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RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
INDEPENDENT AUDITOR'S REPORT  
AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025

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**MARK ESCOFFERY, P.A.**  
CERTIFIED PUBLIC ACCOUNTANT

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I**

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# **Mark Escoffery, P.A.**

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## **Certified Public Accountants**

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### **INDEPENDENT AUDITOR'S REPORT**

To the Board Members of  
Rise Education Schools, Inc., D/B/A  
Rise Academy School of Science and Technology I  
Margate, Florida

#### **Opinion**

I have audited the accompanying Financial Statements of the governmental activities, and each major fund, of Rise Academy School of Science and Technology I ("the School") (a nonprofit organization) a component unit of the School Board of Broward County as of and for the year ended June 30, 2025 which collectively comprise the School's basic financial statements as listed in the foregoing Table of Contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the school and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. I am required to be independent of Rise Academy School of Science and Technology I and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### **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 Rise Academy School of Science and Technology I's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

My 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 my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- 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 Rise Academy School of Science and Technology I'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 Rise Academy School of Science and Technology I's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

### **Report on Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information on pages 3 through 6 and 13 are presented to supplement the basic financial statements. Such information although not part of the basic financial statements, is required by the Governmental Accounting Standard 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.



Palm Beach Gardens, Florida  
September 19, 2025

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

Our discussion and analysis of Rise Education Schools, Inc., D/B/A Rise Academy School of Science and Technology I’s (“the Academy”) financial program provides an overview of the Academy’s financial activities for the year ended June 30, 2025.

Because the information contained in this discussion is intended to highlight significant transactions, it should be read in conjunction with the School’s financial statements, which begin on page 7.

For financial statement purposes the Academy is considered a component unit of The School Board of Broward County which is a primary government entity for financial reporting. The Academy has included separate statements for the Governmental Fund Balance Sheet and the statement of Revenue, Expenditures and Changes in Fund Balance. The Statement of Net Position and the Statement of Activities report provide information on the activities of the Academy. The Fund Financial Statements reflect financing activities of the Academy by providing information on inflows and outflows of spendable resources.

#### **NON FINANCIAL HIGHLIGHTS**

The Academy’s daily enrollment for fiscal year ended June 30, 2025 was 336 students. The Academy expects to have an enrollment of 350 students for the school year 2025-2026.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

##### ***Government-wide Financial Statements***

The government-wide financial statements are designed to provide readers with a broad overview of the Academy’s financial position. Included in these statements are all assets and liabilities using the accrual basis of accounting. All the current year’s revenues and expenses are recorded when earned or incurred.

*The Statement of Net Position* presents information on all the Academy’s assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Academy is improving or deteriorating.

*The Statement of Activities* presents information showing how the government’s net position changed during the most recent fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

##### ***Fund Financial Statements***

A *Fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**OVERVIEW OF THE FINANCIAL STATEMENTS (Cont'd.)**

***Fund Financial Statements (Cont'd.)***

*Governmental Funds* – All of the Academy’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Academy’s governmental activities and the basic services it provides.

***Notes to the Financial Statements***

The *Notes to the Financial Statements* provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages 15-22 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of the Academy’s financial position. The Academy’s assets exceeded liabilities by \$850,644 at June 30, 2025.

**NET ASSETS**

	<u><b>JUNE 30, 2025</b></u>	<u><b>JUNE 30, 2024</b></u>
Current and Other Assets	\$ 1,048,910	\$ 947,089
Capital Assets	471,154	166,383
Total Assets	\$ 1,520,064	\$ 1,113,472
Salaries & Wages Payable	77,031	115,017
Accounts Payable	12,628	49,545
Lease Payable	404,535	84,332
Note Payable	158,877	164,848
Other Liabilities	16,349	32,232
Total Liabilities	\$ 669,120	\$ 445,974
Investment in Capital Assets	\$ 66,619	\$ 82,051
Debt Service	(158,877)	(164,848)
Unrestricted	941,902	750,295
Total Net Position	\$ 850,644	\$ 667,498

Revenues from governmental activities totaled \$4,046,264 for the year ended June 30, 2025. The main source of revenue is from Florida Education Finance Program (FEFP). This revenue represented approximately 67.6% of total revenue.

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd.)**

<u>Revenue Source</u>	<u>% of Total</u>		<u>% of Total</u>	
	<u>6/30/25</u>	<u>6/30/25</u>	<u>6/30/24</u>	<u>6/30/24</u>
State Sources	\$ 3,660,727	79.7	\$ 3,311,919	75.1
Local Sources	546,578	11.9	690,824	15.6
Federal Sources	385,537	8.4	405,724	9.3
<b>TOTAL</b>	<b>\$ 4,592,842</b>	<b>100.0</b>	<b>\$ 4,408,467</b>	<b>100.0</b>

Federal Revenue Sources are primarily The National School Lunch Program (NSLP) and Title 1 grants.

Increases in levels of expenses for major functions of the Academy are shown in the following Table:

<u>Expense</u>	<u>% of Total</u>		<u>% of Total</u>	
	<u>6/30/25</u>	<u>6/30/25</u>	<u>6/30/24</u>	<u>6/30/24</u>
Instruction	\$ 2,024,297	45.9	\$ 1,905,025	45.9
Instructional Support Services	521	-	500	-
Board Services	62,342	1.4	75,935	1.8
General Administration	39,139	.9	37,575	.9
School Administration	580,841	13.2	783,379	18.9
Facilities Acquisition	-	-	-	-
Fiscal Services	349,567	7.9	21,865	0.5
Food Services	363,166	8.2	366,297	8.8
Central Services	4,940	0.1	2,149	0.1
Pupil Transportation	3,135	0.1	-	-
Operation of Plant	515,02	11.7	459,293	11.1
Maintenance of Plant	73,213	1.7	82,701	2.0
Interest	34,344	0.8	30,920	0.7
Depreciation	358,890	8.1	349,329	8.4
<b>TOTAL</b>	<b>\$ 4,409,697</b>	<b>100.0</b>	<b>\$ 4,153,142</b>	<b>100.0</b>

**BUDGETARY HIGHLIGHTS**

Revenues from all sources were approximately **\$307,000 greater than budgeted**, primarily because the Academy received **referendum funds** that had not been included in the original budget.

Actual Academy expenditures were approximately **\$25,000 greater than budgeted**, mainly due to increases in **tuition, operating costs, and school administration expenses**.

As a result, the **total fund balance of the General Fund** was **\$942,902 at June 30, 2025**.

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**CAPITAL ASSETS**

The Academy’s investment in capital assets at June 30, 2025 was \$471,154 (net of depreciation). The investment includes leasehold improvements, furniture and fixtures, equipment and software. The following is a summary of capital assets balances at June 30, 2025;

Leasehold Improvements	\$ 155,972
Furniture, Fixtures and Equipment	487,519
Motor Vehicles	61,684
Computer Software	129,454
ROU Asset	<u>1,362,261</u>
	2,196,890
Less Accumulated Depreciation	<u>1,725,736</u>
	<u>\$ 471,154</u>

**LONG-TERM DEBT**

The School received a loan from the Small Business Association (SBA) in the amount of \$161,000, on May 22, 2020. The loan bears interest at 2.75% per annum. This loan matures on May 7, 2051. Principal and interest payments are \$641 per month and began on May 22, 2021.

**PROSPECTS FOR THE FUTURE**

The Academy continues to receive funds from State sources in the form of Florida Education Finance Program Fees (FEFP). The fees are evaluated in October and February and are based on student enrollment.

- The Administration believes that the Academy will improve its rating from the Department of Education.
- The Administration believes that the Academy will continue to be successful and contribute to the educational requirements of Broward County.

**REQUESTS FOR INFORMATION**

The Management Discussion and Analysis provides a general overview of the finances of the Academy. Requests for additional information should be addressed to Dr. Carmella Morton at Rise Academy School of Science and Technology I located at 6101 NW 31st Street, Margate, Florida 33063.

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY 1**  
**Governmental Fund Balance Sheet (General Fund)**  
**June 30, 2025**

	Governmental Funds	Special Revenue	Capital Outlay	Total
<b>ASSETS</b>				
Cash	\$ 187,159			\$ 187,159
Investments	614,053			614,053
Receivables			16,349	16,349
Other current assets	150,000			150,000
Due from other funds	16,349			16,349
Deposits	65,000			65,000
<b>Total Assets</b>	<u>1,032,561</u>	-	<u>16,349</u>	<u>1,048,910</u>
<b>LIABILITIES</b>				
Accrued salaries	77,031			77,031
Accounts Payable	12,628			12,628
Other Liabilities			16,349	16,349
<b>Total Liabilities</b>	<u>89,659</u>	-	<u>16,349</u>	<u>106,008</u>
<b>FUND BALANCE</b>				
Unassigned	942,902			942,902
	<u>942,902</u>	-	-	<u>942,902</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 1,032,561</u>	<u>\$ -</u>	<u>\$ 16,349</u>	<u>\$ 1,048,910</u>

The accompanying notes are an integral part of this statement

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY 1**  
**STATEMENT OF NET POSITION**  
**June 30, 2025**

	Account Number	Primary Government		
		Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>				
Cash and Cash Equivalents	1110	187,159		187,159
Investments	1160	614,053		614,053
Other Current Assets	12xx	150,000		150,000
Receivables	1130	16,349		16,349
Due from Other Funds	1120	16,349		16,349
Prepays				-
Deposits	1210	65,000		65,000
Issuance Costs				
Capital Assets:				
Improvements other than Buildings	1320	155,972		155,972
Less Accumulated Depreciation	1329	(155,972)		(155,972)
Furniture, Fixtures and equipment	1340	487,519		487,519
Less Accumulated Depreciation	1349	(427,625)		(427,625)
Motor Vehicles	1350	61,684		61,684
Less Accumulated Depreciation	1359	(31,020)		(31,020)
Computer Software	1382	129,454		129,454
Less Accumulated Depreciation	1389	(129,454)		(129,454)
Right of Use Asset		1,362,261		1,362,261
Less Accumulated Amortization		(981,665)		(981,665)
<b>Total Assets</b>		<b>1,520,064</b>		<b>1,520,064</b>
<b>LIABILITIES</b>				
Salaries and Wages Payable	2110	77,031		77,031
Payroll Deductions and Withholdings	2170	-		-
Accounts Payable	2120	12,628		12,628
Other Liabilities	23XX	16,349		16,349
Notes Payable		158,877		158,877
Lease Payable		404,535		404,535
<b>Total Liabilities</b>		<b>669,420</b>		<b>669,420</b>
<b>NET POSITION</b>				
Invested in Capital Assets, Net of Related Debt		66,619		66,619
<b>Restricted For:</b>				
Categorical Carryover Programs	2710			
Debt Service	2750	(158,877)		(158,877)
<b>Unrestricted</b>		<b>942,902</b>		<b>942,902</b>
<b>Total Net Position</b>		<b>850,644</b>		<b>850,644</b>

The accompanying notes are an integral part of this statement

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY 1**  
**Reconciliation of the Governmental Fund (General Fund)**  
**June 30, 2025**

Fund Balance- Governmental Funds \$ 942,902

Governmental Funds report capital outlays as expenditures.  
However, in the Statement of Activities, the cost of those  
assets is depreciated over their estimated useful lives.

Governmental capital assets	\$ 834,629	
Less accumulated depreciation	(744,071)	
Right of use asset	1,362,261	
Less accumulated amortization	<u>(981,665)</u>	
		471,154
Long -term Liabilities not due and payable in the current period and therefore are not reported in the governmental funds		(158,877)
Lease payable		(404,535)
Net Position of Governmental activities		<u><u>\$ 850,644</u></u>

The accompanying notes are an integral part of this statement

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY 1**  
**Statement of Governmental Fund Revenues, Expenditures and**  
**June 30, 2025**

	Governmental <u>Funds</u>	Special <u>Revenue</u>	Debt <u>Service</u>	Capital <u>Outlay Fund</u>	<u>Total</u>
<b>EXPENSES</b>					
Instruction	\$ 1,866,904	\$ 157,393			\$ 2,024,297
Instructional Support Services	521				521
Board Services	62,342				62,342
General Administration	39,139				39,139
School Administration	580,841				580,841
Facilities Acquisition	-				-
Fiscal Services	349,567				349,567
Food Services	-	363,166			363,166
Central Services	4,940				4,940
Pupil Transportation	3,135				3,135
Operation of Plant	526,512				526,512
Maintenance of Plant	73,213				73,213
Debt Service			64,781	307,781	372,562
<b>TOTAL EXPENSES</b>	<b>3,507,114</b>	<b>520,559</b>	<b>64,781</b>	<b>307,781</b>	<b>4,400,235</b>
<b>PROGRAM REVENUES</b>					
Florida Education Finance Program (FEFP)	2,737,139				2,737,139
Capital Grants and Contributions				208,211	208,211
Charges for Services					
<b>Total Program Revenues</b>	<b>2,737,139</b>			<b>208,211</b>	<b>2,945,350</b>
<b>GENERAL REVENUES</b>					
Other State Sources	715,377				715,377
Other Federal Sources		385,537			385,537
Other Local Sources	447,008			99,570	546,578
<b>Total General Revenues</b>	<b>1,162,385</b>	<b>385,537</b>		<b>99,570</b>	<b>1,647,492</b>
Excess of Revenues over Expenses	392,410	(135,022)	(64,781)	-	192,607
Transfers In	94,485	171,931	122,357		388,773
Transfers Out	(294,288)	(36,909)	(57,576)		(388,773)
Fund Balance, Beginning of Year	750,295				750,295
Fund Balance, End of Year	<b>\$ 942,902</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 942,902</b>

The accompanying notes are an integral part of this statement

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY 1**  
**STATEMENT OF ACTIVITIES**  
**June 30, 2025**

	Account	Charges for Services	Program Revenues		Net (expense) /revenues and Changes in Net Position		
			Operating Grants	Capital Grants	Governmental	Business-type	Total
Governmental activities:							
Instruction	5000	\$ 2,024,297	\$ 385,538		\$ (1,638,759)		\$ (1,638,759)
Instructional Support Services	6200	521			(521)		(521)
Board Services	7100	62,342			(62,342)		(62,342)
School Administration	7300	580,841			(580,841)		(580,841)
General Administration	7200	39,139			(39,139)		(39,139)
Facilities Acquisition and Construction	7400			208,211	208,211		208,211
Fiscal Services	7500	349,567			(349,567)		(349,567)
Food Services	7600	363,166			(363,166)		(363,166)
Central Services	7700	4,940			(4,940)		(4,940)
Transportation Services	7800	3,135			(3,135)		(3,135)
Operation of Plant	7900	515,302			(515,302)		(515,302)
Maintenance of Plant	8100	73,213			(73,213)		(73,213)
Interest expense	9200	34,344			(34,344)		(34,344)
Unallocated Depreciation Expense *		358,890			(358,890)		(358,890)
Total Governmental Activities		4,409,697	385,538	208,211	(3,815,948)		(3,815,948)

General revenues:		
Florida Education Finance Program (FEFP)	2,737,139	2,737,139
Grants and contributions not restricted to specific programs	1,261,955	1,261,955
Total general revenues, special items, and transfers	3,999,094	3,999,094
Change in net position	183,146	183,146
Net position-beginning	667,498	667,498
Net position-ending	\$ 850,644	\$ 850,644

\* This amount excludes the depreciation that is included in direct expenses of the various functions.

The accompanying notes are an integral part of this statement

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY 1**  
**Reconciliation of the Statement of Revenues,**  
**of Governmental Fund (General Fund) To The**  
**Statement of Activities**  
**June 30, 2025**

**Net Changes in Fund Balances- Governmental Funds** \$192,607

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital assets	11,210
Less current year depreciation	(30,322)
Right of use asset	652,450
Less accumulated amortization	<u>(328,568)</u>

304,770

Payments from Debt issuance uses current resources from government funds, but issuing debt creates short term liabilities in the statement of net position

Increase in Note Payable

Lease payable

(336,250)

Payments on note payable

22,018

Change in Net Position of Governmental Activities

\$183,145

The accompanying notes are an integral part of this statement

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY 1**  
**Statement of Revenues, Expenditures and Changes**  
**In Fund Balance-Budget (GAAP Basis) and Actual- All Governmental Fund Types**  
**For the Fiscal Year Ended June 30, 2025**

	General Fund			Special Revenue			Capital Outlay Fund			Debt Service Fund			TOTAL		
	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance
	<b>EXPENDITURES:</b>														
Instruction	\$ 1,855,310	\$ 1,866,904	\$ (11,594)	\$ 150,000	\$ 157,393	\$ (7,393)							\$ 2,005,310	\$ 2,024,297	\$ (18,987)
Instructional Support Services	23,000	521	22,479										23,000	521	22,479
Board Services	20,000	62,342	(42,342)										20,000	62,342	(42,342)
General Administration		39,139	(39,139)										-	39,139	(39,139)
School Administration	862,794	580,841	281,953										862,794	580,841	281,953
Fiscal services	40,700	349,567	(308,867)										40,700	349,567	(308,867)
Food services	-	-	-	300,000	363,166	(63,166)							300,000	363,166	(63,166)
Central services	2,100	4,940	(2,840)										2,100	4,940	(2,840)
Pupil Transportation		3,135												3,135	(3,135)
Operation of Plant	408,870	526,512	(117,642)										408,870	526,512	(117,642)
Maintenance of Plant	85,000	73,213	11,787										85,000	73,213	11,787
Debt Service	-	-	-				438,080	307,781	130,299	189,006	64,781	124,225	627,086	372,562	254,524
	<u>3,297,774</u>	<u>3,507,114</u>	<u>(206,205)</u>	<u>450,000</u>	<u>520,559</u>	<u>(70,559)</u>	<u>438,080</u>	<u>307,781</u>	<u>-</u>	<u>189,006</u>	<u>64,781</u>	<u>124,225</u>	<u>4,374,860</u>	<u>4,400,235</u>	<u>(25,375)</u>
<b>PROGRAM REVENUES:</b>															
Florida Education Finance Program	2,942,057	2,737,139	(204,918)										2,942,057	2,737,139	(204,918)
Capital Grants and Contributions							211,640	208,211	3,429				211,640	208,211	(3,429)
	<u>2,942,057</u>	<u>2,737,139</u>	<u>(204,918)</u>				<u>211,640</u>	<u>208,211</u>	<u>3,429</u>				<u>3,153,697</u>	<u>2,945,350</u>	<u>(208,347)</u>

The accompanying notes are an integral part of this statement

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY 1**  
**Statement of Revenues, Expenditures and Changes**  
**In Fund Balance-Budget (GAAP Basis) and Actual- All Governmental Fund Types**  
**For the Fiscal Year Ended June 30, 2025 (Cont'd)**

	General Fund			Special Revenue			Capital Outlay Fund			Debt Service Fund			TOTAL		
	Original and Final		Variance	Original and Final		Variance	Original and Final		Variance	Original and Final		Variance	Original and Final		Variance
	Budget	Actual		Budget	Actual		Budget	Actual		Budget	Actual		Budget	Actual	
<b>GENERAL REVENUES:</b>															
Other Federal Sources				450,000	385,537	(64,463)							450,000	385,537	(64,463)
Other State Sources	356,000	715,377	359,377	-	-	-							356,000	715,377	359,377
Other Local Sources		447,008	447,008				226,440	99,570		189,006			226,440	447,008	220,568
	<u>356,000</u>	<u>1,162,385</u>	<u>806,385</u>	<u>450,000</u>	<u>385,537</u>	<u>(64,463)</u>	<u>226,440</u>	<u>99,570</u>		<u>189,006</u>			<u>1,032,440</u>	<u>1,547,922</u>	<u>515,482</u>
Excess of Expenditures over Revenue	\$ 283	392,410	\$ 807,672	\$ -	(135,022)	\$(135,022)	(226,440)	(99,570)		\$ -	(64,781)		\$ (188,723)	93,037	\$ 281,760
Transfers in		94,485			171,931					122,357				388,773	
Transfers out		(294,288)			(36,909)					(57,576)				(388,773)	
<b>Fund Balance, Beginning of Year</b>		<u>750,295</u>			<u>-</u>									<u>750,295</u>	
<b>Fund Balance, End of year</b>	<u>\$ 942,902</u>			<u>\$ -</u>			<u>\$ -</u>			<u>\$ -</u>				<u>\$ 942,902</u>	

The accompanying notes are an integral part of this statement

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

Rise Education Schools, Inc., D/B/A Rise Academy School of Science and Technology I (“the Academy”) was established as a nonprofit organization under the laws of the State of Florida and is the reporting entity.

The Academy operates as a Charter School pursuant to a Charter School Contract (“the Contract”) with The School Board of Broward County, Florida. Under the Contract the Academy provides an education to children, from Kindergarten through the fifth grade, who reside in Broward County in and around the City of Margate. For financial statement purposes the Academy is considered a component unit of The School Board of Broward County, which is a primary government entity for financial reporting.

The School Board of Broward County received 5% of the Florida Education Finance Program (FEFP) revenue as an administrative fee.

The Contract was renewed for five years and is effective through June 30, 2029. The Contract requires The School Board to provide the Academy’s primary source of funding based upon the number of full-time equivalent students (FTES) registered at the Academy.

The Academy is a tax-exempt organization under 501(C)(3) of the Internal Revenue Code.

The Academy’s financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Government Accounting Standards Board (GASB) is responsible for establishing GAAP for school districts through its pronouncements (statements and interpretations). The more significant accounting policies established in GAAP and used by the Academy are discussed below.

**Basic Financial Statements**

The Academy’s basic financial statements are the Statements of Net Position and the Statement of Activities. All the activities of the Academy are classified as governmental type activities. There are no business type activities of the Academy. All the Academy’s governmental type activities are included in the general fund and special revenue fund. There are no other major funds. In the Statement of Net Position, the governmental activities column is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt obligations. The Academy’s net position are reported in three parts – invested in capital assets, net of related debt; restricted for categorical carryover programs, debt service; and unrestricted net position.

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basic Financial Statements (cont'd.)**

The Statement of Activities reports both the gross and net cost of each of the Academy's functions. The functions are also supported by government revenues such as Florida Education Finance Program (FEFP), Capital Outlay Funds and Federal Grants. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants.

Program revenues must be directly associated with the function (after care and youth services, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

**Fund Financial Statements**

Fund Financial Statements are provided for governmental funds. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures. Major individual governmental funds are reported as separate columns in the Fund Financial Statements:

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

*Special Revenue Fund* – Accounts for specific revenue, such as federal grants that are legally restricted to expenditures for particular purposes.

*Capital outlay fund* – accounts for specific revenue received from the State of Florida that is used in the purchase, construction or lease of real property.

*Debt Service Fund* – accounts for principal and interest payments on long-term liabilities

**Basis of Accounting**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounting and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

**Accrual**

The governmental type activities in the financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. When both restricted and unrestricted resources are available for use, it is the policy of the Academy to use restricted resources first, then unrestricted resources as they are needed.

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Measurement Focus**

The accounting and financial reporting treatment is determined by applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities).

The Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet and operating statements present increases (i.e. revenues) and decreases (i.e. expenses) in net position.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e. expenditures and other financial uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available to finance expenditures of the fiscal period. For this purpose, the Academy considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles include the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

**Concentration of Credit Risk**

Financial instruments that subject the Academy to concentrations of credit risk include cash. While the Academy attempts to limit its financial exposure, its deposit balances may at times exceed federally insured limits. The Academy has not experienced any losses on such balances.

Cash deposits are held at banks qualified as public depositories in accordance with Chapter 280 Florida Statutes.

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Fair Value Measurements**

The Fair Value Measurements Topic of the FASB Accounting Standards Codification defines fair value, establishes a consistent framework for measuring fair value and expands disclosure requirements for fair value measurements.

The Academy measures fair value of assets and liabilities as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants at the measurement date. 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.

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of assets and liabilities and their placement within the fair value hierarchy levels.

**Contributed Services and Facilities**

The Academy does not recognize any support, revenue or expense from services contributed by individual volunteers since no objective basis is available to measure the value of such services. However, a substantial number of volunteers have donated significant amounts of time to the Academy's program services.

**Budgetary Basis of Accounting**

Budgets are presented on the modified accrual basis of accounting. During the fiscal year expenditures were controlled at the object level (i.e., salaries, purchased services, and capital outlay).

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost. Contributed assets are reported at fair market value as of the date received.

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Leasehold Improvements	Life of Lease
Furniture, Fixtures and Equipment	3-10 Years
Software	3 Years

**Program Revenue**

Revenues for operations are received primarily from the School Board of Broward County pursuant to the funding provisions included in the School’s Charter. In accordance with the funding provisions of the Charter and Section 1002.33, Florida Statutes, the School will report the number of full-time equivalent (FTE) students and related data to the School District of Broward County. Funding for the School is adjusted during the year to reflect the revised calculations by the Florida Department of Education under the Florida Education Finance Program and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods. In addition, the School receives an annual allocation of charter school capital outlay funds.

**General Revenue**

These revenue funds include federal grants, state revenue other than Florida Education Finance Program revenue and local source revenue including capital improvement and fundraising.

**Fund Balance Classifications**

GASB requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

- a) **Nonspendable** fund balance includes amounts that are not in a spendable form such as inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned). There was no nonspendable fund balance at year end.
- b) **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. There was no restricted fund balance at year end.
- c) **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the School’s highest level of decision making authority. There was no committed fund balance at year end.

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- d) **Assigned** fund balance includes amounts intended to be used by the Academy's Management for specific purposes but which does not meet the criteria to be classified as restricted or committed. There was no assigned fund balance at year end.
- e) **Unassigned** fund balance includes amounts that are available for any purpose. These amounts are reported only in the general fund. There was an unassigned fund balance at year end.

**Order of Fund Balance Spending Policy**

The Academy's policy is to apply expenditures against nonspendable fund balance, followed in order by restricted fund balance, committed fund balance, assigned fund balance, and lastly unassigned fund balance at the end of the fiscal year. The Academy's Board of Directors can deviate from this policy if it is in the best interest of the Academy.

Interfund transfers were made through the general fund for special revenue transactions of \$266,416 and to fund debt service requirements of \$122,357.

**Adoption of FASB ASC 842**

Effective July 1, 2022, the Academy adopted FASB ASC 842, *Leases*. The new standard establishes a right of use (ROU) model that requires a lessee to record an ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases with a term of less than 12 months will not record a right of use asset and lease liability and the payments will be recognized into profit or loss on a straight-line basis over the lease term.

The Academy elected to adopt FASB ASC 842, *Leases*, using the optional transition method that allows the Academy to initially apply the new leases standard at the adoption date and recognize a cumulative effect adjustment to the opening balance of net position in the period of adoption. As a result, the Academy reporting for the comparative period presented in the financial statements is in accordance with FASB ASC 842.

The Academy elected to adopt the package of practical expedients available under the transition guidance with the new standard. This package includes the following: relief from determination of lease contracts included in existing or expiring leases at the point of adoption, relief from having to reevaluate the classification of leases in effect at the point of adoption, and relief from reevaluation of existing leases that have initial direct costs associated with the execution of the lease contract. The Academy also elected to adopt the practical expedient to use hindsight to determine the lease term and assess the impairment of the right of use assets.

See Note 5 – Long Term Liabilities, for a discussion of the impact of implementing FASB ASC 842, *Leases*.

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 2 – COMPENSATED ABSENCES**

Employees of the Academy are entitled to paid vacation and sick days depending on length of services. The Academy’s policy is to recognize the cost of vacation days when earned by the employees. The value of unused vacation days was determined to be immaterial and therefore no accrual has been made.

**NOTE 3 – CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2025 were as follows:

	Balance <u>Beginning</u>	Additions	Disposals	Balance <u>Ending</u>
Leasehold Improvements	\$ 155,972	\$ -	\$ -	\$ 155,972
Furniture, Fixtures and Equipment	487,519	-	-	487,519
Computer Software	129,454	-	-	129,454
Motor Vehicles	50,473	11,210	-	61,683
ROU Asset	709,811	652,450	-	1,362,261
	<u>1,533,229</u>	<u>663,660</u>	<u>-</u>	<u>2,196,889</u>
Less Accumulated Depreciation and amortization	1,366,845	358,890	-	1,725,735
<b>NET CAPITAL ASSETS</b>	<b><u>\$ 166,384</u></b>	<b><u>\$ 304,770</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 471,154</u></b>

Depreciation and amortization expense of \$358,890 was unallocated during the year ended June 30, 2025.

Beginning balances were adjusted to reflect actual amounts.

**NOTE 4 – ACCOUNTS RECEIVABLE**

The school received an advance of \$150,000 which it loaned to a related entity to finance the operations of an affiliated charter school. This amount was repaid during the year ended June 30, 2025.

**NOTE 5 – LONG TERM LIABILITIES**

Long Term liability activity for the year ended June 30, 2025 was as follows:

	Beginning <u>Balance</u>	Additions	Re- ductions	Ending <u>Balance</u>	Due Within <u>One Year</u>
SBA Loan	164,548	-	5,971	158,877	56,307
Note Payable	16,047	-	16,047	-	-
Lease Liability	84,332	652,450	332,247	404,535	316,250
	<u>\$ 264,927</u>	<u>\$ 652,450</u>	<u>\$ 354,265</u>	<u>\$ 563,212</u>	<u>\$ 322,547</u>

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 5 – LONG TERM LIABILITIES (Cont.)**

The School received a loan from the Small Business Association (SBA) in the amount of \$159,900, on May 22, 2020. The loan bears interest at 2.75% per annum. This loan matures on May 7, 2051. Principal and interest payments are \$641 per month and began in March 2024.

**Debt Maturity**

Debt service requirements for the SBA Loan and the note payable at June 30, 2025 were as follows:

YEAR ENDED JUNE 30	<u>PRINCIPAL</u>	<u>INTEREST</u>
2026	6,307	4,326
2027	6,643	4,233
2028	6,979	4,140
2029	7,315	4,047
2030-2051	131,633	2858
	<u>\$ 158,877</u>	<u>\$ 50,821</u>

**Lease Liability**

The Academy has lease arrangements for certain equipment that typically do not extend beyond five years and generally contain one year renewal options, none of which are reasonably certain of exercise. The Academy’s lease arrangements may contain both lease and non-lease components. The Academy has elected to combine and account for lease and non-lease components as a single lease component for its leases.

The Academy leases its administrative and classroom facilities under a non cancelable operating lease that expires in 2025.

The Academy made \$351,780 of fixed cash payments related to operating leases for the year ended June 30, 2025.

The following table shows lease expense details for the year ended June 30, 2025:

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 5 – LONG TERM LIABILITIES (Cont.)**

The following table shows other important lease information:

**Other information**

Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	351,780
ROU assets obtained in exchange for new operating lease liabilities	1,362,261
Weighted-average remaining lease term in years for finance leases	54years
Weighted-average discount rate for finance leases	4.75%

Lease liability maturities as of June 30, 2025, are as follows:

YEAR ENDED	
JUNE 30,	
2026	327,458
2027-2030	<u>1,420,942</u>
Total undiscounted cash flows	1,748,100
Less: present value discount	<u>(1,016,407)</u>
Total lease liabilities	<u>404,535</u>

**NOTE 6 – CONTRACTS**

The Academy has a Contract with Charter School Services Corp., to provide accounting, financial management and budgeting services. The terms of the Contract are for 10 years and expires on December 31, 2025. Under the terms of the Contract the Company was to receive \$120 per full time equivalent (FTE) student per year. Fees paid for the year ended June 30, 2025 were to \$23,520.

**NOTE 7- RELATED PARTY TRANSACTIONS**

The School has a contractual arrangement with Rise Education management , a company owned and controlled by the School’s Executive Director. In lieu of paying a direct salary to the Executive Director, the School pays Rise Education management for management services, curriculum development, and related administrative support.

For the year ended June 30,2025 the School incurred expenses of \$326,047 under this arrangement. At June 30, 2025, there were no amounts payable to Rise Education Management.

The Board of Directors has reviewed and approved this arrangement. Management believes that these services are essential to the operation of the school.

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 7 – COMMITMENTS AND CONTINGENCIES**

**Risk Management**

The Academy is exposed to various risks of loss related to theft, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The Academy purchases commercial insurance for all material risks of loss to which the Academy is exposed, including general liability, property, auto and workers compensation. A review of the last ten years reveals that settled claims have not exceeded insurance coverage.

The Academy receives funding from the State of Florida based on the number of full time equivalent (FTE) students who attend the Charter School. The data is compiled by the Academy and is subject to audit by the State and if errors are found this could result in amounts having to be repaid to the State or decrease in future allocations. Management believes that the amounts that would have to be remitted back to the State due to errors in their FTE count would not be material to the financial position of the Academy.

**NOTE 8 – SUBSEQUENT EVENTS**

Management has evaluated events that occurred subsequent to the year end for potential recognition or disclosure in the financial statements, through the date on which the financial statements were available to be issued. The date when the financial statements were available to be issued was September 19, 2025. Management's evaluation did not reveal any subsequent events that would have a material effect on the financial statements.

# **Mark Escoffery, P.A.**

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## **Certified Public Accountants**

3309 Northlake Blvd.  
Suite 201  
Palm Beach Gardens, FL 33403

Tel (561) 627-1404  
Fax (561) 627-3844

### **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 Members of  
Rise Education Schools, Inc., D/B/A  
Rise Academy School of Science and Technology I  
Margate, Florida

I have audited the financial statements of Rise Education Schools, Inc., D/B/A Rise Academy School of Science and Technology I (“the Academy”) (a nonprofit organization) as of and for the year ended June 30, 2025, and have issued my report thereon dated September 19, 2025. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### **Internal Control over Financial Reporting**

In planning and performing my audit, I considered the Academy’s internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School’s internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Academy’s internal control over financial reporting.

*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.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

**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* (Cont'd.)**

To the Board Members of  
Rise Education Schools, Inc., D/B/A  
Rise Academy School of Science and Technology I  
Margate, Florida  
Page 2

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Academy's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*

This Report is intended solely for the information and use of the Board Members, Management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Palm Beach Gardens, Florida

September 19, 2025

# ***Mark Escoffery, P.A.***

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## ***Certified Public Accountants***

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Palm Beach Gardens, FL 33403

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### **MANAGEMENT LETTER**

To the Board Members of  
Rise Education Schools, Inc., D/B/A  
Rise Academy School of Science and Technology I  
Margate, Florida

#### **Report on the Financial Statements**

I have audited the financial statements of the Rise Education Schools, Inc., D/B/A Rise Academy School of Science and Technology I, Florida, School Code 5420 as of and for the fiscal year ended June 30, 2025, and have issued my report thereon dated September 19, 2025.

#### **Auditor's Responsibility**

I conducted my 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 Reports and Schedules**

I have issued my 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*.

#### **Prior Audit Findings**

Section 10.854(1)(e)1., Rules of the Auditor General, requires that I 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 annual financial audit report.

#### **Official Title**

Section 10.854(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity. The official title of the entity is Rise Education Schools, Inc., D/B/A Rise Academy School of Science and Technology I

**MANAGEMENT LETTER**  
**(Continued)**

**Financial Condition**

Sections 10.854(1)(e)2., Rules of the Auditor General, require that I report the results of my determination as to whether or not the Rise Academy School of Science and Technology I has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with my audit, I determined that the Rise Academy School of Science and Technology I 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, I applied financial condition assessment procedures for the Rise Academy School of Science and Technology I. It is management's responsibility to monitor the Rise Academy School of Science and Technology I's financial condition and my financial condition assessment was based in part on representations made by management and review of financial information provided by same. Financial assessments made including a review of subsequent financial statements did not indicate that the Academy's financial condition is deteriorating.

**Transparency**

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require that I report the results of my determination as to whether or not the Rise Academy School of Science and Technology I maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with my audit, I determined that the Rise Academy School of Science and Technology I maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

**Other Matters**

Section 10.854(1)(e)3., Rules of the Auditor General, requires that I address in the management letter any recommendations to improve financial Management. In connection with my audit, I did not have any such recommendations.

Section 10.854(1)(e)4., Rules of the Auditor General, requires that I 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 my audit, I did not have any such findings.

**MANAGEMENT LETTER**  
**(Continued)**

**Purpose of this Letter**

My 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 Broward County School Board and is not intended to be and should not be used by anyone other than these specified parties.



Mark Escoffery, P.A.  
Palm Beach Gardens, Florida  
September 19, 2025