

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY**

**A CHARTER SCHOOL
AND COMPONENT UNIT
OF THE MIAMI-DADE COUNTY
SCHOOL BOARD**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

FOR THE YEAR ENDED JUNE 30, 2022



**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
JUNE 30, 2022**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Academir Charter Schools, Inc.
D/B/A Academir Charter School Preparatory
Miami, Florida

Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund of Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory (the Charter School), which is a component unit of the Miami-Dade County District School Board, Miami, Florida as of, and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprises the Charter 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 and each major fund of Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory as of June 30, 2022, and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory 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 Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory'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 and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, 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 Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory'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 Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The management's discussion and analysis and budgetary comparison information on pages 6–11 and 31–32 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional

Supplementary Information (Cont.)

procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Emphasis of Matter - Change in Accounting Principle

As discussed in Note 9 to the financial statements, in 2022 Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory adopted new accounting guidance, GASB No. 87, requires all contracts meeting the GASB's definition of a lease to be accounted for the same way. Our opinions are not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 15, 2022, on our consideration of the Charter School's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 and should be considered in assessing the results of our audit.



Thomas & Company CPA PA
Cooper City, Florida
September 15, 2022

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2022

As management of Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory (the “Charter School”), we offer readers of the Charter School’s financial statements this narrative overview and analysis of the financial activities of the Charter School for the fiscal Year Ended June 30, 2022. We encourage readers to consider the information presented here through page 13 of this report.

Overview of the financial statements

The discussion and analysis is intended to serve as an introduction to the Charter School’s basic financial statements. The Charter School’s basic financial statements are comprised of 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, which consist of the statement of net position and the statement of activities, are designed to provide readers with a broad overview of the Charter School’s finances, in a manner similar to a private sector business.

The Statement of Net Position provides information on all the Charter School’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 Charter School is improving or deteriorating. However, as a governmental entity, the Charter School’s activities are not geared towards generating profit as are the activities of commercial entities. Other factors such as the safety at the Charter School and quality of education, must be considered in order to reasonably assess the Charter School’ overall performance.

The Statement of Activities presents information showing how the Charter School’s Net Position changed during the most recent fiscal year. All changes in Net Position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenue 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 13-14 of this report.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2022**

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. The Charter School, like other state and local governmental entities, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Charter School has only one category of funds – governmental funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term, inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Charter School’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Charter School’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The basic governmental fund financial statements can be found on pages 16-19 of this report.

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 governmental fund financial statements.

The notes to the financial statements can be found on pages 20-29 of this report.

Supplementary Information

In addition to basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Charter School’s adopted budget to actual results.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2022**

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of financial position. The following table presents an analysis of the condensed government-wide statements of net position:

CONDENSED STATEMENT OF NET POSITION

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Variance</u>
Current assets	\$ 5,383,327	\$ 5,292,336	\$ 90,991
Noncurrent assets			
Capital assets, net of depreciation	<u>10,082,165</u>	<u>837,957</u>	<u>9,244,208</u>
 Total assets	 <u>\$ 15,465,492</u>	 <u>\$ 6,130,293</u>	 <u>\$ 9,335,199</u>
Current liabilities	<u>\$ 445,056</u>	<u>\$ 364,268</u>	<u>\$ 80,788</u>
Long-term Liability	<u>9,283,320</u>	<u>-</u>	<u>\$ 9,283,320</u>
Net Position			
Unrestricted	<u>\$ 5,737,116</u>	<u>\$ 5,766,025</u>	<u>\$ (28,909)</u>
Total Liability and Net Position	<u>\$ 15,465,492</u>	<u>\$ 6,130,293</u>	<u>\$ 9,335,199</u>

At the end of the fiscal year, the Charter School reports a positive balance in net position of \$5,737,116 for 2022. The Charter School's net position reflects its investment in capital assets (e.g., buildings, building improvements, furniture, fixtures, and equipment), net of related debt. The Charter School uses its capital assets to provide services to students. Consequently, these assets are not available for future spending.

Resources that are subject to external restrictions on how they may be used are classified as restricted assets. As of June 30, 2022, the Charter school had no restricted assets. The unrestricted balance may be used in any of the Charter School's ongoing operations.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2022**

Government-wide Financial Analysis - Continued

The following table presents information on the condensed government-wide statements of changes in net position:

CONDENSED STATEMENT OF CHANGES IN NET POSITION

	2022	2021	Variance
<u>Revenues:</u>			
General revenues	\$ 8,564,242	\$ 7,860,832	\$ 703,410
Program revenues:			
Charges for services	9,544	66,154	(56,610)
Operating grants and contributions	961,558	1,120,455	(158,897)
Capital grants and contributions	742,570	633,135	109,435
Investment earnings	3,215	4,774	(1,559)
Miscellaneous revenue	698,104	271,704	426,400
Total revenues	<u>10,979,233</u>	<u>9,957,054</u>	<u>1,022,179</u>
<u>Expenses:</u>			
Instruction	5,832,090	4,153,015	1,679,075
Student support services	46,237	23,271	22,966
Instruction and curriculum development service	3,300	8,137	(4,837)
School Board	1,813	13,854	(12,041)
General administration	1,027,766	99,466	928,300
School administration	980,387	1,050,937	(70,550)
Fiscal services	170,584	1,132,383	(961,799)
Food services	250,728	163,837	86,891
Central services	-	-	-
Operation of plant	1,222,420	1,562,466	(340,046)
Maintenance of plant	67,291	92,689	(25,398)
Interest on long-term debt	150,340	-	150,340
Unallocated depreciation expense	1,255,186	184,139	1,071,047
Total expenses	<u>11,008,142</u>	<u>8,484,194</u>	<u>2,523,948</u>
Change in net position	(28,909)	1,472,860	(1,501,769)
Beginning Net Position	<u>5,766,025</u>	<u>4,293,165</u>	<u>1,472,860</u>
Ending Net Position	<u>\$ 5,737,116</u>	<u>\$ 5,766,025</u>	<u>\$ (28,909)</u>

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2022

Government-wide financial analysis - Continued

- At year- end there were 1122 students in grades K - 7. Revenues are based on the amount received per student from the State through the School Board of Miami-Dade County.
- Expenses for instruction are the result of teachers' salaries and related benefits, and materials and supplies that directly impact student learning.
- School administration is due primarily to administrators and other administrative personnel and related benefits as well as administrative costs.
- Plant operations expenses consist of utilities, communications, insurance cost, support personnel and related benefits.

Financial Analysis of the Charter School's Funds

As noted earlier, the Charter School uses fund accounting to maintain control over resources that have been segregated for specific activities or objectives. The focus of the Charter School's governmental funds is to provide information on near-term inflows, outflows and spendable resources. Such information is useful in assessing the Charter School's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Charter School's net resources available for spending at the end of the fiscal year.

At the end of fiscal year 2022 the Charter School's governmental fund reported a negative ending fund balance of (\$4,345,049).

Capital Assets and Debt Administration

As of June 30, 2022, the Charter School had investment in capital assets of \$10,082,165. This amount is net of accumulated depreciation of \$1,905,461 for 2022. Capital assets additions in the current year include new computer software, computers, furniture and the leased asset with implementation of GASB 87.

The Charter School has outstanding debt related to the leased assets in the amount of \$9,283,320 for the year ended June 30, 2022.

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2022

Economic Factors & Budget Highlights

The following economic indicators were taken into account when adopting the general fund budget for fiscal year 2022-23:

1. Student membership and FEFP funding per pupil
2. Cost of goods and services
3. Competitive employee compensation

Amounts available for appropriation in the general fund are \$11,624,884, an approximate 16% increase from the actual 2022 amount. A predominate factor affecting the budget is the school's funded student membership. The funded membership for the fiscal year is 100 percent of June 2022 student count. The fiscal year 2022-23 budget is based on a slightly lower student count as the official student membership count funded in 2021-22. During the year, aggregate revenues are expected to increase as the student membership decreases below the actual student count from the 2022 school year due to the fact there was an increase to the student allocation per student FTE.

Budgeted general fund expenditures are expected to decrease to \$11,265,303, or 44%, from the fiscal 2022 actual figures. The school is allocating resources to enhance academic achievement at all student-learning levels and for anticipated student membership. The 2022-23 budget expenditure base includes salary increases, the rising cost of health care and increases in other fixed recurring costs for School operations.

If these estimates are realized, the school's general fund balance is expected to increase by the close of fiscal 2023.

During the year, aggregate revenues are expected to increase as the student membership decreases below the actual student count from the 2022 school year due to the fact there was an increase to the student allocation per student FTE. The school is allocating resources to enhance academic achievement at all student-learning levels and for anticipated student membership. The increased expenditure base includes salary increases, the rising cost of health care and increases in other fixed recurring costs for School operations.

School Enrollment

During the fiscal year June 30, 2022, the grade levels at the Charter School ranged from K-7, with a total enrollment of 1122 students.

Requests for Information

The financial report is designed to provide a general overview of the Charter School's finances for all those with an interest in the School's finances. Questions concerning any of the information should be addressed to Mr. Alexander Casas, Board Chair, 14880 SW 26th Street, Miami, FL 33185.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
A CHARTER SCHOOL AND COMPONENT UNIT OF THE MIAMI-DADE
COUNTY DISTRICT SCHOOL BOARD
BASIC FINANCIAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022**

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
STATEMENT OF NET POSITION
JUNE 30, 2022

	2022 Governmental Activities
Assets	
<u>Current Assets</u>	
Cash	\$ 1,467,128
Investments	2,415,877
Accounts receivable, net	266,356
Other assets	33,171
Due from other agencies	1,200,795
Total Current Assets	5,383,327
<u>Property and Equipment</u>	
Building, Furniture, fixtures and equipment	11,987,626
Less accumulated depreciation	(1,905,461)
Total Property and Equipment	10,082,165
Total Assets	\$ 15,465,492
Liabilities and Net Assets	
<u>Current Liabilities</u>	
Salaries and wages payable	\$ 445,056
Total Current Liabilities	445,056
<u>Long Term Liabilities</u>	
Leased asset liability	9,283,320
Total Long Term Liabilities	9,283,320
Net Position	
Invested in capital assets, net of related debt	10,082,165
Unrestricted	(4,345,049)
Total Net Position	5,737,116
Total Liabilities and Net Position	\$ 15,465,492

The accompanying notes are an integral part of these statements

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
STATEMENT OF ACTIVITIES
JUNE 30, 2022

	Program Revenues				Net Revenues (Expenses) and Change in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<u>Governmental activities</u>					
Instruction	\$ 5,832,090	\$ -	\$ 479,140	\$ -	\$ (5,352,950)
Student support services	46,237	-	-	-	(46,237)
Instruction and curriculum development	3,300	-	-	-	(3,300)
School board	1,813	-	-	-	(1,813)
General administration	1,027,766	-	-	-	(1,027,766)
School administration	980,387	-	-	-	(980,387)
Fiscal services	170,584	-	-	-	(170,584)
Food services	250,728	9,544	309,816	-	68,632
Operation of plant	1,222,420	-	172,602	742,570	(307,248)
Maintenance of plant	67,291	-	-	-	(67,291)
Interest on long-term debt	150,340	-	-	-	(150,340)
Unallocated depreciation/amortized expense	1,255,186	-	-	-	(1,255,186)
Total governmental activities	\$11,008,142	\$ 9,544	\$ 961,558	\$ 742,570	\$ (9,294,470)

General revenues:

School Board of Miami- Dade County	8,564,242
Investment earnings	3,215
Miscellaneous	698,104
	<hr/>
Total general revenues	9,265,561
	<hr/>
Change in net assets	(28,909)
Beginning Net Position, July 1, 2021	5,766,025
Ending Net Position, June 30, 2022	<u>\$ 5,737,116</u>

The accompanying notes are an integral part of these statements

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY**

A CHARTER SCHOOL AND COMPONENT UNIT OF THE MIAMI-DADE

COUNTY DISTRICT SCHOOL BOARD

FUND FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
BALANCE SHEET – GOVERNMENTAL FUND
JUNE 30, 2022

	General Fund	Grant Fund	Total Governmental Funds
ASSETS			
<u>Current assets</u>			
Cash	\$ 1,467,128	\$ -	\$ 1,467,128
Investment	2,415,877	-	2,415,877
Accounts receivable	72,837	193,519	266,356
Other assets	33,171	-	33,171
Due from other funds	98,584	72,837	171,421
Due from other agencies	1,200,795	-	1,200,795
	<u>5,288,392</u>	<u>\$ 266,356</u>	<u>\$ 5,554,748</u>
Total Assets			
LIABILITIES AND FUND BALANCES			
<u>Liabilities:</u>			
Due to other funds	\$ 72,837	\$ 98,584	\$ 171,421
Salaries and wages payable	445,056	-	445,056
Total Liabilities	<u>517,893</u>	<u>98,584</u>	<u>616,477</u>
<u>Fund Balances:</u>			
Restricted	72,837	-	72,837
Unassigned	4,697,662	167,772	4,865,434
	<u>4,770,499</u>	<u>167,772</u>	<u>4,938,271</u>
Total fund balances			
	<u>4,770,499</u>	<u>167,772</u>	<u>4,938,271</u>
Total Liabilities and Fund Balances	<u>\$ 5,288,392</u>	<u>\$ 266,356</u>	<u>\$ 5,554,748</u>

The accompanying notes are an integral part of these statements

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2022**

		<u>2022</u>
Total fund balances- governmental funds	\$	4,938,271
<p>Amounts reported for governmental activities in the Statement of Net assets are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Cost of capital assets	\$	11,987,626
Accumulated depreciation	<u>(1,905,461)</u>	10,082,165
<p>Long-term are not due and payable in the current period and therefore are not reported in the governmental funds</p>		
Lease liability		(9,283,320)
Total Net Position - governmental activities	<u>\$</u>	<u>5,737,116</u>

The accompanying notes are an integral part of these statements

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE – GOVERNMENTAL FUND
JUNE 30, 2022

	General Fund	Grant Fund	Total Governmental Funds
<u>Revenues</u>			
School Board of Miami- Dade County	\$ 8,564,242	\$ -	\$ 8,564,242
Charges for services	9,544	-	9,544
Operating grants and contributions	-	961,558	961,558
Capital grants and contributions	742,570	-	742,570
Investment earnings	3,215	-	3,215
Miscellaneous revenue	698,104	-	698,104
Total revenues	<u>10,017,675</u>	<u>961,558</u>	<u>10,979,233</u>
<u>Expenditures</u>			
Instruction	5,385,245	446,845	5,832,090
Student support services	46,237	-	46,237
Instruction and curriculum development Service	3,300	-	3,300
School board	1,813	-	1,813
General administration	1,027,766	-	1,027,766
School administration	948,092	32,295	980,387
Fiscal services	170,584	-	170,584
Food services	-	250,728	250,728
Operation of plant	1,222,420	-	1,222,420
Maintenance of plant	67,291	-	67,291
Capital outlay:			
Furniture & equipment	10,499,394	-	10,499,394
Debt Service:			
Principal	874,760	-	874,760
Interest	150,340	-	150,340
Total expenditures	<u>20,397,242</u>	<u>729,868</u>	<u>21,127,110</u>
Excess (deficit) of revenues over expenditures	<u>(10,379,567)</u>	<u>231,690</u>	<u>(10,147,877)</u>
Other Financing Sources (Uses)			
Transfer In	<u>10,158,080</u>	<u>-</u>	<u>10,158,080</u>
Total other financing sources (Uses)	<u>10,158,080</u>	<u>-</u>	<u>10,158,080</u>
Net Changes in Fund Balances (Deficit)	(221,487)	231,690	10,203
Beginning fund balance - July 1, 2021	4,991,986	(63,918)	4,928,068
Ending fund balance -June 30, 2022	<u>\$ 4,770,499</u>	<u>\$ 167,772</u>	<u>\$ 4,938,271</u>

The accompanying notes are an integral part of these statements

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
JUNE 30, 2022**

		2022
Total net changes in fund balance - governmental funds	\$	10,203
Amounts reported for governmental activities in the statement of net position are different because:		
Capital outlays are reported in governmental funds as expenditures however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Cost of capital assets purchased	\$	10,499,394
Provision for depreciation		(1,255,186)
		9,244,208
The issuance of long-term debt provides current financial resources and the payment of the principal of long-term debt consumes the resources of the governmental funds.		
Principal on leased assets		874,760
Lease debt issuance		(10,158,080)
Change in Net Position of governmental activities	\$	(28,909)

The accompanying notes are an integral part of these statements

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – ORGANIZATION AND OPERATIONS

Nature of Operations

Academir Charter School, Inc. (the “Charter School”) is a not-for-profit corporation, organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 228.056, Florida Statutes. The Charter School operates under a Charter approved by its sponsor, the Miami-Dade County District School Board. The governing body of the Charter School is the not-for-profit corporation’s Board of Directors which is composed of five (5) members.

The Charter School provides educational services to students in grades K - 7. The core philosophy and purpose of the Charter School is to demonstrate that the Charter School’s students can learn at high levels through an academically rigorous and innovative curriculum that incorporates the development of good character.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity:

The Charter School operates under a charter of the sponsoring school district, Miami-Dade County District School Board (the “District”). The current charter is effective until June 30, 2022, and may be renewed in increments of 5 to 15 Year by mutual agreement between the Charter School and the District. At the end of the term of the charter, the district may choose not to renew the charter under the grounds specified in the charter in which case the District is required to notify the Charter School in writing at least 90 days prior to the Charter’s expiration. During the term of the charter, the district may also terminate the charter if good cause is shown. Academir Charter School, Inc. is considered a component unit of the Miami-Dade County District School Board.

Criteria of determining if other entities are potential component units which should be reported within the Charter School’s financial statements are identified and described in the Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600. The application of these criteria provides for identification of any entities for which the Charter School is financially accountable and other organizations for which the nature and significance of their relationship with the

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Charter School are such that exclusion would cause the Charter School's financial statements to be misleading or incomplete. Based on these criteria, no component units are included within the reporting entity of the Charter School.

Basis of Presentation:

Based on the guidance provided in the American Institute of Certified Public Accountants Audit and Accounting Guide – Audit for States and Local Governments and provisions of Florida Statutes, the Charter School is presented as a governmental organization for financial statement reporting purposes.

Government-wide Financial Statement:

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all activities of the Charter School. The effect of interfund activity, generally, has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) operating grants and contributions that are used to meet the operational requirements of a particular function or program, and 2) capital grants and contributions that are restricted to meeting the capital requirements of a particular function or program.

Fund financial statements:

The Charter School accounts are organized on the basis of 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.

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

Grant Fund – accounts for specific revenue, such as federal grants and capital outlay grants that are legally restricted to expenditures for particular purposes.

Agency Fund – accounts for resources of the School's Internal Fund, which is used to administer monies collected at the schools in connection with school, student athletics, class, and club activities.

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Measurement Focus, Basis of Accounting:

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

The government-wide statements report using the economic resources measurement focus and the full 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 satisfied.

The governmental fund financial statements are presented on the modified accrual basis of accounting under which revenues is recognized in the accounting period in which it becomes susceptible to accrual (i.e., when it becomes both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Charter School considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

Capital assets

Capital assets, which include land, buildings, building improvements, furniture and fixtures, equipment and library books are reported in the applicable governmental activities in the government-wide financial statements. Capital assets are defined by the Charter School as assets with an initial, individual cost of more than \$500 and a life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Estimated useful lives, in Year, for depreciable assets are as follows:

Building and improvements	5-20 Years
Furniture, equipment, and computers	5-7 Years
Leased Facilities	5-10 Years

Donated capital assets, if any, are recorded at estimated fair value at the date of donation.

Within governmental funds, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported within the governmental fund financial statements.

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

Due from Other Governments or Agencies

Amounts due to the Charter School by other governments or agencies are for grants or programs under which the services have been provided by the Charter School.

Revenue Sources

Revenues for operations will be received primarily from the district pursuant to the funding provisions included in the Charter School's charter. In accordance with the funding provisions of the charter and section 1002.33, Florida Statutes, the Charter School will report the number of full-time equivalent (FTE) students and related data to the District. Under the provisions of Section 1011.62, Florida Statutes, the District reports the number of the full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the FEFP. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the Charter School during the designated full-time equivalent student survey periods.

The Charter School also receives Federal funding for the school food program. 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, revenues are recognized to the extent that eligible expenditures have been incurred. Also, other revenues may be derived from various fundraising activities and certain other programs.

Compensated Absences

The Charter School grants a specific number of sick days. Full time instructional employees are eligible to one day per month to up to ten days of active work.

GASB Codification Section C60, Accounting for Compensated Absences, provides that compensated absences that are contingent on a specific event that is outside the control of the employer and employee should be accounted for in the period those events take place.

Accordingly, these financial statements do not include an accrual for sick days available to be used in future benefit Year.

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

Deferred outflows/Inflows of Resources:

The statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Equity classifications:

Government-wide financial statement

Equity is classified as Net Position and displayed in three components:

- a. Invested in capital assets, net of related debt – consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Position – consists of Net Position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation. There are no restricted Net Position.
- c. Unrestricted Net Position – all other Net Position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”

Fund financial statements

GASB Codification Section 1800.142. Fund Balance Reporting and Governmental Fund Type Definitions, defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be properly reported within one of the fund balance categories lists below:

- a. 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). All nonspendable fund balances at year end related to not in spendable asset form.
- b. Restricted – Restricted fund balance - includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. Effectively, restrictions may be changed or lifted only with the consent of resource providers. The Restricted fund balance as of June 30, 2022 is \$72,837, Relating to Capital Outlays.

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Fund financial statements-continued

- c. Committed – fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Charter School’s Board of Director. There are no committed fund balances at year end.
- d. Assigned – fund balance classification is intended to be used by the Charter School’s management for specific purposes but do not meet the criteria to be classified as restricted or committed. There are no assigned fund balances at year end.
- e. Unassigned – fund balance is the residual classification for the Charter school’s general fund and includes all spendable amounts not contained in the other classification,

Encumbrances

Encumbrances represent commitments relating to unperformed contracts for goods or services. At June 30, 2022, there were no encumbrances outstanding.

Use of estimates

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

Subsequent Events

In accordance with GASB Codification Section 2250.106, the School has evaluated subsequent events and transactions for potential recognition of disclosure through September 15, 2022, which is the date the financial statements were available to be issued.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 - CASH AND CERTIFICATE OF DEPOSIT

As of June 30, 2022, the bank balance was \$1,467,128. The bank balance exceeded the FDIC limit as of June 30, 2022.

As of June 30, 2022, the organization has investment of \$2,415,877, in a Money Market account.

The Charter School is operated under a Charter sponsored by the Miami-Dade County School District as described in Note 1. Accordingly, its bank deposits are governed by Chapter 280 of the Florida Statutes. All time and demand deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes, Chapter 280, “Florida Security for Public Deposits Act”, the State Treasurer requires all qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral having a market value equal to an amount from 50% to 125% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held.

The percentage of eligible collateral (generally, U.S. Government and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository’s financial history and its financial condition. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default. Therefore, all cash deposits in an approved Florida banking institution are both collateralized and insured and not subject to a concentration of credit risk or a custodial credit risk as defined in Government Accounting Standards Board (“GASB”) Statement No. 40. The Charter School has no monetary assets other than cash in an approved depository.

NOTE 4 – ACCOUNTS RECEIVABLE

Accounts receivable represent the following:

Description	Amount
Capital Outlay	\$ 72,837
Esser II	152,504
National School Lunch Program	41,015
Total	<u>\$ 266,356</u>

**ACADEMIR CHARTER SCHOOLS, INC. D/B/A
ACADEMIR CHARTER SCHOOL PREPARATORY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 – CAPITAL ASSETS

	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2022</u>
Leased Asset	-	10,158,080	-	10,158,080
Buildings and Improvements	\$ 125,223	\$ -	\$ -	\$ 125,223
Furniture, Fixtures, and Equipment	1,249,860	281,701		\$ 1,531,561
Computer Software	113,149	59,613	-	172,762
	<u>1,488,232</u>	<u>10,499,394</u>	<u>-</u>	<u>11,987,626</u>
Less: Accumulated Depreciation	<u>(650,275)</u>	<u>(1,255,186)</u>	<u>-</u>	<u>(1,905,461)</u>
Total	<u>\$ 837,957</u>	<u>\$ 9,244,208</u>	<u>\$ -</u>	<u>\$ 10,082,165</u>

The provision for depreciation for the year ended June 30, 2022, amounted to \$1,255,186.

NOTE 6 – COMMITMENTS

Management Contract:

The Charter school has contracted with Superior Charter School Services for administrative and educational management services for the operations of the school. The contract expires in June 2022 and provides for a fee based on a percentage of net FTE revenues of the School which is 12%. The fees paid to the management company for fiscal year ended June 30, 2022, was \$932,390.

Lease Agreement:

The Charter School's facility is owned by Charter Venture Eureka, LLC. The Charter School renewed their lease of the facility for 10 years the lease expires March 31, 2031. The monthly lease amount is based on \$1,200 per student per annum enrolled. The rent paid as of June 30, 2022; fiscal year end was \$1,025,100.

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2023 \$	918,460 \$	137,393 \$	1,055,853
2024	953,170	123,800	1,076,970
2025	988,816	109,693	1,098,509
2026	1,025,421	95,059	1,120,480
Thereafter	5,397,452	236,299	5,633,751
<u>Total \$</u>	<u>9,283,320 \$</u>	<u>702,244 \$</u>	<u>9,985,563</u>

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 – COMMITMENTS AND CONTINGENCIES- continued

On August 1, 2021, The Charter School entered into an agreement to lease a facility owned by Christian Life Missions, Inc. The lease expired through the length of the Charter Contract with the Miami-Dade Public Schools (July 31, 2025) and is automatically renewed for one year, and will be revisited at the end of the next school year. Monthly rent was equal to \$1,000 per full time equivalent student per year commencing August 1, 2021. The rent paid as of June 30, 2022, fiscal year end was \$297,251. Due to the variable nature of the agreement and short term nature of the lease with the inability to forecast future payments, the lease did not fall under the scope of GASB 87, and accordingly no such costs were capitalized.

Grant Funding:

The School receives financial assistance from Federal and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and may be subject to audit by the grantor agencies. In accordance with Uniform Guidance, Audits of States, Local Governments and Non-Profit Organizations, the School is required to conduct a “Single Audit” since the required threshold of Federal money is currently \$750,000 and the School did exceed such threshold

NOTE 7 – RISK MANAGEMENT

The Charter 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 charter school carries commercial insurance. Settlement amounts have not exceeded insurance coverage for the past three (3) Year. In addition, there were no reductions in insurance coverage from those in the prior year.

NOTE 8- RELATED PARTY

In accordance with the Charter Agreement, the School Board of Miami-Dade County retains 5% as an administrative fee. This funding is received on a pro rata basis over the twelve-month period and is adjusted for changes in full-time equivalent student population. After review and verification of Full-Time Equivalent (“FTE”) reports and supporting documentation, the Florida Department of Education may adjust subsequent fiscal period allocations of FTE funding for prior year’s errors disclosed by its review as well as to prevent the statewide allocation from exceeding the amount authorized by the State Legislature.

The Charter School’s governing board approved a transfer of funds to Academir Charter School Middle originally in the amount of \$133,641 from Academir Charter School Preparatory. The governing board agreed that Academir Charter School Middle will repay \$133,641 in full by June 2021. As of June 30, 2022, the amount owed was \$3,642.

The Charter School’s governing board approved a transfer of funds to Academir Charter School of Math and Science in the amount of \$695,000 from Academir Charter School Preparatory. The governing board agreed that Academir Charter School Math and Science will repay \$695,000 over the term of the charter (5 years).

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 8- RELATED PARTY

The Charter School’s governing board approved a transfer of funds to Academir Charter School East in the amount of \$502,153 from Academir Charter School Preparatory. The governing board agreed that Academir Charter School East will repay \$502,153 over the term of the charter (5 years).

NOTE 9 – NEW ACCOUNTING PRONOUNCEMENTS IMPLEMENTED

GASB has issued GASB Statement No. 87 Leases, effective this fiscal year 2022, which affects the financial position, results of operations, and financial presentation of the School now that it is implemented. GASB 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and a right of use asset. Under the new guidance, A lessee should recognize a lease liability and a lease asset at the commencement of the lease term, unless the lease is a short-term lease or it transfers ownership of the underlying asset. The lease liability should be measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease asset should be measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

A lessee should reduce the lease liability as payments are made and recognize an outflow of resources (for example, expense) for interest on the liability. The lessee should amortize the lease asset in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. The notes to financial statements should include a description of leasing arrangements, the amount of lease assets recognized, and a schedule of future lease payments to be made. See Note 6, for the lease implementation.

NOTE 10 – CHANGES IN LONG TERM LIABILITY

Description	Beginning Balance	Additions	Deductions	Ending Balance
Lease Liability	-	10,158,080	(874,760)	9,283,320

SUPPLEMENTARY INFORMATION

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022**

GENERAL FUND BUDGET

	Original Budget	Final Budget	Actual Amounts	Variances Positive (Negative)
<u>Revenues:</u>				
School Board of Miami- Dade County	9,157,273	9,157,273	\$ 8,564,242	\$ (593,031)
Capital grants and contributions	624,661	624,661	742,570	117,909
Charges for services	-	-	9,544	9,544
Investment earnings	5,000	5,000	3,215	(1,785)
Miscellaneous revenues	300,000	300,000	698,104	398,104
Total revenues	<u>10,086,934</u>	<u>10,086,934</u>	<u>10,017,675</u>	<u>(69,259)</u>
<u>Expenditures</u>				
Instruction	5,071,898	4,625,053	5,385,245	(760,192)
Instructional support services	182,311	182,311	46,237	136,074
Instruction and curriculum development Service	-	-	3,300	(3,300)
School board	18,000	18,000	1,813	16,187
General administration	96,165	96,165	1,027,766	(931,601)
School administration	659,904	627,609	948,092	(320,483)
Fiscal services	1,172,333	1,172,333	170,584	1,001,749
Operation of plant	877,702	877,702	1,222,420	(344,718)
Maintenance of plant	325,995	325,995	67,291	258,704
Capital outlay	-	10,499,394	10,499,394	-
Debt Service:	-	1,025,100	1,025,100	-
Total expenditures	<u>8,404,308</u>	<u>19,449,662</u>	<u>20,397,242</u>	<u>(947,580)</u>
Excess (deficit) of revenues over expenditures	<u>\$ 1,682,626</u>	<u>\$ (9,362,728)</u>	<u>\$ (10,379,567)</u>	<u>\$ (1,016,839)</u>

GRANT FUND BUDGET

	Original Budget	Final Budget	Actual Amounts	Variances Positive (Negative)
<u>Revenues:</u>				
Operating grants and contributions	\$ 741,654	\$ 741,654	\$ 961,558	\$ 219,904
Total revenues	<u>741,654</u>	<u>741,654</u>	<u>961,558</u>	<u>219,904</u>
<u>Expenditures</u>				
Instruction	-	446,845	446,845	-
School administration	-	32,295	32,295	-
Food services	284,165	284,165	250,728	33,437
Total expenditures	<u>284,165</u>	<u>763,305</u>	<u>729,868</u>	<u>33,437</u>
Excess (deficit) of revenues over expenditures	<u>\$ 457,489</u>	<u>\$ (21,651)</u>	<u>\$ 231,690</u>	<u>\$ 253,341</u>

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
NOTES TO SUPPLEMENTARY INFORMATION
JUNE 30, 2022

Budgetary Basis Accounting

An annual budget is adopted on the Budgets modified accrual basis of accounting, consistent with generally accepted accounting principles. Amendments to the budget can only be made with the approval of the Board of Directors. During the fiscal year, expenditures were controlled at the object level (e.g., salaries, purchased services, and capital outlay)

NOTE A.

The Charter School formally adopted a budget for the year ended June 30, 2022. Budgeted amounts may be amended by resolution or ordinance by the Board. A comparison of the actual results of operations to the budgeted amounts for the General Fund is presented as supplementary information.

NOTE B.

The budget is adopted using the same basis of accounting on which the financial statements are prepared except for a 5% administrative charge up to 250 students that is retained by the School Board of Miami-Dade County.

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND RELATED NOTES TO
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
JUNE 30, 2022

Federal/ Agency Pass-through Entity Federal Program	AL	Contract	Contract	Reimbursable/ Disbursements/ Expenses	Passed to Subrecipients
	Number	Number	Term		
Federal Awards					
US DEPARTMENT OF AGRICULTURE					
<i>Passed-through Florida Department of Agriculture</i>					
National School Lunch Program	10.555	-	7/1/2021 - 6/30/2022	\$ 309,816	\$ -
US DEPARTMENT OF EDUCATION					
<i>Passed-through Florida Department of Education</i>					
<i>Passed-through Miami-Dade County Public Schools</i>					
Elementary and Secondary Emergency Relief (ESSER II)	84.425D	22A172	7/1/2021 - 6/30/2022	84,011	-
Title I Grants to Local Educational Agencies	84.010	-	7/1/2021 - 6/30/2022	366,011	-
Title IV Student Support and Academic Enrichment Program	84.424A	-	7/1/2021 - 6/30/2022	29,118	-
Total Expenditures of Federal Awards				\$ 788,956	\$ -

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards presents the activity of Federal award programs administered by the school, which is described in Note 1 to the School's accompanying financial statements, using the accrual basis of accounting. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the School's financial statements. Federal awards that are included in the Schedule may be received directly from Federal agencies, as well as Federal awards that are passed through from other government agencies.

The information presented in the Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Summary of Certain Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. The amounts reported as Federal expenditures were obtained from the Federal financial reports for the applicable program and periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the School's financial reporting system. The Federal expenditures are recognized under the Uniform Guidance.

Scope of Audit

The school is an independent corporation. All Federal grant operations of the school are included in the scope of the single audit.

Indirect Cost Rate

The school did not elect to use the 10% de minimis cost rate. Indirect costs may be included in the reported expenditures, to the extent that they are included in the Federal financial reports used as the source for the data presented. The School's policy is not to charge Federal award programs with indirect costs.

Other Disclosures

No insurance is carried specifically to cover equipment purchased with Federal funds. Any equipment purchased with Federal funds has only a nominal value and is covered by the School's casualty insurance policies. There were no loans or loan guarantees outstanding at year-end.

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2022**

SUMMARY OF AUDITORS' RESULTS

Section I-Summary of Auditors Results

Financial Statements

Type of Auditors Report Issued:

Unmodified

Internal Control over Financial Reporting:

- Significant deficiency(es) identified ? ___ Yes X None
- Material weakness identified ? ___ Yes X No
- Non Compliance material to financial statement noted ? ___ Yes X No

Federal Awards

Internal Control over Major Federal Programs:

- Significant deficiency(es) identified? ___ Yes X None
- Material weakness identified? ___ Yes X No

Type of Auditors Report issued on Compliance for major Programs: Unmodified

Any audit findings disclosed that are required to be reported in
Accordance with 2 CFR ? ___ Yes X No

Identification of major Programs:

CFDA #	<u>Name of Federal Program or Cluster</u>
84.010	Department of Education Title I Grants to Local Educational Agencies

Dollar threshold used to distinguish
between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? ___ Yes X No

**ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2022**

SUMMARY OF AUDITORS' RESULTS (Continued.)

Section II-Financial Statement findings

The audit disclosed no matters that are reportable

Section III – Major Federal Awards Programs – Findings and questioned costs

The audit disclosed no matters that are reportable

Section IV – Major Federal Awards Programs – Summary of prior Audit Findings

No prior audit findings were reported

Section V - Management letter

Management letter issued



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE**

To the Board of Directors
Academir Charter Schools, Inc.
D/B/A Academir Charter School Preparatory
Miami, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory’s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory’s major federal programs for the year ended June 30, 2022. Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory’s and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory' s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory' s compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory' s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory' s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory' s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory' s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance

requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Thomas & Company CPA PA
Cooper City, Florida
September 15, 2022



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

To the Board of Directors
Academir Charter Schools, Inc.
D/B/A Academir Charter School Preparatory
Miami, Florida

We have audited, in accordance with the 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 Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory (the "Charter School"), a component unit of the Miami-Dade County District School Board, as of and for the Year Ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory's basic financial statements, and have issued our report thereon dated September 15, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Charter School's internal control over financial reporting (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 Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the Charter School's internal control.

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

This report is intended solely for the information and use of the Board of Directors, management, the Miami-Dade County District School Board, and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.



Thomas & Company CPA PA
Cooper City, Florida
September 15, 2022



**MANAGEMENT LETTER
IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL OF
THE STATE OF FLORIDA**

To the Board of Directors
Academir Charter Schools, Inc.
D/B/A Academir Charter School Preparatory
Miami, Florida

Report on the Financial Statements

We have audited the financial statements of the governmental activities and each major fund of Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated September 15, 2022

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; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Other Reports and Schedules

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs. Disclosures in that report and schedule, which is dated September 15, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are of Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory - 1015.

Management Letter - Continued

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

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

Transparency

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintains on its website information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note 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, School Board of Directors, School's management, and the School Board of Miami-Dade County and is not intended to be and should not be used by anyone other than these specified parties.



Thomas & Company CPA PA
Cooper City, Florida
September 15, 2022