

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
(A COMPONENT UNIT OF FLORIDA STATE UNIVERSITY)**

**BASIC FINANCIAL STATEMENTS
AND
REQUIRED SUPPLEMENTARY INFORMATION**

JUNE 30, 2025

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
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JUNE 30, 2025**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors,
Florida State University
Panama City Developmental Laboratory Charter School, Inc.:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of Florida State University Panama City Developmental Laboratory Charter School, Inc. (“The Collegiate School” or “The School”), a component unit of Florida State University, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School’s basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS 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 GAS, we:

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

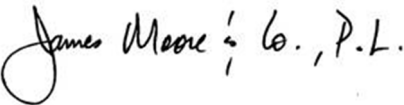
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2025, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Tallahassee, Florida
October 28, 2025

**FLORIDA STATE UNIVERSITY
PANAMA CITY DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2025**

This discussion and analysis (MD&A) of the Florida State University Panama City Developmental Laboratory Charter School, Inc.'s ("The Collegiate School" or "The School") financial condition provides an overview of financial activity, identifies changes in financial position and assists the reader in focusing on significant financial issues. The primary purpose of the School is to provide an educational program for approximately 500 students. It is important to the long-term existence of the School to maintain its financial health. Net position is accumulated only to the extent required to ensure that there are sufficient reserve funds for future operations and for new capital needs.

The MD&A provides summary level financial information; therefore, it should be read in conjunction with the accompanying financial statements.

SIGNIFICANT ACTIVITIES DURING FISCAL YEAR 2024-2025 ARE NOTED BELOW:

- The Collegiate School's enrollment was 205 students.
- The Collegiate School was rated by the State of Florida as an "A" school.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Financial Statements

The financial statements presented herein include all of the activities of The Collegiate School using the integrated approach as prescribed by GASB Statement Number 34.

The government-wide financial statements present the financial picture of The Collegiate School from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities. These statements include all assets of The Collegiate School as well as all liabilities. Additionally, certain eliminations have occurred as prescribed by the statement in regards to interfund activity, payables and receivables.

The fund financial statements include statements for the governmental activities. The governmental funds are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

Reconciliations of the fund financial statements to the government-wide financial statements are provided to explain the differences created by the integrated approach.

The Primary unit of government is Florida State University.

An overview of significant financial information from the current year includes:

- The Collegiate School's net position was \$1,006,859 at June 30, 2025.
- Total governmental fund revenues exceeded expenses and other financing uses by \$463,069.
- Capital and right-to-use assets, net of depreciation and amortization, equaled \$1,124,638.
- The School's governmental funds reported combined ending fund balances of \$730,253.
- The school is striving to sustain the minimum general fund balance of 5% as a percentage of current year expenditures and was able to end the fiscal year with the ratio at 48%.

**FLORIDA STATE UNIVERSITY
PANAMA CITY DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2025**

REPORTING THE SCHOOL AS A WHOLE

The Statement of Net Position and the Statement of Activities

The *Statement of Net Position* and the *Statement of Activities* report information about the School as a whole and about its activities. These statements include *all* assets and liabilities of the School using the accrual basis accounting, which is similar to the accounting used by most private-sector companies. All of the current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School's *net position* and changes in them. Net position is the difference between assets and liabilities and is one way to measure the School's financial health, or *financial position*. Over time, *increases or decreases* in the School's net position are one indicator of whether its financial health is improving or deteriorating. Other factors to consider are changes in the School's revenue base and the condition of the School's capital assets.

The relationship between revenues and expenses is the School's operating results. Since the Board's responsibility is to provide services to our students and not to generate profit as commercial entities do, one must consider other factors when evaluating the overall health of the School. The quality of the education and the safety of our schools will likely be an important component in this evaluation.

Net Position

The School's net position was \$1,006,859 and \$651,677 for the fiscal years ended June 30, 2025 and 2024, respectively. Of these amounts, \$371,725 and \$402,386 was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants, grantors, constitutional provisions and enabling legislation that limit the School's ability to use the net position for day-to-day operations. Our analysis below, in summary form, focuses on the net position and change in net position of the School's governmental activities.

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
ASSETS		
Current and other assets	\$ 3,674,290	\$ 2,683,127
Capital assets, being depreciated, net	328,678	78,247
Right to use lease assets, being amortized, net	795,960	1,068,860
Total assets	<u>4,798,928</u>	<u>3,830,234</u>
LIABILITIES		
Current and other liabilities	3,216,567	2,671,036
Noncurrent liabilities	575,502	871,112
Total liabilities	<u>3,792,069</u>	<u>3,542,148</u>
NET POSITION		
Net investment in capital assets	276,606	43,982
Restricted	358,528	205,309
Unrestricted	371,725	402,386
Total net position	<u>\$ 1,006,859</u>	<u>\$ 651,677</u>

**FLORIDA STATE UNIVERSITY
PANAMA CITY DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2025**

Changes in Net Position

The results of this year's operations for the School as a whole are reported in the Statement of Activities on page 10. The table below takes the information from the Statement and rearranges it slightly to more readily identify the total revenues for the year.

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
REVENUES		
General revenues:		
State of Florida Education Finance Program	\$ 1,640,366	\$ 1,036,492
Operating grants and contributions	311,054	-
Capital grants and contributions	1,223,438	2,094,854
Charges for services	80,893	43,300
Interest income	17,479	11,073
Total revenues	<u>3,273,230</u>	<u>3,185,719</u>
EXPENSES		
Basic instruction	1,783,527	1,234,911
Health services	84,371	32,142
Other student support services	483	825
Instruction and curriculum development	245,240	238,317
Instruction-related technology	228,654	263,334
General administration	16,550	243,448
School administration	-	150
Food services	5,776	2,223
Personnel services	25,140	20,367
Internal services	20,181	43,603
Student transportation services	29,578	13,247
Operation of plant	83,245	22,189
Maintenance of plant	9,242	21,545
Depreciation	113,161	123,965
Amortization	272,900	273,776
Total expenses	<u>2,918,048</u>	<u>2,534,042</u>
Change in net position	<u>\$ 355,182</u>	<u>\$ 651,677</u>

**FLORIDA STATE UNIVERSITY
PANAMA CITY DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2025**

Governmental Activities

All of the School’s services are reported in this category. This includes the education of ninth through tenth grade students, and the on-going effort to improve and maintain capital assets. Revenues received from the Florida Education Finance Program through Florida State University, grants and miscellaneous local revenues finance these activities.

We have presented the cost of the School’s three largest operational functions for the years ended June 30, 2025 and 2024 – basic instruction, amortization, instruction-related technology and instruction and curriculum development. Providing this information allows citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

	2025	2024
Basic instruction	\$ 1,783,527	\$ 1,234,911
Amortization	272,900	273,776
Instruction-related technology	-	263,334
Instruction and curriculum development	245,240	-
Total	\$ 2,301,667	\$ 1,772,021

REPORTING THE SCHOOL’S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the School as a whole. Some funds are required to be established by State law. However, management may establish various funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other monies that it receives.

Governmental funds—The School’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 the modified accrual accounting method, 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 School’s general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the School’s programs. The differences between the governmental fund financial statements and the government-wide financial statements are explained in reconciliations following each governmental fund financial statement.

THE SCHOOL’S FUNDS

For the years ended June 30, 2025 and 2024, the governmental funds reported a combined fund balance of \$730,253 and \$267,184, respectively.

	Fund Balance June 30, 2025	Fund Balance June 30, 2024
General Fund	\$ 651,553	\$ 267,184
Nonmajor Funds	78,700	-
Total	\$ 730,253	\$ 267,184

**FLORIDA STATE UNIVERSITY
PANAMA CITY DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2025**

General Fund Budgetary Highlights

During the course of the fiscal year, the School revises its General Fund Budget in order to deal with unexpected changes in revenue and expenditures. The Governing Board adopts its initial budget based on projected enrollment and the corresponding projected revenues. Amendments are primarily required to reflect changes in revenue estimates from the State of Florida Education Finance Program (FEFP) as actual enrollments are determined. A schedule showing the School's original and final General Fund budget amounts compared with actual amounts paid and received is provided in the required supplementation information.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets and Debt

Information on the School's debt can be found in Note 6 to the financial statements. Information on the School's fixed assets, the right-to-use asset and corresponding lease liability can be found in Notes 4 and 5, respectively.

ECONOMIC FACTORS

The economic position of the School for general operating is closely tied to that of the State. The formula for determining funding for education is set by Statute. State funds to charter schools are provided primarily by legislative appropriations from the State's general revenue funds under the Florida Education Finance Program (FEFP), and the State funding for operations is primarily from sales, gasoline, and corporate income taxes. Additionally, the level of tourism in the State heavily influences the amount of taxes collected. Significant changes in State revenue collections could directly impact future School revenue allocations.

CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, parents, investors and creditors with a general overview of The Collegiate School's finances, and to demonstrate The Collegiate School's compliance and accountability for its resources. Questions concerning any of the information in this report or requests for additional financial information should be addressed to the Accounting Specialist at The Collegiate School at Panama City, 2430 St. Andrews Blvd, Panama City, Florida 32405.

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
STATEMENT OF NET POSITION
JUNE 30, 2025**

	<u>Governmental Activities</u>
Assets	
Current assets	
Cash and cash equivalents	\$ 728,827
Accounts receivable	2,945,463
Total current assets	<u>3,674,290</u>
Capital assets, net	
Furniture, fixture and equipment	59,937
Leasehold improvements	268,741
Right-to-use leased assets	795,960
Total capital assets, net	<u>1,124,638</u>
Total assets	<u><u>\$ 4,798,928</u></u>
Liabilities	
Current liabilities	
Accounts payable and other accrued expense	\$ 50,556
Due to Florida State University - salaries and wages payable	7,372
Due to Florida State University - other	2,886,109
Lease payable, due within one year	272,530
Total current liabilities	<u>3,216,567</u>
Non-current liabilities	
Lease payable, due in more than one year	<u>575,502</u>
Total non-current liabilities	575,502
Total liabilities	<u><u>\$ 3,792,069</u></u>
Net Position	
Net investment in capital assets	\$ 276,606
Restricted for:	
ESE	16,360
Class size reduction	8,034
Education enrichment	49,135
Mental health	51,949
Safe schools	154,350
Grant programs	78,700
Unrestricted	371,725
Total net position	<u><u>\$ 1,006,859</u></u>

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

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Basic instruction	\$ 1,783,527	\$ 61,593	\$ -	\$ 1,223,438	\$ (498,496)
Health services	84,371	-	250,000	-	165,629
Other student support services	483	-	-	-	(483)
Instruction and curriculum development	245,240	-	-	-	(245,240)
Instruction-related technology	228,654	-	-	-	(228,654)
General administration	16,550	-	-	-	(16,550)
Food services	5,776	-	-	-	(5,776)
Personnel services	25,140	-	-	-	(25,140)
Internal services	20,181	19,300	-	-	(881)
Student transportation services	29,578	-	-	-	(29,578)
Operation of plant	83,245	-	61,054	-	(22,191)
Maintenance of plant	9,242	-	-	-	(9,242)
Depreciation	113,161	-	-	-	(113,161)
Amortization	272,900	-	-	-	(272,900)
Total governmental activities	<u>\$ 2,918,048</u>	<u>\$ 80,893</u>	<u>\$ 311,054</u>	<u>\$ 1,223,438</u>	<u>(1,302,663)</u>
General revenues:					
Grants and contributions not restricted to specific purposes					1,640,366
Interest income					17,479
Total general revenues					<u>1,657,845</u>
Change in net position					<u>355,182</u>
Net position, beginning of year					651,677
Net position, end of year					<u>\$ 1,006,859</u>

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

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2025**

	General Fund	Special Revenue Fund	Nonmajor Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 659,068	\$ -	\$ 69,759	\$ 728,827
Accounts receivable	-	2,886,109	59,354	2,945,463
Total Assets	\$ 659,068	\$ 2,886,109	\$ 129,113	\$ 3,674,290
Liabilities and fund balances				
Liabilities:				
Accounts payable and other accrued expense	\$ 143	\$ -	\$ 50,413	\$ 50,556
Salaries and wages payable	7,372	-	-	7,372
Due to Florida State University	-	2,886,109	-	2,886,109
Total liabilities	7,515	2,886,109	50,413	2,944,037
Fund Balances:				
Restricted:				
ESE	16,360	-	-	16,360
Class size reduction	8,034	-	-	8,034
Educational enrichment	49,135	-	-	49,135
Mental health	51,949	-	-	51,949
Safe schools	154,350	-	-	154,350
Grant programs	-	-	78,700	78,700
Unassigned	371,725	-	-	371,725
Total fund balances	651,553	-	78,700	730,253
Total Liabilities and Fund Balances	\$ 659,068	\$ 2,886,109	\$ 129,113	\$ 3,674,290

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

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2025**

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

Total fund balance - governmental funds		\$ 730,253
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.		
Capital and right-to-use assets	1,908,439	
Accumulated depreciation and amortization	<u>(783,801)</u>	1,124,638
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. Long-term liabilities at year-end consist of the following:		
Leases payable		(848,032)
Total net position - governmental activities		<u><u>\$ 1,006,859</u></u>

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

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Intergovernmental:				
State	\$ 1,640,366	\$ -	\$ -	\$ 1,640,366
Charges for services	80,893	-	-	80,893
Other grants	-	1,223,438	311,054	1,534,492
Miscellaneous	17,479	-	-	17,479
Total revenues	<u>1,738,738</u>	<u>1,223,438</u>	<u>311,054</u>	<u>3,273,230</u>
Expenditures				
Current:				
Basic instruction	1,004,610	635,738	166,260	1,806,608
Health services	84,371	-	-	84,371
Other student support services	191	292	-	483
Instruction and curriculum development	168,794	73,350	3,096	245,240
Instruction-related technology	2,916	123,840	61,598	188,354
General administration	242	16,308	-	16,550
Food services	5,576	-	200	5,776
Personnel services	12,547	11,393	1,200	25,140
Internal services	23,652	36,829	-	60,481
Student transportation services	29,578	-	-	29,578
Operation of plant	21,892	316,446	-	338,338
Maintenance of plant	-	9,242	-	9,242
Total expenditures	<u>1,354,369</u>	<u>1,223,438</u>	<u>232,354</u>	<u>2,810,161</u>
Excess (deficiency) of revenues over (under) expenditures	<u>384,369</u>	<u>-</u>	<u>78,700</u>	<u>463,069</u>
Net change in fund balances	<u>384,369</u>	<u>-</u>	<u>78,700</u>	<u>463,069</u>
Fund balance, beginning of year	267,184	-	-	267,184
Fund balances, end of year	<u>\$ 651,553</u>	<u>\$ -</u>	<u>\$ 78,700</u>	<u>\$ 730,253</u>

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

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

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

Net change in fund balances - total governmental funds	\$ 463,069
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. Changes in:	
Compensated absences	23,081
The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds.	
Long-term lease liability - redemption of principal	255,093
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation and amortization expense in the current period.	
Depreciation and amortization	(386,061)
Change in net position of governmental activities	<u>\$ 355,182</u>

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

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2025**

(1) Summary of Significant Accounting Policies:

The following is a summary of the more significant accounting policies of Florida State University Panama City Developmental Laboratory Charter School, Inc. (the “Collegiate School” or the “School”), which affect significant elements of the accompanying basic financial statements.

(a) **Reporting entity**— Florida State University Panama City Developmental Laboratory Charter School, Inc. was created on February 1, 2023 to operate as a charter school under Florida Statutes. The current Charter has been granted for 15 years and is set to expire on June 30, 2037 unless it is terminated sooner or extended past this date. The Collegiate School is considered a component unit of Florida State University (FSU).

The general operating authority of the School is for the purposes of creating and maintaining a developmental research charter school ("DRCS") pursuant to Sections 1002.32 and 1002.33, Florida Statutes. Pursuant to Section 1011.24, Florida Statutes, the DRCS is a special school district for the purposes therein set forth. The School is included as a discretely presented component unit of FSU's financial statements.

The School's Board of Directors is comprised of eight voting members. It is made up of the following members: one voting representative who is a parent of a child at the School; three voting members who are from within the community and representative of the demography of the School; and four voting members from FSU appointed by the President of FSU.

(b) **Description of government wide financial statements**—The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. Governmental activities are normally supported by intergovernmental revenues and other nonexchange transactions.

(c) **Basis of presentation – government wide financial statements**—While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as program revenues include operating grants and contributions. Items not properly included among program revenues, such as monies received from Florida State University, are reported as general revenues.

(d) **Basis of presentation – fund financial statements**—The fund financial statements provide information about the government's funds. Separate statement for the fund category, governmental, is presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Major individual governmental funds are reported as separate columns in the fund financial statements.

The School reports the following major governmental funds:

General Fund—The general fund is used to record the general operations of the School pertaining to education and those operations not provided for in other funds.

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2025**

(1) **Summary of Significant Accounting Policies:** (Continued)

Special Revenue Fund—The special revenue fund accounts for activity related to the cost-reimbursement grant the School receives from Triumph Gulf Coast, Inc. (Triumph).

Other Nonmajor Funds— The Other Nonmajor Governmental Funds column includes special revenue funds that account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

During the course of operations, the School may have activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity may occur during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

(e) **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 recognized in the period earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Amounts reported as program revenues include charges for services, operating grants and contributions, and capital grants and contributions.

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues, except for certain grant revenues, are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period, or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for federal, state, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recorded when the related fund liability is incurred. The principal exceptions to this are: principal and interest and general long-term debt, which are recorded as expenditures only when payment is due.

Resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2025**

(1) **Summary of Significant Accounting Policies:** (Continued)

(f) **Budgetary basis of accounting**— The budgetary process is prescribed by provisions of the laws of Florida and requires the governing board to adopt an operating budget each year. The School’s governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption.

(g) **Deposits and investments**— Cash and cash equivalents include amounts in demand deposits as well as investments that are readily convertible to known amounts of cash. Investments with original maturities of three months or less are considered to be cash equivalents.

(h) **Income taxes**— The School is a component unit of Florida State University (FSU) and FSU is exempt from the payment of income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code. Subsequent to year-end, the School received its Federal Employer Identification Number (FEIN) and will be applying for exemption under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the accompanying financial statements.

The School files income tax returns in the U.S. Federal jurisdiction. The School’s income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

The School has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the School.

(i) **Capital assets**— The School’s capital assets consist of furniture and equipment and are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Additions, improvements, and other outlays in excess of \$5,000 that significantly extend the useful life of an asset are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are expensed and not capitalized.

Capital assets of the School are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Buildings, Infrastructure and Other Improvements	10 – 50
Furniture and Equipment	3 – 20
Software	5
Library Resources	10

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2025**

(1) **Summary of Significant Accounting Policies:** (Continued)

(j) **Revenue sources**— Revenues for current operations are received primarily from Florida State University pursuant to the funding provisions included in the School’s charter. In accordance with the funding provisions of the charter and Section 1002.33(17), Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to Florida State University.

Under the provisions of Section 1011.62, Florida Statutes, Florida State University reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect revised calculations by the FDOE under the Florida Education Finance Program and the actual weighted FTE students reported by the School during designated FTE student survey periods.

The School also receives funding from Triumph Gulf Coast, Inc. (Triumph) in which it is reimbursed for eligible expenditures under the grant agreement.

(k) **Use of estimates**—The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

(l) **Leases**— The School leases the building in which it operates. The School determines if an arrangement is a lease at inception. The School recognizes intangible right-to-use (RTU) assets and corresponding lease liabilities for all leases that are not considered short-term. RTU assets represent the School’s right to use an underlying asset for the lease term and lease liabilities represent the School’s obligation to make lease payments arising from the lease. RTU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term.

Basis of lease classification – Leases that meet the following requirements will not be considered short term: (1) the maximum possible lease term(s) is non-cancelable by both lessee and lessor, and is more than 12 months.

Discount Rate – Unless explicitly stated in the lease agreement, known by the School, or the School is able to determine the rate implicit within the lease, the discount rate used to calculate lease right-to-use assets and liabilities will be the School’s estimated borrowing rate at the time of lease inception.

(m) **Fund balance**—In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the School is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Those classifications are as follows:

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2025**

(1) **Summary of Significant Accounting Policies:** (Continued)

Nonspendable—Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted—Amounts that can be spent only for specific purposes because of the Bylaws, district or local charter, state or federal laws, or externally imposed conditions by grantors or creditors.

Committed—Amounts that can be used only for specific purposes determined by a formal action by ordinance or resolution. This includes the budget reserve account.

Assigned—Amounts that are designated by the Board of Directors for a specific purpose but are not spendable until a budget ordinance is passed by the Board of Directors.

Unassigned—All amounts not included in other spendable classifications.

In the government-wide financial statements, when both restricted and unrestricted resources are available for use, it is the School's policy to use restricted resources first, then unrestricted resources as they are needed. In governmental fund financial statements, restricted funds are used first as appropriate. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Directors has provided otherwise in its commitment or assignment actions.

The Net Investment in Capital Assets listed on the Statement of Net Position reflects total capital assets, \$276,606.

(2) **Reconciliation of Government-Wide and Fund Financial Statements:**

(a) **Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position**—Following the governmental funds balance sheet is a reconciliation between *fund balances – total governmental funds and net position of governmental activities* as reported in the government-wide statement of net position. The details of this difference are explained in the above referenced financial statement.

(b) **Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**—Following the governmental funds statement of revenues, expenditures, and changes in fund balances, there is a reconciliation between *net change in fund balances – total governmental funds and changes in net position of governmental activities*. The details of this difference are explained in the above referenced financial statement.

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2025**

(3) Deposits:

The School's cash and cash equivalents are part of Florida State University's cash and investments held at June 30, 2025. Of this amount, \$250,000 is covered by Federal depository insurance or by collateral held by the School's custodial bank which is pledged to a state trust fund that provides security for amounts held in excess of FDIC coverage in accordance with the Florida Security for Deposits Act Chapter 280, Florida Statutes. The Florida Security for Public Deposits Act established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral.

(4) Capital Assets:

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

<u>Governmental Activities:</u>	<u>Balance 6/30/24</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 6/30/25</u>
Capital Assets Being Depreciated:				
Furniture, fixtures and equipment	\$ 91,554	\$ -	\$ -	\$ 91,554
Leasehold improvements	474,249	-	-	474,249
Total Capital Assets Being Depreciated	<u>565,803</u>	<u>-</u>	<u>-</u>	<u>565,803</u>
Less Accumulated Depreciation For:				
Furniture, fixtures and equipment	(13,307)	(18,310)	-	(31,617)
Leasehold improvements	(110,658)	(94,850)	-	(205,508)
Total Accumulated Depreciation	<u>(123,965)</u>	<u>(113,160)</u>	<u>-</u>	<u>(237,125)</u>
Total Capital Assets, Net of Depreciation	<u>\$ 441,838</u>	<u>\$ (113,160)</u>	<u>\$ -</u>	<u>\$ 328,678</u>

Capital assets are used by multiple functions with the School and cannot be easily charged directly to a specific function. For the year ended June 30, 2025, unallocated depreciation expense was \$113,160.

(5) Leases:

The School has a lease for its building with NorthStar Church, Inc., which has remaining lease terms expiring on May 31, 2028. As of June 30, 2025, total lease related assets by major class, and the related accumulated amortization, disclosed separately from other capital assets were as follows:

<u>Governmental Activities:</u>	<u>Balance 6/30/24</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 6/30/25</u>
Right-to-use leased assets, being amortized:				
Buildings	\$ 1,342,636	\$ -	\$ -	\$ 1,342,636
Accumulated amortization	(273,776)	(272,900)	-	(546,676)
Right-to-use leased assets, net	<u>\$ 1,068,860</u>	<u>\$ (272,900)</u>	<u>\$ -</u>	<u>\$ 795,960</u>

The amortization expense for right-to-use leased assets was \$272,900 for the year ended June 30, 2025.

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2025**

(5) **Leases:** (Continued)

The principal and interest requirements to maturity for the lease liability as of June 30, 2025 is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 272,530	\$ 48,041	\$ 320,572
2027	291,158	29,413	320,571
2028	284,344	9,512	293,857
Total future minimum lease payments	<u>\$ 848,032</u>	<u>\$ 86,968</u>	<u>\$ 935,000</u>

(6) **Long-term Debt:**

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
Lease payable	\$ 1,103,125	\$ -	\$ (255,093)	\$ 848,032	\$ 272,530
Compensated absences	23,081	-	(23,081)	-	-
Total governmental activities	<u>\$ 1,126,206</u>	<u>\$ -</u>	<u>\$ (278,174)</u>	<u>\$ 848,032</u>	<u>\$ 272,530</u>

(7) **Significant Funding Sources:**

The School receives 97% of its funding from Florida State University, the Florida Department of Education, and from grants received from Triumph Gulf Coast, Inc. (Triumph). A significant reduction in the level of this funding, if this were to occur, could have an adverse effect on the School's programs and activities.

(8) **Pension and Other Postemployment Benefits:**

As the School is a component unit of the University, any pension and other postemployment benefit liabilities are reported by the University. The University's Annual Financial Statements may be obtained from: <https://controller.vpfa.fsu.edu/services/accounting-reporting/reports>.

(9) **Risk Management:**

The 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 School carries commercial insurance.

(10) **Subsequent Events:**

The School has evaluated events and transactions for potential recognition or disclosure in the financial statements through October 28, 2025, the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
NOTES TO THE STATEMENTS
JUNE 30, 2025**

(11) Related Party Information:

Amounts due from the School to Florida State University at June 30, 2025 consist of \$2,886,109, which is the amount due to the School from the Triumph grant for reimbursable expenditures, as well as \$7,372 for salaries and wages payable at June 30, 2025.

The School pays the FSU College of Education \$500 per student every semester for administrative support, totaling \$113,640 during the year ended June 30, 2025.

The School also pays FSU directly for dual enrollment tuition fees. The amount paid to FSU during the year ended June 30, 2025 was \$140,797.

The School rents a copier from the FSU Office of Business Services and for the year ended June 30, 2025, the amount remitted for the copier was \$6,618. This lease is not included in the leased assets in Note 5 above as it does not meet the threshold for required recognition as a leased asset under GASB 87.

The School pays the FSU Information Technology Department for the management of port fees, data circuits, phone, and cable services in the amount of approximately \$2,500 per month. The total amount paid during the year ended June 30, 2025 was \$24,829.

(12) Recent Accounting Pronouncements:

The Governmental Accounting Standard Board (GASB) issued GASB Statement No. 101, Compensated Absences, in June 2022. GASB Statement No. 101 amends various provisions regarding the calculation methodology and required disclosures related to the liability for compensated absences. The provisions for GASB 101 are effective for fiscal years beginning after December 15, 2023. The School implemented GASB No. 101 in fiscal year 2025, however, its adoption did not have a material impact on the School's financial statements.

GASB issued Statement No. 102, Certain Risk Disclosures, in December 2023. GASB Statement No. 102 amends GASB Statement No. 62 regarding the disclosure of a government's vulnerability to risks related to certain concentrations and constraints that limit its ability to acquire resources or control spending. The provisions for GASB 102 are effective for fiscal years beginning after June 15, 2024. The School implemented GASB No. 102 in fiscal year 2025, however, its adoption did not have a material impact on the School's financial statements.

GASB issued Statement No. 103, Financial Reporting Model Improvements, in April 2024. The objective of GASB 103 is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The effective date for implementation is fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

GASB issued Statement No. 104, Disclosure of Certain Capital Assets, in September 2024. GASB Statement No. 104 requires governments to disclose separate information about specific types of capital assets and establishes criteria for identifying and reporting capital assets held for sale. The objective of GASB 104 is to enhance transparency and improve the usefulness of financial statements for stakeholders by providing more detailed information on these assets. The provisions are effective for fiscal years beginning after June 15, 2025.

REQUIRED SUPPLEMENTARY INFORMATION

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET TO ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental				
State	\$ 2,258,873	\$ 2,083,084	\$ 1,640,366	\$ (442,718)
Charges for services	175,000	151,550	80,893	(70,657)
Miscellaneous	-	-	17,479	17,479
Total revenues	<u>2,433,873</u>	<u>2,234,634</u>	<u>1,738,738</u>	<u>(495,896)</u>
Expenditures				
Basic instruction	739,480	651,289	1,004,610	(353,321)
Health services	106,649	105,031	84,371	20,660
Other student support services	59,859	27,665	191	27,474
Instruction and curriculum development	66,017	57,341	168,794	(111,453)
Instruction-related technology	-	-	2,916	(2,916)
General administration	481,117	384,897	242	384,655
School administration	-	-	-	-
Food services	-	-	5,576	(5,576)
Personnel services	-	-	12,547	(12,547)
Internal services	-	-	23,652	(23,652)
Student transportation services	-	-	29,578	(29,578)
Operation of plant	-	-	21,892	(21,892)
Total expenditures	<u>1,453,122</u>	<u>1,226,223</u>	<u>1,354,369</u>	<u>(128,146)</u>
Net change in fund balances	<u>980,751</u>	<u>1,008,411</u>	<u>384,369</u>	<u>(624,042)</u>
Fund balances, beginning of year	267,184	267,184	267,184	-
Fund balances, end of year	<u>\$ 1,247,935</u>	<u>\$ 1,275,595</u>	<u>\$ 651,553</u>	<u>\$ (624,042)</u>

The accompanying notes to required supplementary information is an integral part of this statement.

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET TO ACTUAL - TRIUMPH FUND
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other grants	\$ 1,831,431	\$ 1,820,617	\$ 1,223,438	\$ (597,179)
Total revenues	<u>1,831,431</u>	<u>1,820,617</u>	<u>1,223,438</u>	<u>(597,179)</u>
Expenditures				
Basic instruction	1,602,426	1,670,431	635,738	1,034,693
Other student support services	-	-	292	(292)
Instruction and curriculum development	-	-	73,350	(73,350)
Instruction-related technology	-	-	123,840	(123,840)
General administration	-	-	16,308	(16,308)
Food services	-	-	-	-
Personnel services	-	-	11,393	(11,393)
Internal services	-	-	36,829	(36,829)
Student transportation services	-	-	-	-
Operation of plant	-	-	316,446	(316,446)
Maintenance of plant	-	-	9,242	(9,242)
Total expenditures	<u>1,602,426</u>	<u>1,670,431</u>	<u>1,223,438</u>	<u>446,993</u>
Net change in fund balances	<u>229,005</u>	<u>150,186</u>	<u>-</u>	<u>(150,186)</u>
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ 229,005</u>	<u>\$ 150,186</u>	<u>\$ -</u>	<u>\$ (150,186)</u>

The accompanying notes to required supplementary
information is an integral part of this statement.

**FLORIDA STATE UNIVERSITY PANAMA CITY
DEVELOPMENTAL LABORATORY CHARTER SCHOOL, INC.
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2025**

(1) **Summary of Significant Accounting Policies:**

The Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual – General Fund is presented using the School’s budget format for all governmental funds.

(2) **Budgetary Basis of Accounting:**

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual budgets are adopted for the entire operation at the combined governmental level and may be amended by the Board of Directors (the Board). For fiscal year ended June 30, 2025, the budget presented has been amended according to Board procedures.

Budgets are presented on the modified accrual basis of accounting. The legal level of budgetary control is the fund level.

**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,
Florida State University
Panama City Developmental Laboratory Charter School, 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 (*Government Auditing Standards*), the financial statements of the governmental activities and each major fund of Florida State University Panama City Developmental Laboratory Charter School, Inc. (the School), a component unit of Florida State University, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated October 28, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

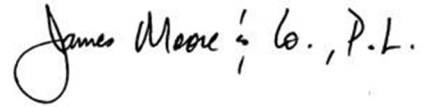
Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large initial "J" and a distinct "Co." followed by "P.L.".

Tallahassee, Florida
October 28, 2025



**INDEPENDENT AUDITOR'S MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.850, RULES OF THE STATE OF FLORIDA OFFICE
OF THE AUDITOR GENERAL**

To the Board of Directors,
Florida State University
Panama City Developmental Laboratory Charter School, Inc.:

Report on the Financial Statements

We have audited the financial statements of the governmental activities and each major fund of Florida State University Panama City Developmental Laboratory Charter School, Inc. (the School), a component unit of Florida State University, as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated October 28, 2025.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated October 28, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations in the preceding 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 and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Florida State University Panama City Developmental Laboratory Charter School, Inc., 0082.

Financial Condition and Management

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 School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

Transparency

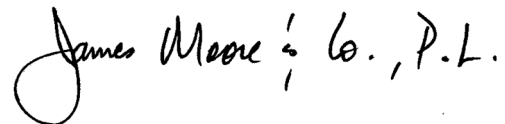
Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor general, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the School maintains on its Website the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its Website the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of the Letter

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large, looping initial 'J'.

Tallahassee, Florida
October 28, 2025