School Board"). The renewed charter expired on June 30, 2025, and has been renewed for an additional four year term ending June 30, 2028. Upon the expiration of the charter, the School Board may elect not to renew the charter under grounds specified in the charter. In addition, the School Board may terminate the current charter at any time if good cause is shown. In the event of termination of the charter, any property purchased by the School with public funds and any unencumbered public funds revert back to the School Board.

Basis of Presentation

Based on the guidance provided in the American Institute of Certified Public Accountants Audit and Accounting Guide – *Audits for States and Local Governments* and provisions in the Florida Statutes, the School is considered as a governmental organization for financial statement reporting purposes. The School is required by its agreement with the School Board to use the governmental reporting model and follow the fund and accounting structure provided in the "Financial and Program Cost Accounting and Reporting for Florida Schools – The Red Book" issued by the Florida Department of Education ("FDOE").

**RICHARD MILBURN ACADEMY OF FLORIDA, INC.
RICHARD MILBURN ACADEMY OF VOLUSIA COUNTY**

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

Notes to Financial Statements

(continued)

Government-Wide Financial Statements

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

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

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

Fund Financial Statements

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

- General Fund – the School's primary operating fund that accounts for all financial resources of the school, except those that are required to be accounted for in another fund.
- Capital Projects Fund – to account for all resources for the acquisition of capital items by the School purchased with capital outlay funds.
- Special Revenue Fund – to account for the proceeds of specific revenues sources that are restricted or committed to expenditures for a specific purpose, including all federal grant revenues passed through the School District.

For the purpose of these statements, the general, special and capital projects funds are considered the major funds.

**RICHARD MILBURN ACADEMY OF FLORIDA, INC.
RICHARD MILBURN ACADEMY OF VOLUSIA COUNTY**

**A Charter School and Component Unit of the
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Notes to Financial Statements

(continued)

Basis of Accounting

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

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

The governmental funds basic financial statements are reported using the modified accrual basis of accounting. Under this method, revenues are recognized when they become measurable and available. Revenues are considered to be available when they are collectable within a current period. The School considers revenues to be available if they are collected within 60 days after the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenues is recognized at the time the expenditure is made. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from the acquisition of long-term debt are reported as other financing sources.

Budgetary Basis Accounting

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

Cash and Cash Equivalents

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

The School maintains its cash accounts in a financial institution subject to insurance coverage issued by the Federal Deposit Insurance Corporation ("FDIC"). Under FDIC rules, the Company is entitled to aggregate coverage of \$250,000 per account type per separate legal entity per financial institution. As of June 30, 2025, the Company's cash balances exceeded FDIC coverage by approximately \$1,290,000. Investments with an original maturity of three months or less at the time they are purchased are considered to be cash equivalents.

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Notes to Financial Statements

(continued)

Capital Assets and Depreciation

The School's capital assets with useful lives of more than one year are stated at historical cost and reported in the statement of net position in the government-wide financial statements. Donated capital assets are recorded at their estimated fair value on the date donated. The School capitalizes assets with a cost of \$750 or more. Expenditures of normal maintenance and repair that do not add to the asset value or extend the useful life are not capitalized. Depreciation is computed using the straight-line method. Estimated useful lives of the assets are as follows:

	<u>Years</u>
Leasehold improvements	5
Furniture, fixtures and equipment	3 – 5
Motor Vehicles	5

Information related to the change in capital assets is described in Note 3.

Net Position and Fund Balance Classifications

Government-wide financial statements

The net position is classified and reported in two components:

- Investment in capital assets, net of related debt – consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any borrowings that are specifically attributed to the acquisition or improvement of those assets.
- Unrestricted – all other amounts that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Fund financial statements

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

- Nonspendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned). All nonspendable fund balances at year end relate to assets that are in nonspendable form.
- Restricted – fund balance that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.
- Committed – fund balance that can be used only for the specific purposes determined by a formal action of the School's Board of Governance.

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Notes to Financial Statements

(continued)

- Assigned – fund balance that is intended to be used by the School’s management for specific purposes but does not meet the criteria to be classified as restricted or committed.
- Unassigned – fund balance that is the residual amount for the School’s general fund and includes all spendable amounts not contained in the other classifications.

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

Order of Fund Balance Spending Policy

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

Revenue Sources

Revenues for operations are received primarily from the School Board, pursuant to the funding provisions included in the School’s charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the School Board. The School Board receives a 5% administrative fee from the School, which is withheld from the respective FEFP payments. The administrative expense is reflected as a general administration expense/expenditure in the accompanying statement of activities and statement of revenues, expenditures and changes in fund balances – governmental funds. The administrative fee is calculated on the FEFP revenue up to 250 students.

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

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Notes to Financial Statements

(continued)

The basic amount of funding through the FEFP under Section 1011.62 is calculated based on (1) unweighted FTE, multiplied by (2) the cost factor for each program multiplied by (3) the base student allocation established by the Florida legislature. Additional funds for exceptional students who do not have a matrix of services are provided through the guaranteed allocation designated in Section 1011.62(1)(e)2., Florida Statutes. For the year ended June 30, 2025, the School reported 998.81 unweighted FTE.

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

The School is also eligible for charter school capital outlay funding. The amounts received under this program are based on the School's actual and projected student enrollment during the fiscal year. Funds received under this program may only be used for lawful capital outlay expenditures.

Use of Estimates

In preparing the financial statements in conformity with accounting principles generally accepted in the United States, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the balance sheet and revenues and expenses/expenditures for the period presented. These financial statements include significant estimates in determining the School's incremental borrowing rate to record present value of lease obligation and determine useful lives of fixed assets for depreciation calculations. Actual results could differ significantly from those estimates.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This pronouncement requires liabilities relates to compensated absences recognized for 1) leave that has not been used and 2) leave that has not been used but not yet paid in cash or settled through non- cash means and includes but is not limited to vacation, sick leave, and paid time off (PTO). This statement establishes standards of accounting and financial reporting for compensated absences and other associated salary-related payments such as certain defined contribution pensions. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies. This statement also provides guidance for measuring this liability. A liability for leave that has been used but not yet paid or settled should be measured at the employee's pay rate as of the date of the financial statements or the amount of the cash or non-cash amount settled. This statement also allows governments to disclose only the net change in the liability and are no longer required to disclose which governmental funds typically have been used to liquidate the liability. This statement applies to all financial statements of all state and local governments. The required effective date for this statement is for fiscal years beginning after December 15, 2025, and all reporting periods thereafter. Early application is encouraged. The School has included a liability

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Notes to Financial Statements

(continued)

for compensated absences in accrued expenses which is consistent with Statement No.101 in previous years as well as in these financial statements. See Note 7 for more information on the school's policies and procedures regarding compensated absences.

2 FAIR VALUE MEASUREMENTS

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

The fair value hierarchy distinguishes between independent observable inputs and unobservable inputs used to measure fair value as follows:

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

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

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

This statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The School's significant financial instruments are cash, accounts receivable, accounts payable, short term borrowings, and other short term assets and liabilities. For these financial instruments (level 1), carrying values approximate fair value because of the short maturity of these instruments.

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Notes to Financial Statements

(continued)

3 CAPITAL ASSETS

Capital asset activity during the year ended June 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets:				
Leasehold improvements	\$ 53,971	\$ -	\$ -	\$ 53,971
Furniture, fixtures and equipment	998,910	100,641	-	1,099,551
Motor vehicles	89,930	-	-	89,930
Total capital assets	1,142,811	100,641	-	1,243,452
Accumulated depreciation:				
Leasehold improvements	(21,676)	(18,700)	-	(40,456)
Furniture, fixture and equipment	(484,728)	(278,925)	-	(763,653)
Motor vehicles	(20,318)	(11,070)	-	(31,388)
Total accumulated depreciation	(526,722)	(308,775)	-	(835,497)
Capital assets, net	\$ 616,089	\$ (208,314)	\$ -	\$ 407,955
Depreciation expense:				
Instructional			\$ 278,925	
Administrative			18,780	
Operation of plant			11,070	
Total governmental activities depreciation expense			\$ 308,775	

**RICHARD MILBURN ACADEMY OF FLORIDA, INC.
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**A Charter School and Component Unit of the
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Notes to Financial Statements

(continued)

4 LEASE ASSET AND LIABILITY

On January 28, 2023, the School entered into a fourth amendment to the original lease agreement, dated March 15, 2010, with Masonova, LLC (“Landlord”) for the use of Daytona School facilities through July 31, 2024. In the current year, the School entered into a fifth amendment to lease the existing space for an additional 5 years until July 31, 2029.

On July 1, 2020, the School entered into a first amendment to the original lease dated May 1, 2018 with Deltona Wellness LP for the use of Deltona school facilities through June 30, 2025. In the current year, the School entered into a second amendment to the original lease dated July 1, 2024 with Deltona Wellness LP for the use of Deltona school facilities through June 30, 2028. The lease requires that the School pays electric, water, janitorial expenses and maintains insurance coverage.

Information regarding the School’s lease activity during the year ended June 30, 2025 is as follows:

Right to Use Asset:		
Right to Use Asset	\$	1,100,662
Accumulated amortization		<u>(230,092)</u>
Right to use asset, net	\$	<u>870,570</u>
Lease payable	\$	<u>910,397</u>

Interest expense related to the amortization of the lease note payable is \$48,206 for the year ended June 30, 2025 and is included in debt service. Amortization expense related to the right to use asset of \$241,000 for fiscal year 2025 was charged to governmental activities and included within the operation of plant.

Future minimum payments are as follows:

Year Ended June 30:	Principal	Interest	Total
2026	\$ 218,589	\$ 40,500	\$ 259,089
2027	241,952	28,947	270,899
2028	267,056	16,199	283,255
2029	170,377	5,167	175,543
2030	12,423	58	14,013
Total	<u>\$ 910,397</u>	<u>\$ 90,871</u>	<u>\$ 1,001,268</u>

The leaseholder of the Daytona location is responsible for the electrical utility charges for the facility and periodically invoices the School for reimbursement. As of June 30, 2025, a payable is recognized of approximately \$33,000 in electrical utility charges presented to the School for reimbursement after year-end.

**RICHARD MILBURN ACADEMY OF FLORIDA, INC.
RICHARD MILBURN ACADEMY OF VOLUSIA COUNTY**

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

Notes to Financial Statements

(continued)

5 SCHEDULE OF STATE AND LOCAL REVENUE SOURCES

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

District School Board of Volusia County, Florida:

Florida Education Finance Program	\$ 3,711,999
Class size reduction	634,251
Discretionary local efforts	458,825
Capital outlay	439,048
ESE guaranteed allocation	271,643
Education enrichment share	186,754
Discretionary millage funds	73,168
Local capital outlay	200,484
Harding Grant	40,664
Miscellaneous	22,391
Prorations to funds available	(45,293)
Safe schools	75,397
Mental health	44,438
	<hr/>
Total	\$ 6,113,769

The administrative fee paid to the School Board during the year ended June 30, 2025 totaled approximately \$91,000, and is included as a general administration expense/expenditure in the accompanying statement of activities and statement of revenues, expenditures and changes in fund balances – governmental funds.

6 RISK MANAGEMENT PROGRAM

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

Legal Matters

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

**RICHARD MILBURN ACADEMY OF FLORIDA, INC.
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**A Charter School and Component Unit of the
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Notes to Financial Statements

(continued)

7 INCOME TAXES

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

8 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 22, 2025, which is the date the financial statements were available to be issued.

**RICHARD MILBURN ACADEMY OF FLORIDA, INC.
RICHARD MILBURN ACADEMY OF VOLUSIA COUNTY**

**A Charter School and Component Unit of the
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Required Supplementary Information

Budgetary Comparison Schedule - General Fund

For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance
	Original	Final		
REVENUES				
State and local sources	\$ 7,338,616	\$ 7,338,616	\$ 5,674,721	\$ (1,663,895)
Contributions and other revenue	30,000	30,000	78,801	48,801
Total revenues	<u>7,368,616</u>	<u>7,368,616</u>	<u>5,753,522</u>	<u>(1,615,094)</u>
EXPENDITURES				
Current:				
Instruction	3,322,800	3,322,800	3,180,504	142,296
Pupil personnel services	379,800	379,800	26,967	352,833
Board	52,000	52,000	51,594	406
General administration	95,000	95,000	91,167	3,833
School administration	3,103,000	3,103,000	3,271,815	(168,815)
Fiscal services	144,000	144,000	213,367	(69,367)
Operation of plant	272,016	272,016	495,936	(223,920)
Total expenditures	<u>7,368,616</u>	<u>7,368,616</u>	<u>7,331,350</u>	<u>37,266</u>
Excess (deficiencies) of revenue over expenditures	<u>-</u>	<u>-</u>	<u>(1,577,828)</u>	<u>(1,577,828)</u>
Fund balance at end of year	<u>\$ 2,583,373</u>	<u>\$ 2,583,373</u>	<u>\$ 1,005,545</u>	<u>\$ (833,089)</u>

See Independent Auditor's Report.

**RICHARD MILBURN ACADEMY OF FLORIDA, INC.
RICHARD MILBURN ACADEMY OF VOLUSIA COUNTY**

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

Required Supplementary Information

Budgetary Comparison Schedule - Special Revenue Fund

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance
	Original	Final		
REVENUES				
State and local sources	\$ -	\$ -	\$ 676,416	\$ 676,416
Total revenues	-	-	676,416	676,416
EXPENDITURES				
Current:				
Instruction	-	-	260,746	(260,746)
Pupil personnel services	-	-	407,986	(407,986)
Capital Outlay	-	-	-	-
Total expenditures	-	-	668,732	(668,732)
Excess (deficiencies) of revenue over expenditures	-	-	7,684	(7,684)
Net changes in fund balance	-	-	7,684	(7,684)
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ 7,684	\$ (7,684)

See Independent Auditor's Report.



**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters Based
On an Audit of Financial Statements Performed in Accordance
With *Government Auditing Standards***

To the Board of Directors of Richard Milburn Academy of Florida, Inc.
Richard Milburn Academy of Volusia County, Florida
A Charter School and Component Unit of the District
School Board of Volusia County

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 and each major fund, of Richard Milburn Academy of Florida, Inc. - Richard Milburn Academy of Volusia County, Florida, 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 22, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) 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 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 a deficiency in internal control that we consider to be a material weakness. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

McCrary & Associates, PLLC

Altamonte Springs, Florida
September 22, 2025

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



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

To the Board of Directors of Richard Milburn Academy of Florida, Inc.
Richard Milburn Academy of Volusia County, Florida.
A Charter School and Component Unit of the District
School Board of Volusia County

Report on the Financial Statements

We have audited the financial statements of Richard Milburn Academy of Florida, Inc. - Richard Milburn Academy of Volusia County, Florida (the "School") as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated September 22, 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 Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in that report, if applicable, which is dated, September 22, 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 in the preceding audit year.

Official Title

Section 10.854(1)(e)5. Rules of the Auditor General, requires the name or official title of the entity be disclosed in this management letter. The official title of the entity is Richard Milburn Academy of Florida, Inc. The school code is 7891.

Financial Condition and Management

Sections 10.854(1)(e)2., and 10.855(11). Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

Transparency

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

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note 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 Volusia County School Board and is not intended to be and should not be used by anyone other than these specified parties.

McCrary & Associates, PLLC

Altamonte Springs, Florida.
September 22, 2025

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