

**SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
A CHARTER SCHOOL AND COMPONENT UNIT OF  
THE SCHOOL BOARD OF SARASOTA COUNTY**

**INDEPENDENT AUDITORS' REPORT  
FINANCIAL STATEMENTS  
AND  
REQUIRED SUPPLEMENTARY  
INFORMATION**

**JUNE 30, 2025**



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Marc A. Miller, CPA

Kelley D. Miller, CPA

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Sarasota School of Arts & Sciences, Inc.

### **Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of Sarasota School of Arts & Sciences, Inc. (the Charter School), a Charter School and component unit of the School Board of Sarasota County, Florida, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Sarasota School of Arts & Sciences, Inc.'s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of Sarasota School of Arts and Sciences, Inc., as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Charter 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 these 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 Charter School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditors' Responsibility 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charter 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 Charter 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 schedule on pages 4-8 and 26 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 GAAS, 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 17, 2025, on our consideration of the Sarasota School of Arts and Sciences, Inc.'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 Sarasota School of Arts and Sciences, Inc.'s internal control over financial reporting and compliance.

*Miller & Miller, P.A.*

Sarasota, Florida

September 17, 2025

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
A CHARTER SCHOOL AND COMPONENT UNIT OF  
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA  
**MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)**  
JUNE 30, 2025

The following pages represent Management’s Discussion and Analysis (MD&A) of Sarasota School of Arts & Sciences, Inc. (the Charter School). It depicts and reviews the financial picture and activities of the Charter School as of and for the year ended June 30, 2025.

The intent of this MD&A is to present a picture and assessment of the Charter School’s financial performance in an effort to more clearly demonstrate to readers the results of this year’s financial operations. Readers should also review the basic financial statements and notes to enhance their understanding of the Charter School’s financial performance.

Using the Financial Statements

This financial report includes a series of financial statements and notes to those financial statements. These statements are organized so the reader can understand Sarasota School of Arts & Sciences, Inc. as a financial whole, or as an entire operating entity.

The statement of net position and the statement of activities provide information about the activities of the Charter School as a whole, presenting both an aggregate view of the Charter School’s finances and a longer-term view of those finances. The financial statements show how services were financed in the short-term as well as what financial resources remain for future spending.

Financial Highlights

**Statement of Net Position**

	<u>2025</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>
Current and other assets	\$ 4,625,517	\$ 3,816,825	\$ 808,692	
Capital assets	<u>13,452,443</u>	<u>13,589,268</u>	<u>(136,825)</u>	
Total Assets	<u>\$ 18,077,960</u>	<u>\$ 17,406,093</u>	<u>\$ 671,867</u>	3.9%
Current liabilities	\$ 1,510,391	\$ 1,233,475	\$ 276,916	
Noncurrent liabilities	<u>11,056,911</u>	<u>11,927,323</u>	<u>(870,412)</u>	
Total Liabilities	<u>\$ 12,567,302</u>	<u>\$ 13,160,798</u>	<u>\$ (593,496)</u>	(4.5)%
Net investment in capital assets	\$ 2,069,625	\$ 1,520,888	\$ 548,737	
Restricted	-	-	-	
Unrestricted	<u>3,441,033</u>	<u>2,724,407</u>	<u>716,626</u>	
Total Net Position	<u>\$ 5,510,658</u>	<u>\$ 4,245,295</u>	<u>\$ 1,265,363</u>	29.8%

**Total assets** increased this year by 3.9% for the year ended June 30, 2025, compared with the year ended June 30, 2024. This increase was primarily due to the purchase of property and more computers and iPads beyond the numbers we have had in previous years.

**Total liabilities** decreased this year by (4.5)% for the year ended June 30, 2025, compared with the year ended June 30, 2024. This decrease was primarily due to repayments on long-term debt.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
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**MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)**  
JUNE 30, 2025

**Capital Assets, Equipment under Finance Lease, and Long-term Debt Administration**

Below is a schedule of the Charter School's capital assets as of June 30, 2025 and 2024.

	<u>2025</u>	<u>2024</u>	<u>Change</u>
Capital assets, not being depreciated			
Land	\$ 5,234,104	\$ 5,234,104	\$ -
Construction-in-progress	-	-	-
Total capital assets, not being depreciated	<u>\$ 5,234,104</u>	<u>\$ 5,234,104</u>	<u>\$ -</u>
Capital assets being depreciated, net and equipment under finance lease being amortized, net			
Building and improvements	\$ 7,377,976	\$ 7,613,643	\$ (235,667)
Furniture, fixtures and equipment	693,519	530,735	162,784
Motor vehicles	119,064	160,782	(41,718)
Equipment under finance lease	<u>27,780</u>	<u>50,004</u>	<u>(22,224)</u>
Total capital assets being depreciated, net and equipment under finance lease being amortized, net	<u>8,218,339</u>	<u>8,355,164</u>	<u>(136,825)</u>
Capital assets and equipment under finance lease, net	<u>\$ 13,452,443</u>	<u>\$ 13,589,268</u>	<u>\$ (136,825)</u>

The Charter School has invested in a variety of capital assets including real property, building improvements, furniture, fixtures, and other equipment. Total capital assets and equipment under finance lease at June 30, 2025, amount to \$13,452,443, net of accumulated depreciation and amortization.

See Note C to the financial statements for details of the activity during the fiscal year and other related information.

**Long-term Debt**

Below is a schedule of outstanding debt as of June 30, 2025 and 2024.

	<u>2025</u>	<u>2024</u>	<u>Change</u>
Long-term debt and capital leases	<u>\$ 11,382,818</u>	<u>\$ 12,068,380</u>	<u>\$(685,562)</u>

Long-term debt at June 30, 2025, consisted of three notes payable and obligations under financial leases. Notes payable had a year-end balance of \$11,348,516 and the finance lease obligations had a year-end balance of \$34,302.

See Note G to the financial statements for details of the activity during the fiscal year and other related information.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
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**MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)**  
JUNE 30, 2025

**Statement of Activities**

	2025	2024	Change	% Change
Revenues				
Program revenues				
Operating grants and contributions	\$ -	\$ 12,924	\$ (12,924)	
General revenues				
Local	9,845,688	9,057,303	788,385	
Investment income	<u>28,161</u>	<u>53,013</u>	<u>(24,852)</u>	
Total revenues	<u>9,873,849</u>	<u>9,123,240</u>	<u>750,609</u>	7.60%
Expenses				
Instruction	5,143,932	4,881,392	262,540	
Pupil personnel services	66,621	60,911	5,710	
Instructional media services	170,459	168,184	2,275	
Instructional staff training	48,034	59,079	(11,045)	
Board	105,136	106,376	(1,240)	
General administration	27,587	27,211	376	
School administration	1,224,532	1,225,975	(1,443)	
Fiscal services	57,270	35,048	22,222	
Pupil transportation	165,177	170,694	(5,517)	
Operation of plant	568,188	585,663	(17,475)	
Maintenance of plant	503,984	478,621	25,363	
Interest and fiscal charges on long-term debt	<u>527,566</u>	<u>417,867</u>	<u>109,699</u>	
Total expenses	<u>8,608,486</u>	<u>8,217,021</u>	<u>391,465</u>	4.55%
Change in net position	1,265,363	906,219	359,144	
Net position, beginning of year	<u>4,245,295</u>	<u>3,339,076</u>	<u>906,219</u>	
Net position, end of year	<u>\$ 5,510,658</u>	<u>\$ 4,245,295</u>	<u>\$ 1,265,363</u>	22.96%

**Total revenue** increased 7.60% (\$750,609) for the year ended June 30, 2025, compared to the year ended June 30, 2024, due to an increase in per student FTE funding, an increase in Local Effort Discretionary Funds, an increase in capital funding both at district and state levels and additional federal funding. Also, increased due to the state legislative requirement of increasing our local capital revenue sharing requirements. Previously the district shared a flat amount of \$250 per pupil with charter schools, regardless of tax roll changes. The legislative requirement of sharing 20% of our allocated FTE amount, increased our capital funding considerably. In addition, our district's referendum amounts have increased as property values and tax rolls increase.

**Overall expenditures** increased 4.55% (\$391,465) for the year ended June 30, 2025, compared to the year ended June 30, 2024, due to a couple of factors. First, we increased salaries 5-15% for all teachers, administration, and staff this school year to help us maintain a competitive and happy staff. In addition, insurance costs have increased annually. Second, expenditures increased due to purchases of computers, enrichment supplies, a new bus, and other items with revenue from federal and state funding.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
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**MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)**  
JUNE 30, 2025

The largest revenue source for the Charter School is the Florida Education Finance Program (FEFP), which allocates funds based on the number and type of students enrolled in the Charter School. Grants and fundraising account for the second largest source of revenue.

**General Fund Budgetary Highlights**

During the year there were slight increases in budget appropriations between the original budget and the final amended budget.

**Economic Factors and the Budget**

The viability and future goals of the Sarasota School of Arts & Sciences, Inc are based on the continuation of conservative and creative financial management. Our Charter School has continued to perform competitively based on comparison of district state testing (FAST) scores. The Charter School earned an A rating since 2006. The Charter School is located in an A rated district in Florida and is still one of the highest performing middle schools within this competitive district. Our Charter School continues to be a “High Performing Charter School” as designated by the state of Florida, which has given us many advantages including a reduction of 3% in our sponsor cost, to only 2% of the first 250 students. To earn a High Performing Charter School designation, the state reviews both our school grade as well as our financial stability and audit results. We have been able to maintain a surplus within our savings accounts, with a year-end unrestricted cash balance of \$4,600,655. In addition, we are extremely pleased to maintain our BBB- rating from Standard and Poor’s (S&P). Finally, FYE 2021 school year, SSA+S was again confirmed and deemed a School of Excellence by the Florida Department of Education, for every year that this designation has been in existence. Niche.com has rated us the number one Charter Middle School and number three Public Middle School in Sarasota County (number one is a gifted magnet school) in the district. In addition, as a north county school, we have outperformed all of our competition schools.

The goal for this school year is to maintain our student population of 740, with a waiting list which allows us to fill any spaces made by attrition. The legislation now has 20% local capital funding requirement, and this will increase, 20% each year, until it hits 100% in year five. We are in year three of the progression of this, so we are at 60%. For FYE 25, we will be allocated a total of \$862,562.00 of capital outlay dollars. Our capital monies are used to purchase ever-changing technology (we update our student computers every three years) as well as maintain and improve the facilities for our students. When capital funding is high, we upgrade our technology and facilities; when funding decreases, we decrease our capital projects so that it does not affect our operating budget. This increased funding is also allowing for the incremental step purchase of the property next door, which will be retrofitted into an auditorium and woodshop without affecting our budget.

For the 2024-2025 budget, SSAS did see an increase in both the Safe School Allocation and Mental Health Service Allocation (increased a total amount of \$19,286.00 from the 2023-2024 SY). The Governor continues to finance his new teacher raise and minimum teacher salary allocation (\$271,419) since 2020 (TSIA Funding). Due to our high teacher retention and compensation package, most of this allocation was used to fund a 5% raise for all teachers without affecting our general fund and maintaining previous increases. This TSIA Funding is continuing again this school year and will again fund and maintain Faculty Raises. This, in addition to winning the Best Workplace Award in 2024, based entirely on climate surveys of employee satisfaction, ensures that we keep highly qualified staff retained.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
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**MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)**  
JUNE 30, 2025

All of the achievements above, coupled with our successful financial management techniques, will ensure that our Charter School continues to be Sarasota County's highest performing middle school.

**Request for Information**

This financial report is designed to provide a general overview of the Sarasota School of Arts & Sciences, Inc.'s finances for those with an interest in the Charter School's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Principal.

**For further information contact;**

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Telephone: 941-330-1855, Ext. 1454  
[taratahmosh@ssas.org](mailto:taratahmosh@ssas.org)

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
A CHARTER SCHOOL AND COMPONENT UNIT OF  
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

STATEMENT OF NET POSITION

June 30, 2025

<u>Assets</u>	<u>Total</u>
Current assets	
Cash	\$ 4,600,655
Prepaid items	24,112
Total current assets	4,624,767
Noncurrent assets	
Equipment under finance lease, net of accumulated amortization of \$83,340	27,780
Capital assets, non-depreciable	5,234,104
Capital assets, net of accumulated depreciation of \$5,629,875	8,190,559
Deposits	750
Total noncurrent assets	13,453,193
Total Assets	18,077,960
<u>Deferred Outflows of Resources</u>	-
Total Assets and Deferred Outflows of Resources	\$ 18,077,960
<u>Liabilities and Net Position</u>	
Current liabilities	
Accounts payable	\$ 22,668
Accrued salaries payable	347,558
Deferred sales tax revenue	280,925
Deferred rent and insurance	200,000
Current portion of long term debt, net of discount	632,070
Current portion of obligation under finance lease	27,170
Total current liabilities	1,510,391
Noncurrent liabilities	
Obligations under finance lease	7,132
Deferred rent and insurance	333,333
Long-term debt, net discount	10,716,446
Total noncurrent liabilities	11,056,911
Total Liabilities	12,567,302
<u>Deferred Inflows of Resources</u>	-
Total Liabilities and Deferred Inflows of Resources	12,567,302
Net position	
Investment in capital assets, net of related debt	2,069,625
Unrestricted	3,441,033
Total net position	5,510,658
Total Liabilities and Net Position	\$ 18,077,960

The accompanying notes are an integral part of these financial statements.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
A CHARTER SCHOOL AND COMPONENT UNIT OF  
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025

			Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets	
Governmental activities						
Instruction	\$ 5,143,932	\$ -	\$ -	\$ -	\$ (5,143,932)	
Support services						
Pupil personnel services	66,621	-	-	-	(66,621)	
Instructional media services	170,459	-	-	-	(170,459)	
Instructional staff training	48,034	-	-	-	(48,034)	
Board	105,136	-	-	-	(105,136)	
General administration	27,587	-	-	-	(27,587)	
School administration	1,224,532	-	-	-	(1,224,532)	
Fiscal services	57,270	-	-	-	(57,270)	
Pupil transportation services	165,177	-	-	-	(165,177)	
Operation of plant	568,188	-	-	-	(568,188)	
Maintenance of plant	503,984	-	-	-	(503,984)	
Interest and fiscal charges on long-term debt	527,566	-	-	-	(527,566)	
Total governmental activities	\$ 8,608,486	\$ -	\$ -	\$ -	\$ (8,608,486)	
General revenues						
Local					9,845,688	
Investment income					28,161	
Total general revenues					9,873,849	
Change in net assets					1,265,363	
Net position, beginning of year					4,245,295	
Net position, end of year					\$ 5,510,658	

The accompanying notes are an integral part of these financial statements.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
A CHARTER SCHOOL AND COMPONENT UNIT OF  
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2025

<u>Assets</u>	General Fund	Capital Projects Fund	Total
Cash	\$ 4,600,655	\$ -	\$ 4,600,655
Prepaid items	24,112	-	24,112
Deposit	<u>750</u>	<u>-</u>	<u>750</u>
 Total Assets	 \$ <u><u>4,625,517</u></u>	 \$ <u><u>-</u></u>	 \$ <u><u>4,625,517</u></u>
 <u>Liabilities and Fund Balance</u>			
Liabilities			
Accounts payable	\$ 22,668	\$ -	\$ 22,668
Accrued expenses	347,558	-	347,558
Deferred sales tax revenue	280,925	-	280,925
Deferred rent and insurance	<u>200,000</u>	<u>-</u>	<u>200,000</u>
 Total liabilities	 851,151	 -	 851,151
 Fund balance			
Nonspendable			
Prepaid items/deposit	24,862	-	24,862
Unassigned	<u>3,749,504</u>	<u>-</u>	<u>3,749,504</u>
 Total fund balance	 <u>3,774,366</u>	 <u>-</u>	 <u>3,774,366</u>
 Total Liabilities and Fund Balance	 \$ <u><u>4,625,517</u></u>	 \$ <u><u>-</u></u>	 \$ <u><u>4,625,517</u></u>

The accompanying notes are an integral part of these financial statements.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
A CHARTER SCHOOL AND COMPONENT UNIT OF  
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION

June 30, 2025

Fund balance - Governmental Funds \$ 3,774,366

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

Capital assets and leased equipment used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Capital assets	19,054,538	
Less accumulated depreciation	<u>(5,629,875)</u>	13,424,663
Leased equipment	111,120	
Less accumulated amortization	<u>(83,340)</u>	27,780

Noncurrent liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Deferred rent and insurance	(333,333)	
Long-term debt, net of discount	<u>(11,382,818)</u>	<u>(11,716,151)</u>

Total Net position - Governmental Activities \$ 5,510,658

The accompanying notes are an integral part of these financial statements.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
A CHARTER SCHOOL AND COMPONENT UNIT OF  
THE SCHOOL BOARD OF SARASOTA COUNTY

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2025

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Revenues			
Intergovernmental			
State through local	\$ 5,512,778	\$ -	\$ 5,512,778
Local	4,132,909	-	4,132,909
Investment income	28,161	-	28,161
Total revenues	<u>9,673,848</u>	<u>-</u>	<u>9,673,848</u>
Expenditures			
Education			
Instruction	4,565,782	-	4,565,782
Pupil personnel services	66,621	-	66,621
Instructional media services	170,459	-	170,459
Instructional staff training	48,034	-	48,034
Board	82,329	-	82,329
General administration	-	-	-
School administration	1,184,994	-	1,184,994
Fiscal services	57,270	-	57,270
Pupil transportation	165,177	-	165,177
Operation of plant	565,407	-	565,407
Maintenance of plant	502,596	-	502,596
Capital outlay	535,425	-	535,425
Debt service			
Principal and interest	1,213,128	-	1,213,128
Debt issuance costs	-	-	-
Total expenditures	<u>9,157,222</u>	<u>-</u>	<u>9,157,222</u>
Net change in fund balance	516,626	-	516,626
Fund balance, beginning of year	<u>3,257,740</u>	<u>-</u>	<u>3,257,740</u>
Fund balance, end of year	<u>\$ 3,774,366</u>	<u>\$ -</u>	<u>\$ 3,774,366</u>

The accompanying notes are an integral part of these financial statements.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
A CHARTER SCHOOL AND COMPONENT UNIT OF  
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2025

Net change in fund balance - Governmental Funds	\$	516,626
Amounts reported in the statement of activities are different because:		
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.</p>		
Capital outlay expenditures		538,040
Depreciation expense	<u>(650,027)</u>	(111,987)
<p>Governmental funds report leased equipment as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as amortization expense. This is the amount by which capital outlays exceeded amortization expense in the current period.</p>		
Less current year amortization		(22,224)
<p>The issuance of long-term debt provides current financial resources in the governmental funds, but issuing debt increases noncurrent liabilities in the Statement of Net Position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces noncurrent liabilities in the Statement of Net Position. This is the amount by which repayments exceeded proceeds.</p>		
Principal repayments on notes payable and capital leases		685,562
<p>The net effect of various transactions involving capital assets (i.e., sales) is to decrease net position.</p>		
Net book value of capital assets disposed		(2,614)
<p>In the Statement of Activities, some revenue and expense do not require the source or use of current financial resources and, therefore, are not reported as revenue or expenditure in the governmental funds.</p>		
Deferred Rent income recognized in current year		<u>200,000</u>
Change in net position of Governmental Activities	\$	<u><u>1,265,363</u></u>

The accompanying notes are an integral part of these financial statements.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
A CHARTER SCHOOL AND COMPONENT UNIT OF  
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: Sarasota School of Arts & Sciences, Inc. (the Charter School) is a not-for-profit corporation formed on February 10, 1997, pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 228.056, Florida Statutes. The governing body of the Charter School is a Board of Directors of no less than seven members. The Charter School is dedicated to teaching principles of academic excellence and social responsibility to grades 6-8 through involvement of students, faculty, parents, mentors, and the community. The Charter School's curriculum emphasizes the arts and sciences encouraging students to learn, think and explore by traditional and nontraditional means.

The general operating authority of the Charter School is contained in Chapter 1002.33, Florida Statutes. The Charter School operates under a charter of the sponsoring school board, the School Board of Sarasota County, Florida (the School Board). The current charter was renewed on July 1, 2014 and is effective until June 30, 2028, and may be renewed by mutual agreement between the Charter School and the School Board. The Charter School is considered a component unit of the School Board.

Basis of Presentation: The basic financial statements of the Charter School have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB has issued a codification of government accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as GAAP for state and local governments.

Government-Wide and Fund Financial Statements: The Charter School's basic financial statements include both government-wide (reporting on the Charter School as a whole) and fund financial statements (reporting on the General Fund only). Both the government-wide and fund financial statements present only governmental activities. The Charter School has no business-type activities.

In the government-wide Statement of Net Position, the Charter School reports on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Charter School's net position is reported in three parts (as applicable): net investment in capital assets; restricted net position; and unrestricted net position.

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a given function (or segment) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions restricted to meeting the operational or capital requirements of a particular function or segment. Unrestricted grants and contributions and other items not properly included among program revenues are reported as general revenues.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
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**NOTES TO BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements – Continued

The financial transactions of the Charter School are reported in individual funds in the fund financial statements. The fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures.

The individual generic fund types in the Charter School's financial statements are governmental funds. The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

The only governmental fund utilized by the Charter School is the General Fund. This fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures. The General Fund is the general operating fund of the Charter School and is used to account for all its financial resources.

Measurement Focus, Basis of Accounting and Financial Statement Presentation: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Charter School considers revenues to be available if they are collected within 60 days of the end of the current period. When grant terms provide that the expenditure of resources is the determining factor for eligibility for Federal, State and other grant resources, revenue is recognized at the time the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenues for current operations received from the School Board of Sarasota County, Florida, pursuant to the funding provisions included in the Charter School's charter are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Charter School.

Budgetary Basis of Accounting: Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the fund level.

For the year ended June 30, 2025, expenditures exceeded appropriations for various functions. These were covered by positive variances in other functions which resulted in a net total positive variance overall.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
A CHARTER SCHOOL AND COMPONENT UNIT OF  
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash Deposits: The Charter School's cash consists of demand deposits with financial institutions insured by the Federal Depository Insurance Company. The Charter School has no cash equivalents.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Receivables: Receivables were \$-0- as of June 30, 2025. Management considers all receivables to be fully collectible, therefore no allowance has been recorded as of June 30, 2025.

Capital Assets: Capital assets are reported in the governmental activities column in the government-wide financial statements and are not reported in the fund financial statements. Capital assets are defined by the Charter School as assets with an initial cost of more than \$750 and an estimated useful life in excess of one year. Capital assets are recorded at historical cost if purchased or constructed or estimated historical cost when actual historical cost is not available. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. All capital assets are depreciated using the straight-line method over their estimated useful lives. Useful lives vary from 5 to 40 years for buildings and improvements, and 5 to 15 years for furniture, fixtures and equipment, 5 years for motor vehicles, 3 to 5 years for software, and 5 to 7 years for property under capital leases.

Bonds and Long-Term Debt: Bond and long-term debt obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in government-wide statement of net position.

In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due. Governmental fund types recognize bond discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
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**NOTES TO BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Equity: Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.”

*Fund Balance*: Generally, fund balance represents the difference between the assets and liabilities under the current financial resource’s measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Charter School is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balances are classified as follows:

- *Nonspendable*: This component includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- *Restricted*: This component consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation.
- *Committed*: This component consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Charter School’s highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Charter School removes or changes the specified use by taking the same type of action it employed previously to commit those amounts.
- *Assigned*: This component consists of amounts that are constrained by the Charter School’s intent to be used for specific purposes but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Board of Directors.
- *Unassigned*: This classification represents amounts that have not been restricted, committed or assigned to a specific purpose within the general fund. The general fund is the only fund that reports a positive assigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance.

*Net Position*: Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws or regulations. All net positions not reported as net investment in capital assets and restricted net position, are reported as unrestricted net position.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
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**NOTES TO BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Equity – Continued

*Flow Assumptions:* When both restricted and unrestricted amounts of fund balance/net position are available for use for expenditures/expenses incurred, it is the Charter School's policy to use restricted amounts first, then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Charter School's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Revenue Sources: Revenues for current operations are received primarily from the School Board of Sarasota County pursuant to the funding provisions included in the Charter School's charter. In accordance with the funding provisions of the charter and Section 1002.33(17), Florida Statutes, the Charter School reports the number of full-time equivalent (FTE) students and related data to the School Board. Under the provisions of Section 1011.62, Florida Statutes, the School Board reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program (FEFP). Funding for the Charter School is adjusted during the year to reflect the revised calculations by the FDOE under the Florida Education Finance Program and the actual weighted full-time equivalent students reported by the Charter School during the designated full-time equivalent student survey periods.

The Charter School also receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to and approved by various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred.

Additional revenues are derived from various fund-raising activities, contributions and interest earned.

Income Taxes: The Charter School qualifies as a tax-exempt organization under Internal Revenue Code Section 501(c)(3). The Charter School's status as a tax-exempt not-for-profit entity is considered a tax position subject to reporting requirements under FASB Accounting Standards Codification 740-10. Entities are required to examine all tax positions and determine if it is more likely than not that the positions would be sustained upon examination by taxing authorities. The Charter School has not recorded any accruals for uncertain income tax positions at June 30, 2025.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
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**NOTES TO BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2025

**NOTE B – CASH**

Cash: Custodial credit risk is the risk that in the event of bank failure, the Charter School’s deposits may not be returned. The Charter School can mitigate this risk by depositing funds in financial institutions insured by Federal depository insurance. At June 30, 2025, the carrying amount of the Charter School’s deposits was 4,600,655 and bank balances were \$4,652,811. The Charter School had uninsured balances at June 30, 2025, of \$3,902,811.

**NOTE C - CAPITAL ASSETS**

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

	Balance July 1, <u>2024</u>	Reclass/ <u>Additions/</u>	<u>Deletions</u>	Balance June 30, <u>2025</u>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 5,234,104	\$ -	\$ -	\$ 5,234,104
Construction in progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital assets not being depreciated	<u>5,234,104</u>	<u>-</u>	<u>-</u>	<u>5,234,104</u>
Capital assets, being depreciated				
Buildings and improvements	10,862,990	136,462	-	10,999,452
Furniture, fixtures and equipment	2,172,912	401,578	(201,900)	2,372,590
Motor vehicles	<u>448,395</u>	<u>-</u>	<u>-</u>	<u>448,395</u>
Total capital assets being depreciated	<u>13,484,297</u>	<u>538,040</u>	<u>(201,900)</u>	<u>13,820,437</u>
Less accumulated depreciation				
Buildings and improvements	3,249,347	372,129	-	3,621,476
Furniture, fixtures and equipment	1,642,177	236,180	(199,286)	1,679,071
Motor vehicles	<u>287,613</u>	<u>41,718</u>	<u>-</u>	<u>329,331</u>
Total accumulated depreciation	<u>5,179,137</u>	<u>650,027</u>	<u>(199,286)</u>	<u>5,629,878</u>
Total capital assets being depreciated, net	<u>8,305,160</u>	<u>(111,987)</u>	<u>(2,614)</u>	<u>8,190,559</u>
Capital Assets, net	<u>\$13,539,264</u>	<u>\$ (111,987)</u>	<u>\$ (2,614)</u>	<u>\$13,424,663</u>

Depreciation expense was \$650,027 for the year ended June 30, 2025 and was allocated to the following governmental functions:

Instruction	\$ 555,926
Board	22,807
General administration	27,587
School administration	39,538
Operation of plant	2,781
Maintenance of plant	<u>1,388</u>
Total	<u>\$ 650,027</u>

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
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**NOTES TO BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2025

NOTE D – RISK MANAGEMENT PROGRAMS

The Charter School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Charter School has purchased commercial insurance. The Charter School has not had any reduction in insurance coverage and the amount of claims resulting from these risks has not exceeded insurance coverage for the past three years.

NOTE E – DEFERRED RENT AND INSURANCE

In February 2024, the Charter School purchased property at 741 Central Avenue with the condition that the seller would be allowed to lease the property back from the Charter School for 4 years. The lease qualifies as an operating lease. Rent of \$800,000 and insurance premium reimbursements of \$29,797 were recorded at the time of the purchase. No lease payments were actually received but lease payments were imputed based on the fair market value of rents over the life of the lease. Rent will be recognized as it is earned over the life of the lease. Insurance premiums were recognized over the insurance policy period, which ended in January 2025. During the year ended June 30, 2025, \$219,865 was recognized as rent and insurance revenue. At June 30, 2025, deferred rent revenue is \$533,333 of which \$200,000 is current.

NOTE F – SHORT-TERM DEBT

In February 2024, the Charter School signed an agreement to finance their property insurance premiums for fiscal year 2024-2025. The total premiums and fees for this policy are \$29,797 and the Charter School made a down payment of \$2,483. The remaining balance of \$27,314 was recorded as a short-term note payable and was paid in full during the year ended June 30, 2025.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
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**NOTES TO BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2025

NOTE G – LONG-TERM DEBT

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

	Balance July 1, <u>2024</u>	<u>Additions</u>	<u>Reductions</u>	Balance June 30, <u>2025</u>	Due Within <u>One Year</u>
Governmental activities					
Note payable	\$ 7,680,264	\$ -0-	\$ (359,135)	\$ 7,321,129	\$ 372,279
Note payable – bus	57,085	-0-	(57,085)	-0-	-0-
Note payable – 741 Central Avenue	4,272,728	-0-	(245,341)	4,027,387	259,791
Obligation under finance lease	<u>58,303</u>	<u>-0-</u>	<u>(24,001)</u>	<u>34,302</u>	<u>27,170</u>
	<u>\$ 12,068,380</u>	<u>\$ -0-</u>	<u>\$ (685,562)</u>	<u>\$ 11,382,818</u>	<u>\$ 659,240</u>

On July 22, 2020, the Charter School entered into a loan agreement to borrow \$8,935,316 from Equitable Facilities Fund, Inc. for the purpose of paying off existing bonds. The loan will mature on July 1, 2040 and interest shall be computed at a rate equal to 4% per annum on the unpaid principal balance. Principal and interest are due monthly beginning on September 1, 2020, payable in 239 monthly installments of \$52,478.

In April 2023, the Charter School entered into a long agreement to borrow \$131,351 from Damier Truck Financial Services USA, LLC to purchase a bus. The loan will mature on April 13, 2025 and interest shall be computed at a rate equal to 7.25% per annum on the unpaid principal balance. Principal and interest are due monthly beginning on May 13, 2024, payable in 24 monthly installments of \$5,903.

In February 2024, the Charter School entered into a long agreement to borrow \$4,272,728 from 741 Central Avenue, LLC to purchase an adjacent property to the school. The loan will mature on July 15, 2027 and interest is to be computed at an imputed rate of 6.75% per annum on the unpaid principal balance. Principal and interest payments of \$500,000 are due on July 15, 2024, July 15, 2025, and July 15, 2026 with the remaining balance of \$3,500,000 due and payable on July 15, 2027.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
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**NOTES TO BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2025

NOTE G – LONG-TERM DEBT – (CONTINUED)

Maturities of long-term debt for the each of the next five years ended June 30 and thereafter are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 659,240	\$ 498,774	\$ 1,158,014
2027	670,411	466,519	1,136,930
2028	3,890,251	239,486	4,129,737
2029	414,670	215,067	629,737
2030	429,847	199,890	629,737
thereafter	<u>5,318,399</u>	<u>1,031,448</u>	<u>6,349,847</u>
Total	<u>\$ 11,382,818</u>	<u>\$ 2,651,184</u>	<u>\$ 14,034,002</u>

As security for the obligation to make all payments due, and to perform all obligations, the Charter School grants a security interest of its revenues, deposit accounts, goods, equipment, inventory, fixtures, accessions, and investment property.

The note payable contains certain restrictions and covenants. At June 30, 2025, the Charter School was in compliance with the debt covenants.

NOTE H – RETIREMENT PLAN

The Charter School sponsors a defined contribution pension plan that covers all full-time employees that have met certain age and service requirements. The Charter School's contributions to the plan are 7% of eligible employees' wages. Employees are vested in the plan according to a schedule. For the year ended June 30, 2025, the Charter School's retirement plan contributions were \$259,523.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
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**NOTES TO BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2025

NOTE I – EQUIPMENT UNDER FINANCE LEASE

The Charter School leases copiers under a finance lease since the lease term of 60 months is for the major part of the remaining economic life of the copiers. The lease began on October 1, 2021 and expires on October 1, 2026 and includes monthly payments of \$1,861 until September 2022, \$1,968 until September 2023, \$2,092 until September 2024, \$2,333 until September 2025, and \$2,397 until September 2026. Under a finance lease, the leased equipment value and the lease liability are recorded at the present value using a discounted rate of 5%. The leased equipment value and the lease liability at the inception of the lease was \$111,120. At June 30, 2025, the balance of the lease liability is \$34,302.

Future minimum lease payments under the finance lease are as follows:

Fiscal Year Ending	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>June 30:</u>			
2026	\$ 27,170	\$ 1,107	\$ 28,277
2027	<u>7,132</u>	<u>60</u>	<u>7,192</u>
Total	\$ <u>34,302</u>	\$ <u>1,167</u>	\$ <u>35,469</u>

The leased equipment is amortized over the lesser of the lease term or the useful life of the underlying asset, which is 60 months. Amortization expense for the year ended July 30, 2025 was \$22,224.

NOTE J – NET INVESTMENT IN CAPITAL ASSETS

In the Statement of Net Position, the Charter School is reporting a positive net investment in capital assets balance of \$2,069,625 as of June 30, 2025.

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
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**NOTES TO BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2025

**NOTE K – LOCAL REVENUE SOURCES**

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

<u>Source</u>	<u>Amount</u>
State through local	
Base funding (less administrative fee)	\$ 4,255,472
School recognition funds	103,272
Class reduction size	692,117
Charter school capital outlay	<u>461,917</u>
Subtotal	5,512,778
Local	
Discretionary local effort	1,363,067
Referendum millage allocation	1,476,537
Local capital outlay millage funds	868,634
Grants/donations/fundraising/rent	90,280
Other miscellaneous revenue	<u>334,391</u>
Subtotal	<u>4,132,909</u>
Total	<u>\$ 9,645,687</u>

**NOTE L – EVALUATION OF SUBSEQUENT EVENTS**

The Charter School has evaluated subsequent events through September 17, 2025, the date the financial statements were available for issuance, and has determined that there are no additional subsequent events that require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.  
A CHARTER SCHOOL AND COMPONENT UNIT OF  
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED JUNE 30, 2025  
UNAUDITED

	Budgeted Amounts		Actual	Over / (Under)
	Original	Final		
<b>Revenues</b>				
Federal through local	\$ 12,320	\$ 3,645	\$ -	\$ (3,645)
State through local	5,383,439	5,383,439	5,512,778	129,339
Local	4,063,924	4,173,923	4,132,909	(41,014)
Investment income	30,000	30,000	28,161	(1,839)
Total revenues	<u>9,489,683</u>	<u>9,591,007</u>	<u>9,673,848</u>	<u>82,841</u>
<b>Expenses</b>				
<b>Current</b>				
Instruction	4,420,751	4,447,419	4,565,782	118,363
Pupil personnel services	68,170	69,370	66,621	(2,749)
Instructional media services	226,896	222,252	170,459	(51,793)
Instructional staff training	80,000	68,000	48,034	(19,966)
Board	105,462	105,462	82,329	(23,133)
School and general administration	1,333,566	1,325,706	1,184,994	(140,712)
Fiscal services	40,000	75,000	57,270	(17,730)
Pupil transportation services	182,500	182,500	165,177	(17,323)
Operation of plant	290,727	280,188	565,407	285,219
Maintenance of plant	1,104,424	1,167,923	502,596	(665,327)
Capital outlay	1,353,905	1,363,905	535,425	(828,480)
<b>Debt service</b>				
Principal and interest	283,282	283,282	1,213,128	929,846
Total expenditures	<u>9,489,683</u>	<u>9,591,007</u>	<u>9,157,222</u>	<u>(433,785)</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>516,626</u>	\$ <u>516,626</u>

Notes to Required Supplementary Information:

The budget was prepared on the modified accrual basis of accounting. All annual appropriations lapse at fiscal year end.

The accompanying notes are an integral part of these financial statements.

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

To the Board of Directors  
Sarasota School of Arts & Sciences, Inc.

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 Sarasota School of Arts & Sciences, Inc.'s (the "Charter School"), as of, and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Sarasota School of Arts & Sciences, Inc.'s basic financial statements and have issued our report thereon dated September 17, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Charter School's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the Charter 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.

To the Board of Directors  
Sarasota School of Arts & Sciences, Inc.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sarasota School of Arts & Sciences, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### Purpose of this Report

The purpose of this report is intended 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 the 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.

*Miller & Miller, P.A.*

Sarasota, Florida  
September 17, 2025

**Sarasota School of Arts & Sciences, Inc.**

**MANAGEMENT LETTER**

To the Board of Directors  
Sarasota School of Arts & Sciences, Inc.

**Report on the Financial Statements**

We have audited the financial statements of the governmental activities and each major fund of Sarasota School of Arts & Sciences, Inc. (the Charter School), a Charter School and component unit of the School Board of Sarasota County, as of and for the year ended June 30, 2025, which collectively comprise Sarasota School of Arts & Sciences, Inc.'s basic financial statements and have issued our report thereon dated September 17, 2025.

**Auditors' Responsibility**

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

**Other Reporting Required by *Government Auditing Standards***

We have issued our Independent Auditors' 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 this report, which is dated September 17, 2025 should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.850, Rules of the Auditor General, which governs the conduct of charter school audits and similar entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned report.

**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 prior year findings as noted below under the heading *Status of Prior Year Findings and Recommendations*.

To the Board of Directors  
Sarasota School of Arts & Sciences, Inc.

### **Official Title**

Section 10.854(1)(e)5, Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education are the Sarasota School of Arts & Sciences, Inc. and 0083.

### **Financial Condition**

Section 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 Sarasota School of Arts & Sciences, Inc. 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 Sarasota School of Arts & Sciences, Inc. 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 Sarasota School of Arts & Sciences, Inc. 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 their review of financial information provided by the same. We have applied such procedures as of the fiscal year end and no deteriorating financial condition has been noted.

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 Sarasota School of Arts & Sciences, Inc 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 Sarasota School of Arts & Sciences, Inc. maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

To the Board of Directors  
Sarasota School of Arts & Sciences, Inc.

**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 have any such findings.

**Purpose of this Letter**

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

*Miller & Miller, P.A.*

Sarasota, Florida  
September 17, 2025

To the Board of Directors  
Sarasota School of Arts & Sciences, Inc.

**Status of Prior Year Findings and Recommendations**

There were no prior year findings.

**Current Year Findings and Recommendations**

There were no current year findings.