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RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
INDEPENDENT AUDITOR'S REPORT  
AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021

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

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

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

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

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

I have audited the accompanying Financial Statements of the governmental activities, and each major fund, of Rise Education Schools, Inc., D/B/A Rise Academy School of Science and Technology I ("the Academy") (a nonprofit organization) a component unit of The School Board of Broward County as of and for the year ended June 30, 2021, which collectively comprise the Academy's basic financial statements as listed in the foregoing Table of Contents. These financial statements are the responsibility of the Management of the Academy. My responsibility is to express an opinion on these financial statements based on my audit.

#### ***Management's Responsibility for the Financial Statements***

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

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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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

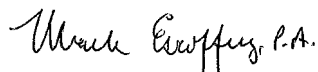
In my opinion, the financial statements referred to above and the Statement of Revenues, Expenditures and Changes in Fund Balance-Budget (GAAP Basis) and Actual-All Governmental Fund Types present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund, of the Academy as of June 30, 2021, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with ***Government Auditing Standards***, I have also issued my report dated September 15, 2021, on my consideration of the School's internal control over financial reporting and my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with ***Government Auditing Standards*** and should be considered in assessing the results of my audit.

### ***Other Matters***

#### Report on Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information on pages 3 through 6 and 13 and 14 are presented to supplement the basic financial statements. Such information although not part of the basic financial statements, is required by the Governmental Accounting Standard Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America., which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.



Palm Beach Gardens, Florida  
September 15, 2021

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2021**

Our discussion and analysis of Rise Education Schools, Inc., D/B/A Rise Academy School of Science and Technology I's ("the Academy") financial program provides an overview of the Academy's financial activities for the year ended June 30, 2021.

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

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

#### **NON FINANCIAL HIGHLIGHTS**

The Academy's daily enrollment for fiscal year ended June 30, 2021 was 336 students, which was 1 less than budgeted. The Academy expects to have an enrollment of 340 students for the school year 2021-2022.

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

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

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

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

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

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

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

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2021**

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

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

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

***Notes to the Financial Statements***

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

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of the Academy's financial position. The Academy's assets exceeded liabilities by \$774,713 at June 30, 2021.

**NET ASSETS**

	<u><b>JUNE 30, 2021</b></u>	<u><b>JUNE 30, 2020</b></u>
Current and Other Assets	\$ 869,577	\$ 798,336
Capital Assets	199,806	148,441
Total Assets	<u>\$ 1,069,383</u>	<u>\$ 946,777</u>
Note Payable	201,671	452,953
Other Liabilities	92,999	16,652
Total Liabilities	<u>\$ 294,670</u>	<u>\$ 469,605</u>
Investment in Capital Assets	\$ 199,806	\$ 148,441
Debt Service	(201,671)	(452,953)
		)
Unrestricted	776,578	781,684
Total Net Position	<u>\$ 774,713</u>	<u>\$ 477,172</u>

Revenues from governmental activities totaled \$3,235,131 for the year ended June 30, 2021. The main source of revenue is from Florida Education Finance Program (FEFP). This revenue represented approximately 74.3% of total revenue.

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2021**

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

<u>Revenue Source</u>		<u>% of Total</u>		<u>% of Total</u>
	<u>6/30/21</u>	<u>6/30/21</u>	<u>6/30/20</u>	<u>6/30/20</u>
State Sources	\$ 2,634,625	78.9	\$ 2,620,781	91.2
Local Sources	105,090	3.1	11,082	0.4
Federal Sources	600,506	18.0	242,695	8.4
<b>TOTAL</b>	<b>\$ 3,340,221</b>	<b>100.00</b>	<b>\$ 2,874,558</b>	<b>100.00</b>

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

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

<u>Expense</u>	<u>6/30/21</u>	<u>% of Total</u>	<u>6/30/20</u>	<u>% of Total</u>
	<u>6/30/21</u>	<u>6/30/21</u>	<u>6/30/20</u>	<u>6/30/20</u>
Instruction	\$ 1,429,304	47.0	\$ 1,222,662	43.8
Instructional Support Services	13,448	0.4	3,004	0.1
Board Services	12,810	0.4	12,810	0.5
General Administration	99,296	3.3	87,855	3.1
School Administration	625,509	20.6	611,371	21.9
Facilities Acquisition	316,901	10.4	308,764	11.1
Fiscal Services	22,400	0.7	21,600	0.8
Food Services	100,811	3.3	172,686	6.2
Central Services	5,056	0.2	4,291	0.2
Pupil Transportation	-	-	38,505	1.4
Operation of Plant	188,516	6.2	174,797	6.3
Maintenance of Plant	95,463	3.1	128,669	4.5
Interest	9,715	0.3		
Depreciation	123,451	4.1	4,094	0.1
<b>TOTAL</b>	<b>\$ 3,042,680</b>	<b>100.0</b>	<b>\$ 2,791,108</b>	<b>100.0</b>

**BUDGETARY HIGHLIGHTS**

Revenues from all Sources were approximately \$411,000 more than budgeted primarily because the Academy had their PPP loan forgiven and they received other grants that were not budgeted.

Actual Academy expenditures were approximately \$442,000 greater than budgeted, primarily because acquisition cost of equipment and a new vehicle was \$175,000 and debt service of \$268,000. Additional costs for operation and maintenance of plant were incurred because of the pandemic and there were savings in pupil transportation.

Total fund balance of the General Fund was \$776,578 at June 30, 2021.

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2021**

**CAPITAL ASSETS**

The Academy's investment in capital assets at June 30, 2021 was \$199,806 (net of depreciation). The investment includes leasehold improvements, furniture and fixtures, equipment and software. The following is a summary of capital assets balances at June 30, 2021:

Leasehold Improvements	\$ 155,972
Furniture, Fixtures and Equipment	452,223
Software	129,454
Motor vehicles	<u>50,473</u>
	788,122
Less Accumulated Depreciation	588,316
	<u><u>\$ 199,806</u></u>

**LONG-TERM DEBT**

During 2020, the School was granted a loan from Wells Fargo Bank in the aggregate amount of \$285,963, pursuant to the Paycheck Protection Program ("PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020.

The loan, which was in the form of a Note dated May 7, 2020 issued by Wells Fargo Bank matures on May 7, 2022 and bears an interest rate of 1% per annum. The School intends to use the entire Loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. The loan is recorded as a current note payable at June 30, 2020.

The School received a loan from the Small Business Association (SBA) in the amount of \$150,000, on May 22, 2020. The loan bears interest at 2.75% per annum. This loan matures on May 7, 2051. Principal and interest payments are \$641 per month and begin on May 22, 2021. This loan was recorded as a non-current note payable at June 30, 2020. The loan was forgiven in June 2021.

**PROSPECTS FOR THE FUTURE**

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

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

**REQUESTS FOR INFORMATION**

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



**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY 1**  
**Governmental Fund Balance Sheet (General Fund)**  
**June 30, 2021**

	<u>Governmental Funds</u>	<u>Capital Outlay</u>	<u>Total</u>
<b>ASSETS</b>			
Cash	\$559,086		\$559,086
Other current assets	177,695	67,796	245,491
Deposits	65,000		65,000
<b>Total Assets</b>	<u>801,781</u>	<u>67,796</u>	<u>869,577</u>
<b>LIABILITIES</b>			
Accrued salaries	80,310		80,310
Accounts Payable	12,689		12,689
<b>Total Liabilities</b>	<u>92,999</u>		<u>92,999</u>
<b>FUND BALANCE</b>			
Nonspendable			
Restricted		67,796	67,796
Unassigned	708,782		708,782
	<u>708,782</u>	<u>67,796</u>	<u>776,578</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$801,781</u>	<u>\$67,796</u>	<u>\$869,577</u>

The accompanying notes are an integral part of this statement

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY 1**  
**STATEMENT OF NET POSITION**  
**For the Year ended June 30, 2021**

	Account Number	Primary Government		
		Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>				
Cash and Cash Equivalents	1110	559,086		559,086
Other current assets	12xx	245,491		245,491
Other assets				
Deposits	1210	65,000		65,000
Issuance Costs				
Capital Assets:				
Improvements other than Buildings	1320	155,972		155,972
Less Accumulated Depreciation	1329	(155,972)		(155,972)
Furniture, Fixtures and equipment	1340	452,223		452,223
Less Accumulated Depreciation	1349	(299,519)		(299,519)
Motor Vehicles	1350	50,473		
Less Accumulated Depreciation	1359	(3,371)		
Computer Software	1382	129,454		129,454
Less Accumulated Depreciation	1389	(129,454)		(129,454)
<b>Total Assets</b>		<b>1,069,383</b>		<b>1,069,383</b>
<b>LIABILITIES</b>				
Salaries and Wages Payable	2110	80,310		80,310
Payroll Deductions and Withholdings	2170			
Accounts Payable	2120	12,689		12,689
Notes payable	23XX	201,671		201,671
<b>Total Liabilities</b>		<b>294,670</b>		<b>294,670</b>
<b>NET POSITION</b>				
Invested in Capital Assets, Net of Related Debt		199,806		199,806
<b>Restricted For:</b>				
Categorical Carryover Programs	2710			
Debt Service	2750	(201,671)		(201,671)
<b>Unrestricted</b>		<b>776,578</b>		<b>776,578</b>
<b>Total Net Position</b>		<b>774,713</b>		<b>774,713</b>

The accompanying notes are an integral part of this statement

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY 1**  
**Reconciliation of the Governmental Fund (General Fund)**  
**Balance Sheet To The Statement of Net Position**  
**June 30, 2021**

Fund Balance- Governmental Funds		\$776,578
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financial resources and therefore are not reported in the  
governmental funds

Governmental capital assets	\$788,122	
Less accumulated depreciation	<u>(588,316)</u>	
		199,806
Long -term Liabilities not due and payable in the current period and therefore are not reported in the governmental funds		(201,671)
Net Position of Governmental activities		<u><u>\$774,713</u></u>

The accompanying notes are an integral part of this statement

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY 1**  
**Statement of Governmental Fund Revenues, Expenditures and**  
**Changes in Fund Balance**  
**June 30, 2021**

	Governmental <u>Funds</u>	Special <u>Revenue</u>	Capital <u>Outlay Fund</u>	<u>Total</u>
<b>EXPENSES</b>				
Instruction	\$1,377,802	\$51,502		\$1,429,304
Instructional Support Services	13,448			13,448
Board Services	12,810			12,810
General Administration	99,296			99,296
School Administration	625,509			625,509
Facilities Acquisition			174,815	174,815
Fiscal Services	22,400			22,400
Food Services	-	100,811		100,811
Central Services	5,056			5,056
Pupil Transportation				-
Operation of Plant	182,434	6,082	316,901	505,417
Maintenance of Plant	95,463			95,463
Debt Service	260,998			260,998
<b>TOTAL EXPENSES</b>	<u>2,695,216</u>	<u>158,395</u>	<u>491,716</u>	<u>3,345,327</u>
<b>PROGRAM REVENUES</b>				
Florida Education Finance Program (FEFP)	2,402,603			2,402,603
Capital Grants and Contributions			168,492	168,492
Charges for Services				
<b>Total Program Revenues</b>	<u>2,402,603</u>	<u></u>	<u>168,492</u>	<u>2,571,095</u>
<b>GENERAL REVENUES</b>				
Other State Sources		63,530		63,530
Other Federal Sources	380,398	220,108		600,506
Other Local Sources	105,090			105,090
<b>Total General Revenues</b>	<u>485,488</u>	<u>283,638</u>	<u></u>	<u>769,126</u>
Excess of Revenues over Expenses	192,875	125,243	(323,224)	(5,106)
Transfers In	57,447		323,224	380,671
Transfers Out	(323,224)	(57,447)		(380,671)
Fund Balance, Beginning of Year	781,684			781,684
Fund Balance, End of Year	<u>\$708,782</u>	<u>\$ 67,796</u>	<u>\$ -</u>	<u>\$776,578</u>

The accompanying notes are an integral part of this statement

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY 1**  
**STATEMENT OF ACTIVITIES**  
**June 30, 2021**

	Account		Charges for Services	Program Revenues		Net (expense) /revenues and Changes in Net Position	
				Operating Grants	Capital Grants	Governmental	Business-type
Governmental activities:							
Instruction	5000	\$ 1,429,304		\$ 182,827		\$ (1,246,477)	(1,246,477)
Instructional Support Services	6200	13,448				(13,448)	(13,448)
Board Services	7100	12,810				(12,810)	(12,810)
School Administration	7300	625,509				(625,509)	(625,509)
General Administration	7200	99,296				(99,296)	(99,296)
Facilities Acquisition and Construction	7400	316,901			168,492	(148,409)	(148,409)
Fiscal Services	7500	22,400				(22,400)	(22,400)
Food Services	7600	100,811		100,811		-	-
Central Services	7700	5,056				(5,056)	(5,056)
Operation of Plant	7900	188,516				(188,516)	(188,516)
Maintenance of Plant	8100	95,463				(95,463)	(95,463)
Interest expense	9200	9,715				(9,715)	(9,715)
Unallocated Depreciation Expense *		123,451				(123,451)	(123,451)
Total Governmental Activities		<u>3,042,680</u>		<u>283,638</u>	<u>168,492</u>	<u>(2,590,550)</u>	<u>(2,590,550)</u>
Taxes:							
Florida Education Finance Program (FEFP)						2,402,603	2,402,603
Grants and contributions not restricted to specific progr						<u>485,488</u>	<u>485,488</u>
Total general revenues, special items, and transfers						2,888,091	2,888,091
Change in net position						297,541	297,541
Net position-beginning						<u>477,172</u>	<u>393,722</u>
Net position-ending						<u>\$ 774,713</u>	<u>\$ 774,713</u>

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

The accompanying notes are an integral part of this statement

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY 1**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures and Changes in Fund Balance**  
**of Governmental Fund (General Fund) To The**  
**Statement of Activities**  
**June 30, 2021**

**Net Changes in Fund Balances- Governmental Funds** (\$5,106)

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

Expenditures for capital assets	174,815	
Less current year depreciation	<u>(123,451)</u>	
		51,364
Payments from Debt issuance uses current resources from government funds, but issuing debt creates short term liabilities in the statement of net position		299,756
Proceeds from new debt		(48,473)
Change in Net Position of Governmental Activities		<u><u>\$297,541</u></u>

The accompanying notes are an integral part of this statement

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY 1**  
**Statement of Revenues, Expenditures and Changes**  
**In Fund Balance-Budget (GAAP Basis) and Actual- All Governmental Fund Types**  
**For the Fiscal Year Ended June 30, 2021**

	General Fund			Special Revenue			Capital Outlay Fund			TOTAL		
	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance
<b>EXPENDITURES:</b>												
Instruction	\$1,312,012	\$1,377,802	(\$65,790)	\$100,000	\$51,502	\$48,498				\$1,412,012	\$1,429,304	(\$17,292)
Instructional Support Services	54,304	13,448	40,856							54,304	13,448	40,856
Board Services	12,000	12,810	(810)							12,000	12,810	(810)
General Administration	92,558	99,296	(6,738)							92,558	99,296	(6,738)
School Administration	453,116	625,509	(172,393)							453,116	625,509	(172,393)
Facilities Acquisition		-					171,870	174,815	(2,945)	171,870	174,815	(2,945)
Fiscal services	21,600	22,400	(800)							21,600	22,400	(800)
Food services		-		150,000	100,811	49,189				150,000	100,811	49,189
Central services	4,665	5,056	(391)							4,665	5,056	(391)
Pupil Transportation	55,000		55,000							55,000	-	55,000
Operation of Plant	426,948	182,434	244,514		6,082	(6,082)		316,901		426,948	505,417	(78,469)
Maintenance of Plant	36,300	95,463	(59,163)							36,300	95,463	(59,163)
Debt Service	12,527	260,998	(248,471)							12,527	260,998	(248,471)
	<u>2,481,030</u>	<u>2,695,216</u>	<u>34,285</u>	<u>250,000</u>	<u>158,395</u>	<u>91,605</u>	<u>171,870</u>	<u>491,716</u>	<u>(2,945)</u>	<u>2,902,900</u>	<u>3,345,327</u>	<u>(442,427)</u>
<b>PROGRAM REVENUES:</b>												
Florida Education Finance Program	2,440,297	2,402,603	(37,694)							2,440,297	2,402,603	(37,694)
Capital Grants and Contributions							166,500	168,492	(1,992)	166,500	168,492	1,992
	<u>2,440,297</u>	<u>2,402,603</u>	<u>(37,694)</u>				<u>166,500</u>	<u>168,492</u>	<u>(1,992)</u>	<u>2,606,797</u>	<u>2,571,095</u>	<u>(35,702)</u>

The accompanying notes are an integral part of this statement

**RISE EDUCATION SCHOOLS, INC.**  
**D/B/A RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY 1**  
**Statement of Revenues, Expenditures and Changes**  
**In Fund Balance-Budget (GAAP Basis) and Actual- All Governmental Fund Types**  
**For the Fiscal Year Ended June 30, 2021 (Cont'd)**

	General Fund			Special Revenue			Capital Outlay Fund			TOTAL		
	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance
<b>GENERAL REVENUES:</b>												
Other federal sources		380,398	380,398	288,903	220,108	(68,795)				288,903	600,506	311,603
Other State sources	9,800		(9,800)		63,530					9,800	63,530	53,730
Other local sources	33,743	105,090	71,347							33,743	105,090	71,347
		485,488	441,945	288,903	283,638	(68,795)				332,446	769,126	436,680
Excess of Expenditures over Revenues	<u>\$ (40,733)</u>	<u>192,875</u>	<u>\$369,966</u>	<u>\$ 38,903</u>	<u>125,243</u>	<u>\$ 22,810</u>	<u>(323,224)</u>			<u>\$36,343</u>	<u>(5,106)</u>	<u>(\$41,449)</u>
Transfers in		57,447					323,224				57,447	
Transfers out		(323,224)			(57,447)							
<b>Fund Balance, Beginning of Year</b>		<u>781,684</u>									<u>781,684</u>	
<b>Fund Balance, End of year</b>		<u><u>\$708,782</u></u>			<u><u>\$67,796</u></u>		<u><u>\$ -</u></u>				<u><u>\$776,578</u></u>	

The accompanying notes are an integral part of this statement



**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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

**Reporting Entity**

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

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

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

The Contract was renewed for five years and is effective through June 30, 2024. The Contract requires The School Board to provide the Academy’s primary source of funding based upon the number of full-time equivalent students (FTES) registered at the Academy.

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

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

**Basic Financial Statements**

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

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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

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

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

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

**Fund Financial Statements**

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

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

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

**Basis of Accounting**

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

**Accrual**

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

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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

**Measurement Focus**

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

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

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

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

**Use of Estimates**

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

**Concentration of Credit Risk**

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

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

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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

**Fair Value Measurements**

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

The Academy measures fair value of assets and liabilities as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants at the measurement date. The fair value hierarchy distinguishes between independent observable inputs and unobservable inputs used to measure fair value as follows:

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

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

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

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

**Contributed Services and Facilities**

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

**Budgetary Basis of Accounting**

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

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

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

**Revenue Sources**

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

**Fund Balance Classifications**

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

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

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

**Fund Balance Classifications (Cont'd.)**

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

**Order of Fund Balance Spending Policy**

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

**NOTE 2 – CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2021 were as follows:

	<u>Balance Beginning</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance Ending</u>
Leasehold Improvements	\$ 155,972	\$ -	\$ -	\$ 155,972
Furniture, Fixtures and Equipment	327,880	124,343	-	452,223
Computer Software	129,454	-		129,454
Motor vehicles		50,473		50,473
	613,306	174,816	-	788,122
Less Accumulated Depreciation	464,865	123,451	-	588,316
<b>NET CAPITAL ASSETS</b>	<b>\$ 148,441</b>	<b>\$ 51,365</b>	<b>\$ -</b>	<b>\$ 199,806</b>

Depreciation expense of \$123,451 was unallocated during the year ended June 30, 2021.

Beginning balances were adjusted to reflect actual amounts.

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

**NOTE 3 – COMPENSATED ABSENCES**

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

**NOTE 4 – ACCOUNTS RECEIVABLE**

The school received an advance of \$150,000 which it loaned to a related entity to finance the operations of an affiliated charter school. This balance is included in accounts receivable. Payments are made by weekly draws of \$1,831. As of June 30, 2021 a total of \$142,910 has been paid. The loan balance was paid off during the year ended June 30, 2021.

**NOTE 5 – LONG TERM LIABILITIES**

Long Term liability activity for the year ended June 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Re- ductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Note-PPP	285,963	15,660	301,623-	-	-
Small	150,000		-	150,000	-
Business Admin.					
	<u>\$ 435,963</u>	<u>\$ 15,660</u>	<u>301,623-</u>	<u>\$ 150,000</u>	<u>\$ 3,687</u>

During 2020, the School was granted a loan from Wells Fargo Bank in the aggregate amount of \$285,963, pursuant to the Paycheck Protection Program ("PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020.

The loan, which was in the form of a Note dated May 7, 2020 issued by Wells Fargo Bank matures on May 7, 2022 and bears an interest rate of 1% per annum. The School intends to use the entire Loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. The loan is recorded as a current note payable at June 30, 2020. The loan was forgiven in June 2021.

The School received a loan from the Small Business Association (SBA) in the amount of \$150,000, on May 22, 2020. The loan bears interest at 2.75% per annum. This loan matures on May 7, 2051. Principal and interest payments are \$641 per month and begin on May 22, 2021. This loan was recorded as a non-current note payable at June 30, 2021.

**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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

**Debt Maturity**

Debt service requirements at June 30, 2021 were as follows:

YEAR ENDED JUNE 30	<u>PRINCIPAL</u>	<u>INTEREST</u>
2022	3,687	4,005
2023	3,788	3,904
2024	3,891	3,800
2025	3,998	3,694
2026	4,108	3,585
2027-2051	130,528	44,325
	<u>\$ 150,000</u>	<u>\$ 63,313</u>

**NOTE 6 – CONTRACTS**

The Academy has a Contract with Charter School Services Corp., to provide accounting, financial management and budgeting services. The terms of the Contract are for 10 years and expires on December 31, 2025. Under the terms of the Contract the Company was to receive \$120 per full time equivalent (FTE) student per year. Fees paid for the year ended June 30, 2020 amounted to \$22,400.

**NOTE 7 – COMMITMENTS AND CONTINGENCIES**

**Lease Agreements**

The Academy leases its administrative and classroom facilities under a non-cancelable operating lease that expires in June 2025. Annual rental expenses were approximately \$316,901 for the year ended June 30, 2021. Minimum payments under this lease, assuming the lease will be renewed, are as follows:

2022	326,000
2023	336,000
2024	346,000
2025	356,000
2026	367,000
	<u>\$ 1,731,000</u>



**RISE EDUCATION SCHOOLS, INC., D/B/A  
RISE ACADEMY SCHOOL OF SCIENCE AND TECHNOLOGY I  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

**NOTE 7 – COMMITMENTS AND CONTINGENCIES (Cont.)**

**Risk Management**

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

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

**NOTE 8 – SUBSEQUENT EVENTS**

Management has evaluated events that occurred subsequent to the year end for potential recognition or disclosure in the financial statements, through the date on which the financial statements were available to be issued. The date when the financial statements were available to be issued was September 15, 2021. Management's evaluation did not reveal any subsequent events that would have a material effect on the financial statements.

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

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## ***Certified Public Accountant***

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

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

I have audited the financial statements of Rise Education Schools, Inc., D/B/A Rise Academy School of Science and Technology I (“the Academy”) (a nonprofit organization) as of and for the year ended June 30, 2021, and have issued my report thereon dated September 15, 2021. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in ***Government Auditing Standards***, issued by the Comptroller General of the United States.

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

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis.

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

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (Cont'd.)**

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

**Compliance and Other Matters**

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

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



Palm Beach Gardens, Florida  
September 15, 2021

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

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## ***Certified Public Accountant***

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### **MANAGEMENT LETTER**

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

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

I have audited the financial statements of the Rise Education Schools, Inc., D/B/A Rise Academy School of Science and Technology I, Florida, as of and for the fiscal year ended June 30, 2021, and have issued my report thereon dated September 15, 2021.

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

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

#### **Other Reports and Schedules**

I have issued my Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*.

#### **Prior Audit Findings**

Section 10.854(1)(e)1., Rules of the Auditor General, requires that I determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

#### **Official Title**

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

## **MANAGEMENT LETTER**

### **(Continued)**

#### **Financial Condition**

Sections 10.854(1)(e)2., Rules of the Auditor General, require that I report the results of my determination as to whether or not the Rise Academy School of Science and Technology I has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with my audit, I determined that the Rise Academy School of Science and Technology I did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, I applied financial condition assessment procedures for the Rise Academy School of Science and Technology I. It is management's responsibility to monitor the Rise Academy School of Science and Technology I's financial condition and my financial condition assessment was based in part on representations made by management and review of financial information provided by same. Financial assessments made including a review of subsequent financial statements did not indicate that the Academy's financial condition is deteriorating.

#### **Transparency**

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

#### **Other Matters**

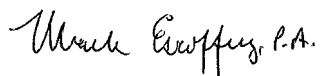
Section 10.854(1)(e)3., Rules of the Auditor General, requires that I address in the management letter any recommendations to improve financial Management. In connection with my audit, I did not have any such recommendations.

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

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

**Purpose of this Letter**

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



Mark Escoffery, P.A.  
Palm Beach Gardens, Florida  
September 15, 2021