

**THE MIAMI BOARDING SCHOOL, INC.  
d/b/a THE SEED SCHOOL OF MIAMI**

MIAMI, FLORIDA  
(A CHARTER SCHOOL AND COMPONENT UNIT OF  
THE SCHOOL BOARD OF MIAMI-DADE COUNTY,  
FLORIDA)

**BASIC FINANCIAL STATEMENTS, INDEPENDENT  
AUDITOR'S REPORT AND SUPPLEMENTAL  
INFORMATION**

JUNE 30, 2025

**THE MIAMI BOARDING SCHOOL, INC.**  
**d/b/a THE SEED SCHOOL OF MIAMI**  
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**JUNE 30, 2025**

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**THE MIAMI BOARDING SCHOOL, INC.  
d/b/a THE SEED SCHOOL OF MIAMI**

1901 NW 127<sup>th</sup> Street  
Miami, FL 33167  
(855) 818-7333

**2024-2025**

**BOARD OF DIRECTORS**

Melanie Damian, Title Chairman, Director  
Thomas Culmo, Title Treasurer, Director  
Virginia Emmons, Title Director  
Nancy Hector, Title Director  
Stuart Israelson, Title Director  
Dorothy Terrell, Title Director  
Zoe Leader, Title Director  
Andi Potamkin, Title Director  
Patrick Gannon, Chair of the Finance Committee  
Alise Johnson, Title Director  
Alison Harke, Title Director  
Chanel Rowe, Title Director  
Melissa Babil, Title Director  
Victoria Shabaz, Title Director  
Ana Grill, Title Director  
Alexandra Pope, Title Director  
Alex Hancock, Title Director  
Kele Stewart, Title Director

**SCHOOL ADMINISTRATION**

Theresa Thomas, Head of School



## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
The Miami Boarding School, Inc.  
d/b/a The SEED School of Miami  
Miami, Florida

### Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of The Miami Boarding School, Inc., d/b/a The SEED School of Miami (the "School"), a charter school and a component unit of the District School Board of Miami-Dade County, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of The Miami Boarding School, Inc., d/b/a The SEED School of Miami, 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. 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.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and

comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

In accordance with Government Auditing Standards, we have also issued our report dated September 4, 2025 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the School's internal control over financial reporting and compliance.

*Verdeja - Alvarez, LLP*

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
September 4, 2025

**Management’s Discussion and Analysis**  
The Miami Boarding School, Inc.  
d/b/a The SEED School of Miami

The discussion and analysis of The Miami Boarding School, Inc. d/b/a The Seed School of Miami (the “School”) financial performance provides an overview of the School’s financial activities for the Fiscal Year ended June 30, 2025.

**FINANCIAL HIGHLIGHTS**

1. The School had an increase in net position of \$387,900 for the fiscal year end at June 30, 2025 and the School’s net position was \$6,257,835.
2. At year-end, the School had current assets of \$2,958,061.
3. The School had a fund balance at June 30, 2025 of \$2,351,886.

*Overview of the Financial Statements*

This discussion and analysis is intended to serve as an introduction to the School’s basic financial statements. The School’s financial statements for the year ended June 30, 2025 are presented in accordance with Governmental Accounting Standards Board (“GASB”) Codification Section 2200. The financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

*Government-Wide Financial Statements*

The *government-wide financial statements* are designed to provide readers with a broad overview of the School’s finances, in a manner similar to a private-sector business.

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

The *Statement of Activities* presents information on how the School’s net position changed during the Fiscal Year. All changes in net position are reported as soon as the underlying event resulting in the change occurs, without regard to the timing of related cash flows. Accordingly, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 10-11 of this report.

*Fund Financial Statements*

A “fund” is a collection of related accounts grouped to maintain control over resources that have been segregated for specific activities, projects, or objectives. The School, like other state and local governments, uses fund accounting to comply with finance-related legal requirements.

All of the funds of the School are governmental funds. *Governmental Funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

Governmental Fund financial statements, however, focus on *near-term* inflows and outflows of spendable resources, as well as on the balances of spendable resources which are available at the end of the Fiscal Year. Such information may be used to evaluate a government's requirements for near-term financing.

Prior to the start of the School's fiscal year, the Board of the School adopts an annual budget for all of its governmental funds. A budgetary comparison statement has been provided for the School's governmental funds to demonstrate compliance with the School's budget. The basic governmental fund financial statements can be found on pages 12-15 of this report.

*Notes to Financial Statements*

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 16-24 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, over time net position may serve as a useful indicator of a school's financial position. Below is a summary of the School's net position as of June 30, 2025 and 2024:

<b>Assets</b>	<u>2025</u>	<u>2024</u>
Cash	\$ 2,015,457	\$ 1,095,979
Certificate of deposits	618,961	639,761
Accounts receivable	9,598	1,219,074
Prepaid expenses	314,045	165,051
Right-to-use assets, net	486,475	277,250
Capital assets, net	10,743,147	10,841,073
Total Assets	<u>\$ 14,187,683</u>	<u>\$ 14,238,188</u>
<b>Liabilities and Net Position</b>		
Accounts payable and accrued expenses	\$ 547,721	\$ 345,611
Due to The SEED Foundation	58,454	113,555
Right-to-use liability	503,413	277,250
Long-term debt	6,820,260	7,631,837
Total Liabilities	<u>7,929,848</u>	<u>8,368,253</u>
Net investment in capital assets, net of related debt	4,054,026	4,107,313
Restricted	618,961	639,761
Unrestricted	1,584,848	1,122,861
Total Net Position	<u>6,257,835</u>	<u>5,869,935</u>
Total Liabilities and Net Position	<u>\$ 14,187,683</u>	<u>\$ 14,238,188</u>

Below is a summary and analysis of the School's revenues and expenses for the year ended June 30, 2025 and 2024:

<b>REVENUES</b>	<u>2025</u>	<u>2024</u>
Program revenues		
Contributions and other grants	\$ 886,618	\$ 1,425,941
Other miscellaneous state revenues	12,190,567	11,678,738
General revenues		
FEFP nonspecific revenue	1,758,694	1,918,033
Other income	502,682	124,737
Total Revenues	<u>\$ 15,338,561</u>	<u>\$ 15,147,449</u>
<b>EXPENSES</b>		
Instruction	\$ 3,160,647	\$ 3,622,468
Instructional support services	3,822,771	3,746,429
School administration	2,675,305	2,058,770
Fiscal services	414,072	386,467
Food services	481,362	524,404
Pupil transportation services	277,199	250,825
Operation of plant	2,928,540	2,874,549
Administrative technology services	415,063	494,777
Maintenance of plant	347,723	378,824
Interest expense	427,979	477,512
Total Expenses	<u>14,950,661</u>	<u>14,815,025</u>
Change in Net Position	387,900	332,424
<b>Net Position at Beginning of Year</b>	<u>5,869,935</u>	<u>5,537,511</u>
<b>Net Position at End of Year</b>	<u>\$ 6,257,835</u>	<u>\$ 5,869,935</u>

### ACCOMPLISHMENTS

In 2025, the School was issued with the Platinum Seal of Transparency by Candid. This is the highest level of recognition offered by Candid's GuideStar platform. The School's management and faculty are honored for the school to be among the top 1% of nonprofits nationwide who have earned this distinction.

## **SCHOOL LOCATION**

The School operates in the Miami area located at 1901 NW 127<sup>th</sup> Street, Miami, FL 33167.

## **CAPITAL IMPROVEMENT REQUIREMENT**

The School maintains a continuous capital improvements program to enhance facilities and update fixtures and equipment as required.

## **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND**

As noted earlier, the School uses fund accounting to comply with finance-related legal requirements.

## **GOVERNMENTAL FUNDS**

The focus of the School's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the School's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the Fiscal Year.

At the end of the fiscal year, the School's governmental funds reported a decrease of \$308,813 in fund balance and had an ending fund balance of \$2,351,886.

## **CAPITAL AND RIGHT-TO-USE ASSETS**

The School's investment in capital and right-to-use assets, as of June 30, 2025, amounts to \$11,229,622 (net of accumulated depreciation). The investment in capital and right-to-use assets includes capital improvements projects, furniture, equipment and motor vehicles.

## **BUILDING LOAN PAYABLE**

In April 2022, the School converted its construction loan into a permanent building loan with a fixed interest rate of 4.31% through December 3, 2025, with an option for extension. As of July 1, 2023, the loan balance was \$5,449,416. Monthly interest payments of \$19,904 commenced in January 2023, alongside quarterly amortization payments of approximately \$30,788 over a 30-year term. The loan is secured by the associated facilities and initial credit enhancements. As of June 30, 2025, the outstanding loan balance was \$5,326,263.

In 2022, the School entered into a non-revolving line of credit, secured by the Building Loan, specifically for soft cost expenditures including furniture, fixtures, and equipment (FF&E), security systems, IT infrastructure, and contingencies. The line of credit carries an interest rate of WSJ prime plus 1%, with a minimum rate of 4.75%. Funds were drawn in August 2023, following lender approval based on submitted backup and reconciliation. Monthly interest payments are due, and both principal and accrued interest will be payable upon the loan's maturity date, which occurs 36 months after withdrawal. As of June 30, 2025, the outstanding balance on this loan was \$1,345,920.

During the year, the School fully repaid its private loan from The SEED Foundation for the dormitory construction. The loan had a balance of \$750,000 at July 1, 2024 and an interest rate of 6.5%.

The total consolidated loan balance for both lines of credit as of June 30, 2025, amounted to \$6,672,183.

## BUDGETARY HIGHLIGHTS

The general fund and special revenue fund budget for the fiscal year ended June 30, 2025, was developed based on the School's anticipated revenues and expenditures and the expected student population for the school year. Over the course of the year, the School may revise the final budget.

	All Governmental Funds		
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES			
Revenue from state sources	\$ 2,019,901	\$ 2,019,901	\$ 1,758,694
Contributions and other grants	-	-	349,191
Other miscellaneous state revenues	13,677,627	13,677,627	12,190,567
Federal through state and local	134,478	134,478	537,427
Other income	-	-	502,682
TOTAL REVENUES	<u>15,832,006</u>	<u>15,832,006</u>	<u>15,338,561</u>
EXPENDITURES			
Instruction	3,734,554	3,734,554	3,160,647
Instructional support services	4,072,492	4,072,492	3,822,771
School administration	2,239,131	2,239,131	2,534,383
Fiscal services	225,745	225,745	414,072
Food services	764,225	764,225	481,362
Pupil transportation services	250,803	250,803	271,378
Operation of plant	2,667,812	2,667,812	2,511,083
Administrative technology services	638,418	638,418	415,063
Maintenance of plant	268,940	268,940	347,723
Debt service	395,109	395,109	1,266,843
Other capital outlay	445,718	445,718	422,049
TOTAL EXPENDITURES	<u>15,702,947</u>	<u>15,702,947</u>	<u>15,647,374</u>
Net change in fund balance	<u>\$ 129,059</u>	<u>\$ 129,059</u>	<u>\$ (308,813)</u>

## REQUESTS FOR INFORMATION

This financial report is intended to provide a general overview of the finances of the School. Requests for additional information may be addressed to Theresa Thomas, Head of School

**THE MIAMI BOARDING SCHOOL, INC.**  
**d/b/a THE SEED SCHOOL OF MIAMI**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2025**

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	<u>Governmental Activities</u>
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	\$ 2,015,457
Certificate of deposit	618,961
Accounts receivables	9,598
Prepaid expenses	314,045
<b>TOTAL CURRENT ASSETS</b>	<u>2,958,061</u>
<b>RIGHT-TO-USE ASSETS, NET</b>	486,475
<b>CAPITAL ASSETS, NET</b>	<u>10,743,147</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 14,187,683</u></u>
<b>LIABILITIES AND NET POSITION</b>	
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	\$ 547,721
Due to The SEED Foundation	58,454
Construction note payable - short term portion	1,407,496
Right-to-use liability - current portion	37,402
<b>TOTAL CURRENT LIABILITIES</b>	<u>2,051,073</u>
SBA loan payable	148,077
Right-to-use liability - long-term portion	466,011
Construction note payable - long term portion	5,264,687
<b>TOTAL LIABILITIES</b>	<u>7,929,848</u>
<b>NET POSITION</b>	
Invested in capital assets, net of related debt	4,054,026
Restricted	618,961
Unrestricted net position	1,584,848
<b>TOTAL NET POSITION</b>	<u>6,257,835</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u><u>\$ 14,187,683</u></u>

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

**THE MIAMI BOARDING SCHOOL, INC.**  
**d/b/a THE SEED SCHOOL OF MIAMI**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2025**

Functions	Expenses	Program Revenues			Net (Expense) and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental Activities:</b>					
Instruction	\$ 3,160,647	\$ -	\$ 537,427	\$ -	\$ (2,623,220)
Instructional support services	3,822,771	-	-	-	(3,822,771)
School administration	2,675,305	-	-	-	(2,675,305)
Fiscal services	414,072	-	-	-	(414,072)
Food services	481,362	-	-	-	(481,362)
Pupil transportation services	277,199	-	-	-	(277,199)
Operation of plant	2,928,540	-	-	-	(2,928,540)
Maintenance of plant	347,723	-	-	-	(347,723)
Administrative technology services	415,063	-	-	-	(415,063)
Interest expense	427,979	-	-	-	(427,979)
<b>Total Governmental Activities</b>	<b>\$ 14,950,661</b>	<b>\$ -</b>	<b>\$ 537,427</b>	<b>\$ -</b>	<b>\$ (14,413,234)</b>

GENERAL REVENUES:

Grants and contributions not restricted to specific programs	\$ 349,191
Other miscellaneous state revenues	12,190,567
Revenues from state sources	1,758,694
Interest and other revenue	502,682
Total general revenues	<u>14,801,134</u>

Change in Net Position 387,900

NET POSITION - BEGINNING 5,869,935

NET POSITION - ENDING \$ 6,257,835

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

**THE MIAMI BOARDING SCHOOL, INC.**  
**d/b/a THE SEED SCHOOL OF MIAMI**  
**BALANCE SHEET – GOVERNMENTAL FUNDS**  
**JUNE 30, 2025**

	General Fund	Special Revenue Fund	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,015,457	\$ -	\$ 2,015,457
Certificate of deposit	618,961	-	618,961
Accounts receivables	9,598	-	9,598
Prepaid expenses	314,045	-	314,045
<b>TOTAL ASSETS</b>	<b>\$ 2,958,061</b>	<b>\$ -</b>	<b>\$ 2,958,061</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 547,721	\$ -	\$ 547,721
Due to The SEED Foundation	58,454	-	58,454
<b>TOTAL LIABILITIES</b>	<b>606,175</b>	<b>-</b>	<b>606,175</b>
<b>FUND BALANCE</b>			
Nonspendable			
Prepaid expenses and other deposits	314,045	-	314,045
Restricted	618,961	-	618,961
Unassigned	1,418,880	-	1,418,880
<b>TOTAL FUND BALANCE</b>	<b>2,351,886</b>	<b>-</b>	<b>2,351,886</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 2,958,061</b>	<b>\$ -</b>	<b>\$ 2,958,061</b>

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

**THE MIAMI BOARDING SCHOOL, INC.**  
**d/b/a THE SEED SCHOOL OF MIAMI**  
**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT**  
**OF NET POSITION**  
**JUNE 30, 2025**

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Total Fund Balance - Governmental Funds \$ 2,351,886

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

Capital assets, net of accumulated depreciation used in governmental activities are not financial resources and, therefore, are not reported in the fund.

Capital assets	13,870,100
Accumulated depreciation	(3,126,953)

Right-to-use assets and liabilities used in governmental activities are not financial resources or obligations and therefore are not reported.

Right-to-use asset	486,475
Right-to-use liability	(503,413)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

SBA loan payable	(148,077)
Construction note payable	(6,672,183)

Total Net Position - Governmental Activities	\$ 6,257,835
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The accompanying notes are an integral part of this financial statement.

**THE MIAMI BOARDING SCHOOL, INC.**  
**d/b/a THE SEED SCHOOL OF MIAMI**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	General Fund	Special Revenue Fund	Total Governmental Funds
<b>REVENUES</b>			
Revenue from state sources	\$ 1,758,694	\$ -	\$ 1,758,694
Contributions and other grants	349,191	-	349,191
Other miscellaneous state revenues	12,190,567	-	12,190,567
Federal through state and local	-	537,427	537,427
Interest and other income	502,682	-	502,682
<b>TOTAL REVENUES</b>	<b>\$ 14,801,134</b>	<b>\$ 537,427</b>	<b>\$ 15,338,561</b>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Instruction	\$ 2,623,220	\$ 537,427	\$ 3,160,647
Instructional support services	3,822,771	-	3,822,771
School administration	2,534,383	-	2,534,383
Fiscal services	414,072	-	414,072
Food services	481,362	-	481,362
Pupil transportation services	271,378	-	271,378
Operation of plant	2,511,083	-	2,511,083
Administrative technology services	415,063	-	415,063
Maintenance of plant	347,723	-	347,723
<b>Capital Outlay:</b>			
Other capital outlay	422,049	-	422,049
<b>Debt Service:</b>			
Redemption of principal	838,864	-	838,864
Interest	427,979	-	427,979
<b>TOTAL EXPENDITURES</b>	<b>15,109,947</b>	<b>537,427</b>	<b>15,647,374</b>
Net change in fund balance	(308,813)	-	(308,813)
Fund balance at beginning of year	2,660,699	-	2,660,699
Fund balance at end of year	<u>\$ 2,351,886</u>	<u>\$ -</u>	<u>\$ 2,351,886</u>

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

**THE MIAMI BOARDING SCHOOL, INC.**  
**d/b/a THE SEED SCHOOL OF MIAMI**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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Change in Fund Balance - Governmental Funds \$ (308,813)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital outlays	422,049
Depreciation expense	(519,975)

The proceeds from loans and note payables provide current financial resources to governmental funds, but increases long-term liabilities in the statement of net assets. Repayment of advance principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Repayments of principal	838,864
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In the statement of activities, amortization of the right-of-use asset is reported as an expense over the estimated life of the lease, however, in the governmental funds it is not included as an expenditure.

(44,225)

Change in Net Position of Governmental Activities

\$ 387,900

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

**THE MIAMI BOARDING SCHOOL, INC.  
d/b/a THE SEED SCHOOL OF MIAMI  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE 1 – ORGANIZATION AND OPERATIONS**

**Reporting Entity**

The Miami Boarding School, Inc. d/b/a The Seed School of Miami, (the “School”) is a charter school sponsored by the School Board of Miami-Dade County, Florida (the “District”). The School’s charter is held by The Miami Boarding School, Inc., a not-for-profit corporation, organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and Section 1002.33, Florida Statutes. The governing body of the School is the Board of Directors, which is comprised of ten members.

The SEED School of Miami is a college-preparatory, public boarding charter school for South Florida students. The School’s mission is to provide an outstanding educational program that empowers students to be successful, both academically and socially, in college and beyond. The School is the first of its kind in Florida and the third in the country, serving as a model for additional SEED schools. It is supported by The SEED Foundation (the “Foundation”), a not-for-profit corporation with a network of similar schools in different states.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the District School Board of Miami-Dade County, Florida (the “School Board”). The current charter is effective until June 30, 2036. At the end of the term of the charter, the School Board may choose not to renew the charter under grounds specified in the charter, in which case the School Board is required to notify the School in writing at least 90 days prior to the School’s expiration. During the term of the charter, the School Board may also terminate the charter if good cause is shown. The charter may be renewed for up to an additional 5 years by mutual agreement. These financial statements are for the year ended June 30, 2025, the School’s seventh operating school year, when approximately 231 students were enrolled in the 6<sup>th</sup> through 12<sup>th</sup> grade.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

Based on the guidance provided in the American Institute of Certified Public Accountants Audit and Accounting Guide – Audits per State and Local Governments and provisions of Florida Statutes, the School is presented as a governmental organization for financial statement reporting purposes under standards set by the Governmental Accounting Standards Board (“GASB”).

**Government-wide and Fund Financial Statements**

*Government-wide Financial Statements*

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information for the School as a whole. Both statements report only governmental activities as the School does not engage in any business type activities. These statements do not include fiduciary funds.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, (2) operating grants and contributions which finance annual operating activities, and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. Other revenue sources not properly included with program revenues are reported as general revenues.

**THE MIAMI BOARDING SCHOOL, INC.**  
**d/b/a THE SEED SCHOOL OF MIAMI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

*Fund Financial Statements*

Fund financial statements are provided for governmental funds. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures. Major individual governmental funds, namely the general, special revenue, and capital project funds are reported as separate columns in the fund financial statements:

General Fund – is the School’s primary operating fund. It accounts for all financial resources not accounted for and reported in another fund.

Special Revenue Fund – used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service and capital projects.

Capital Projects Fund – used to account for financial resources used for the acquisition or construction of major capital facilities and for the proceeds and related expenditures of charter school capital outlay funding.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The financial statements of the School are prepared in accordance with generally accepted accounting principles (GAAP). The School’s reporting entity applies all relevant GASB *Codification of Accounting and Financial Reporting Guidelines*.

The government-wide statements report uses 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 related cash flows. Revenues from non-exchange transactions are reported according to GASB Codification Section 1600.111 and Section N50 “*Accounting and Financial Reporting for Non-Exchange Transactions*”. On the accrual basis, revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The School considers revenues to be available if they are collected within 90 days of the end of the fiscal year. Florida Education Finance Program (FEFP) revenues are recognized when received. A one-year availability period is used for revenue recognition for all other governmental fund revenues. When grant terms provide that the expenditure of funds is the prime factor for determining eligibility for federal, state, and other grant funds, revenue is recognized at the time the expenditure is made. Expenditures are recorded when the related fund liability is incurred, except for long-term debt principal and interest which are reported as expenditures in the year due.

**Budgetary Basis Accounting**

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries, purchased services, and capital outlay). Any revisions to the annual budget are approved by the Board.

Cash and Cash Equivalents

The School’s cash is considered to be cash on hand and demand deposits, with original maturities of three months or less.

**THE MIAMI BOARDING SCHOOL, INC.**  
**d/b/a THE SEED SCHOOL OF MIAMI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts receivable

Accounts receivable consists of amounts due from contributions, donations and pledges.

Due from Other Agencies

Due from other agency consists of amounts due from other governmental units for revenues from federal, federal through state, state, or other sources.

Capital Assets, Depreciation and Amortization

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. The School capitalization levels are \$1,000 on tangible personal property. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the costs and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	39 Years
Furniture and equipment	3 Years
Motor vehicles	5 Years

Compensated Absences

The School grants a specific number of days for sick/personal leave. Full-time office and administrative employees are eligible for up to ten days of active work during the ten-month period (a “benefit year”). Teachers are eligible for up to seven days of active work during the benefit year. In the event that available time is not used by the end of the benefit year, employees may not “rollover” all unused days for use in future benefit years.

Pursuant to recently issued Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, only leave that accumulates should be recognized as a liability for leave that has not been used because if it does not accumulate, a government would not have an obligation for it at the date of the financial statements. For organizations with use-it-or-lose it policies, for which any unused leave is forfeited at the end of the fiscal year, there is no obligation to provide time off or payment or settlement in a future period. Accordingly, no liability for compensated absences is reported in these financial statements. See Adopted Accounting Pronouncements.

Government-wide Fund Net Position

Government-wide fund net position are divided into three components:

- Net investment in capital assets – consists of the historical cost capital assets less accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets plus deferred outflows of resources less deferred inflows of resources. The net investment in capital assets for the year ending June 30, 2025, was \$4,054,026.
- Restricted net assets – consists of net assets with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments less related liabilities and deferred inflows of resources. The restricted net position for the year ending June 30, 2025 was \$618,961. The restriction is for a certificate of deposit, which is collateral (escrow) for the School’s lease agreement.
- Unrestricted – all other net position is reported in this category.

**THE MIAMI BOARDING SCHOOL, INC.**  
**d/b/a THE SEED SCHOOL OF MIAMI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

- Nonspendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned). At June 30, 2025, the School had \$314,045 in nonspendable fund balance.
- Restricted – fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. At June 30, 2025, the School had \$618,961 restricted fund balance. The restriction is for a certificate of deposit, which is collateral (escrow) for the School’s lease agreement.
- Committed – fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School’s Board of Directors. At June 30, 2025, there is no committed fund balance.
- Assigned – fund balance classification are intended to be used by the School’s management for specific purposes but do not meet the criteria to be classified as restricted or committed. At June 30, 2025, there is no assigned fund balance.
- Unassigned – fund balance is the residual classification for the School’s general fund and includes all spendable amounts not contained in the other classifications.

Order of Fund Balance Spending Policy

The School’s policy is to apply expenditures against non-spendable fund balance, restricted fund balance, and committed fund balance at the end of the fiscal year by adjusting journal entries. First, non-spendable fund balances are determined. Then, restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then, any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purposes amounts exceed the positive fund balance for the non-general fund. As of June 30, 2025, there are no minimum fund balance requirements for any of the School’s funds.

Revenue Sources

The School derives the majority of its operational revenue from the School Board, in accordance with the funding provisions stipulated in its charter and Section 1002.33 of the Florida Statutes. The School is required to report the number of full-time equivalent (FTE) students and relevant data to the School Board, which in turn reports the FTE count to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program (FEFP) under Section 1011.62 of the Florida Statutes. Funding allocations are subject to periodic adjustments during the year based on updated calculations from the FDOE and the actual number of weighted FTE students reported by the School during designated survey periods. Additionally, the School may receive operational expense payments on a reimbursement basis when actual enrollment falls below the maximum program enrollment. These payments are intended to offset certain programmatic and operational expenses.

The School may also receive 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. Any excess amounts are recorded as deferred revenues until expensed or as restricted until used. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

**THE MIAMI BOARDING SCHOOL, INC.**  
**d/b/a THE SEED SCHOOL OF MIAMI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Miami Boarding School, Inc. qualifies as a tax exempt organization under the Internal Revenue Code Section 501(c)(3), and is, therefore, exempt from income tax. Accordingly, no tax provision has been made in the accompanying financial statements.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Adopted Accounting Pronouncements

In June 2022, GASB issued Statement No. 101 (“GASB 101”), *Compensated Absences*, which establishes a unified model for the recognition and measurement of all types of compensated absences, such as vacation leave, sick leave, and paid time off. This Statement replaces the prior guidance in GASB Statement No. 16 and requires that a liability be recognized as leave is earned, regardless of whether it vests or is contingent on future events, to the extent it is more likely than not to be used for time off in a future reporting period or otherwise paid to the employee.

The School grants a specific number of days for sick/personal leave each benefit year. Unused days do not carry forward to subsequent benefit years and are not paid out under any circumstance (“use-it-or-lose-it” policy). Because no leave earned in the current year results in a future obligation once the benefit year ends, the School determined that no liability for compensated absences is required under GASB 101.

Subsequent Events

The School has evaluated subsequent events and transactions for potential recognition or disclosure through September 4, 2025, which is the date the financial statements were available to be issued.

**THE MIAMI BOARDING SCHOOL, INC.**  
**d/b/a THE SEED SCHOOL OF MIAMI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 3 – CAPITAL AND RIGHT-TO-USE ASSETS**

The following schedule provides a summary of changes in capital assets, acquired partly with public funds, for the year ended June 30, 2025:

	Balance			Balance
	July 1, 2024	Additions	Deletions/Transfers	June 30, 2025
Capital Assets				
Building and improvements	\$ 12,179,493	\$ 154,394	\$ -	\$ 12,333,887
Furniture and equipment	1,186,264	180,334	-	1,366,598
Motor vehicles	82,294	87,321	-	169,615
Total Capital Assets	\$ 13,448,051	\$ 422,049	\$ -	\$ 13,870,100
Less Accumulated Depreciation				
Building and improvements	\$ (1,527,094)	\$ (373,232)	\$ -	\$ (1,900,326)
Furniture and equipment	(997,594)	(140,922)	-	(1,138,516)
Motor vehicles	(82,290)	(5,821)	-	(88,111)
Total Accumulated Depreciation	(2,606,978)	(519,975)	-	(3,126,953)
Capital Assets, net	\$ 10,841,073	\$ (97,926)	\$ -	\$ 10,743,147

Depreciation expense for the year ended June 30, 2025, was \$519,975 and was allocated to operation of plant and instruction. As of June 30, 2025, the net value of building and improvements, equipment and vehicles after accounting for accumulated depreciation was \$10,743,147.

The following schedule provides changes in right-to-use assets (see Note 7):

	Balance			Balance
	July 1, 2024	Additions	Modification	June 30, 2025
Right-to-use assets				
Right-to-use asset- Facilities	\$ 348,312	\$ 530,700	\$ (348,312)	\$ 530,700
Total right-to-use	348,312	530,700	(348,312)	530,700
Less accumulated amortization				
Right-to-use asset- Facilities	(71,062)	(44,225)	71,062	(44,225)
Total accumulated amortization	(71,062)	(44,225)	71,062	(44,225)
Righ-to-use assets, net	\$ 277,250	\$ 486,475	\$ (277,250)	\$ 486,475

**NOTE 4 – BUILDING LOAN PAYABLE TO FINANCIAL INSTITUTION**

In April 2022, the School converted its construction loan into a permanent building loan with a fixed interest rate of 4.31% through December 3, 2025, with an option for extension. As of July 1, 2023, the loan balance stood at \$5,449,416. Monthly interest payments of \$19,904 commenced in January 2023, alongside quarterly amortization payments of approximately \$30,788 over a 30-year term. The loan is secured by the associated facilities. As of June 30, 2025, the outstanding loan balance was \$5,326,263.

**THE MIAMI BOARDING SCHOOL, INC.**  
**d/b/a THE SEED SCHOOL OF MIAMI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 4 – BUILDING LOAN PAYABLE TO FINANCIAL INSTITUTION (Continued)**

In 2022, the School entered into a non-revolving line of credit, secured by funds allocated to the Building Loan, for the purpose of covering soft cost expenditures such as furniture, fixtures, and equipment (FF&E), security systems, IT infrastructure, and contingencies. The loan carries interest at a rate of WSJ prime plus 1%, with a floor rate of 4.75%. In August 2023, the School drew on this line of credit, after submitting the required documentation and receiving lender approval for reconciliation. Interest payments on the outstanding principal are due monthly, with the total outstanding principal and accrued interest payable upon the loan's maturity, which occurs 36 months after the draw. As of June 30, 2025, the outstanding balance was \$1,345,920.

The School was in compliance with a debt service coverage ratio of no less than 1.00x.

The following schedule provides a summary of changes for the year ended June 30, 2025:

	Balance July 1, 2024	Additions	Repayments	Balance June 30, 2025
Loan Payables	\$ 6,733,760	\$ -	\$ (61,577)	\$ 6,672,183

Future maturities are as follows:

Year Ended June 30,	
2026	\$ 1,407,495
2027	5,264,688
Total	<u>\$ 6,672,183</u>

**NOTE 5 – SBA NOTE PAYABLE**

The School obtained a loan from the Small Business Act (“SBA”), the EIDL loan, in the amount of \$150,000 in July 2020. The loan payables bear interest at 2.75% and are due in monthly payments of principal and interest totaling \$641 commencing twelve months from the date of the loan. The start date of the loan payments were extended to July 2023. The loan matures in July 2050. The following schedule provides a summary of changes in loan payables for the year ended June 30, 2025:

	Balance July 1, 2024	Additions	Repayments	Balance June 30, 2025
SBA loan payable	\$ 148,077	\$ -	\$ -	\$ 148,077

Future maturities are as follows:

Year Ended June 30,	
2026	\$ 7,737
2027	4,031
2028	4,146
2029 and Thereafter	132,163
Total	<u>\$ 148,077</u>

**THE MIAMI BOARDING SCHOOL, INC.**  
**d/b/a THE SEED SCHOOL OF MIAMI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 6 – DUE TO THE SEED FOUNDATION AND RELATED PARTIES**

The School, supported by The SEED Foundation, a nonprofit with a network of similar schools, entered an Academic and Management agreement on February 1, 2014. Under this agreement, the Foundation provides services like curriculum development, staffing, facility support, financial guidance, IT, and student recruitment. The SEED Foundation charges a 5% management fee based on the Schools annual expenditures budget. In the year ending June 30, 2025, the School paid \$810,500 in management fees. The initial agreement lasts for five years, renewable for an additional five years if both parties agree. The SEED Foundation also charged for additional network expenses, including insurances and shared staff costs, with a balance due of \$58,454 as of June 30, 2025.

**NOTE 7 – LEASE LIABILITY**

The School entered into a ground and operating lease agreement with The School Board of Miami-Dade County, Florida, whereas the School would be allowed to use portions of the facilities located at 1901 NW 127<sup>th</sup> Street in Miami, Florida, exclusively for the construction and operation of the residential component of a college-preparatory, public boarding charter school for at-risk youth. The effective date of this agreement is August 17, 2017, and expires June 30, 2029. The School will pay an annual lease rate of \$49,759 for the ground lease agreement. The School is responsible for paying a proportionate share of the operating expenses of the Academic Building, which include routine building and grounds maintenance, trash pick-up, utilities and property insurance. The cost of the operating lease agreement will be determined based on the previous year costs. For the year ended June 30, 2025, the total amount paid was \$185,573.

The School has implemented GASB No. 87, *Leases*, and as a result, has recorded a right-to-use asset and liability in these financial statements for the above facility arrangements as of their commencement dates. The School used an interest rate of 4.75% based on the average incremental borrowing rate of the School to discount the annual lease payments and recognize the intangible right to use asset and the lease liability. During the year ended June 30, 2025, the interest expense related to the right to use liability was \$22,472 and the amortization expense of the right to use assets was \$44,225.

	Balance July 1, 2024	Additions	Modification	Decrease	Balance June 30, 2025
Right-of-use liability- Facilities	\$ 277,250	\$ 530,700	\$ (277,250)	\$ (27,287)	\$ 503,413
	<u>\$ 277,250</u>	<u>\$ 530,700</u>	<u>\$ (277,250)</u>	<u>\$ (27,287)</u>	<u>\$ 503,413</u>

Annual requirements to amortize the lease liability and related interest are estimated as follow:

Fiscal Year Ended	Principal	Interest	Total
2026	\$ 27,943	\$ 23,309	\$ 51,252
2027	30,871	21,919	52,790
2028	33,988	20,385	54,373
2029	37,305	18,699	56,004
2030	40,833	16,851	57,684
2031-2035	265,336	50,105	315,441
2036	67,137	1,740	68,877
	<u>\$ 503,413</u>	<u>\$ 153,008</u>	<u>\$ 656,421</u>

**THE MIAMI BOARDING SCHOOL, INC.**  
**d/b/a THE SEED SCHOOL OF MIAMI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE 8 – DEPOSITS POLICY AND CREDIT RISK**

It is the School's policy to maintain its cash and cash equivalents in one financial institution. Deposits at FDIC-insured financial institutions are insured up to \$250,000 per depositor, per financial institution. Bank balances at times may potentially be in excess of FDIC coverage. As of June 30, 2025, bank balances in potential excess of FDIC coverage was \$2,118,464.

**NOTE 9 – RETIREMENT PLAN**

The School started a 403(B) Retirement Plan (the "Plan") during the year ended June 30, 2015. Employees of the School are eligible to join the Plan once employed by the School on the first day of the following month hired. The School, at its discretion, may elect to match part of employee contributions based on salary deferrals and pay as of the end of the pay period. Employer contributions can change annually; however, all contributions made by employees and by the School are 100% vested at the time of contribution. The School contributed \$270,510 or 3% of eligible employee wages plus 50% of employee contributions up to 6% for the year ended June 30, 2025.

**NOTE 10 – COMMITMENTS AND CONTINGENCIES**

Grants

In the normal course of operations, the School receives grant funds from various federal, state, and local agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not reflected in these financial statements. In management's opinion, there will be no adjustments resulting from future audits on grant periods through June 30, 2025, which will have a material effect on the financial statements.

Litigation

From time to time, the School is subject to legal proceedings and claims in the ordinary course of business. Although the outcome of these matters is inherently uncertain, management, after consultation with legal counsel, currently cannot determine the likelihood of an unfavorable outcome or reasonably estimate the amount or range of potential loss, if any. During the year ended June 30, 2025, there was a settlement which was covered by the School's insurance policy.

**NOTE 11 – RISK MANAGEMENT**

The School is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions and natural disasters for which the School carries commercial insurance. Settlement amounts have not exceeded insurance coverage in the past. In addition, there were no reductions in insurance coverage from those in the prior year. The School does not sponsor a public entity risk pool and has had no settlements that have exceeded their insurance coverage.

REQUIRED SUPPLEMENTAL INFORMATION

**THE MIAMI BOARDING SCHOOL, INC.  
D/B/A THE SEED SCHOOL OF MIAMI  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET  
AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	General Fund		
	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Revenue from state sources	\$ 2,019,901	\$ 2,019,901	\$ 1,758,694
Contributions and other grants	-	-	349,191
Other miscellaneous state revenues	13,677,627	13,677,627	12,190,567
Other income	-	-	502,682
<b>TOTAL REVENUES</b>	<b>15,697,528</b>	<b>15,697,528</b>	<b>14,801,134</b>
<b>EXPENDITURES</b>			
Instruction	3,600,076	3,600,076	2,623,220
Instructional support services	4,072,492	4,072,492	3,822,771
School administration	2,239,131	2,239,131	2,534,383
Fiscal services	225,745	225,745	414,072
Food services	764,225	764,225	481,362
Pupil transportation services	250,803	250,803	271,378
Operation of plant	2,667,812	2,667,812	2,511,083
Administrative technology services	638,418	638,418	415,063
Maintenance of plant	268,940	268,940	347,723
Debt service	395,109	395,109	1,266,843
Other capital outlay	445,718	445,718	422,049
<b>TOTAL EXPENDITURES</b>	<b>15,568,469</b>	<b>15,568,469</b>	<b>15,109,947</b>
 Net change in fund balance	 \$ 129,059	 \$ 129,059	 \$ (308,813)

See accompanying note to the required supplemental information.

**THE MIAMI BOARDING SCHOOL, INC.  
D/B/A THE SEED SCHOOL OF MIAMI  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET  
AND ACTUAL – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

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	Special Revenue Fund		
	Original Budget	Final Budget	Actual
REVENUES			
Federal through state and local	\$ 134,478	\$ 134,478	\$ 537,427
TOTAL REVENUES	<u>134,478</u>	<u>134,478</u>	<u>537,427</u>
EXPENDITURES			
Instruction	134,478	134,478	537,427
TOTAL EXPENDITURES	<u>134,478</u>	<u>134,478</u>	<u>537,427</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying note to the required supplemental information.

**THE MIAMI BOARDING SCHOOL, INC.  
D/B/A THE SEED SCHOOL OF MIAMI  
NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2025**

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NOTE A – BUDGETARY INFORMATION

Budgetary basis of accounting

The School's annual budget is adopted for the entire operations at the combined governmental level and may be amended by the Board. The budget presented for the year ended June 30, 2025, has been amended according to Board procedures. During the fiscal year, expenditures were controlled at the fund level.

Although budgets are adopted for the entire operation, budgetary comparisons have been presented for the general and special revenue funds for which a legally adopted budget exists.

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



Verdeja • Alvarez

Certified Public Accountants & Advisors



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Cristy C. Rubio, C.P.A.

Javier Verdeja, C.P.A.

Octavio A. Verdeja, C.P.A.

Octavio "Tab" Verdeja, C.F.F., C.P.A.

Octavio F. Verdeja, Founder - 1971

Armando Aburto, C.P.A.

Jorge Albeirus, C.P.A.

Viviana Bruno, C.P.A.

Pedro L. Silva, C.P.A.

Michael Vildosola, C.P.A.

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

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Board of Directors of  
The Miami Boarding School, Inc.  
d/b/a The Seed School of Miami  
Miami, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of The Miami Boarding School, Inc. d/b/a The Seed School of Miami (the "School"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated September 4, 2025.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 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 School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

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

*Verdeja - Alvarez, LLP*

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
September 4, 2025



## MANAGEMENT LETTER

Board of Directors of  
The Miami Boarding School, Inc.  
d/b/a The Seed School of Miami  
Miami, Florida

### Report on the Financial Statements

We have audited the financial statements of The Miami Boarding School, Inc. d/b/a The Seed School of Miami (the "School"), a non-major component unit of the District School Board of Miami-Dade County, Florida, as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated September 4, 2025.

### Auditor's Responsibility

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

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in that report, which is dated September 4, 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 made in the preceding 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 of the entity and the school code assigned by the Florida Department of Education of the school is The Miami Boarding School, Inc. d/b/a The Seed School of Miami and #136018.

## **Financial Condition and Management**

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

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. The financial condition assessment procedures applied in connection with our audit, has lead us to believe that the School's overall financial condition as of June 30, 2025 is not deteriorating.

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 that we report the results of our determination as to whether the School maintains on its web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintains the most recent governing board minutes on its web site.

## **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 this Letter**

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

*Verdeja - Alvarez, LLP*

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
September 4, 2025