

**Lincoln-Marti Charter Schools, Inc.**  
**Charter High School of the Americas**  
(A Charter School under Lincoln-Marti  
Charter Schools, Inc.)

**Financial Statements**  
Years Ended June 30, 2024 and 2023

**Lincoln-Marti Charter Schools, Inc.**  
**Charter High School of the Americas**  
(A Charter School under Lincoln-Marti Charter Schools, Inc.)

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Financial Statements  
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## Independent Auditor's Report

Board of Directors  
Lincoln-Marti Charter Schools, Inc.  
Charter High School of the Americas  
(A Charter School under Lincoln-Marti Charter Schools, Inc.)  
Miami, Florida

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities and major fund of Lincoln-Marti Charter Schools, Inc. Charter High School of the Americas (the "School") (A Charter School under Lincoln-Marti Charter Schools, Inc.), as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the School as of June 30, 2024 and 2023, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

#### *Emphasis of Matter*

As discussed in Note 1, the financial statements present only the School and do not purport to, and do not, present fairly the financial position of Lincoln-Marti Charter Schools, Inc., as of June 30, 2024 and 2023, the changes in its financial position, or, where applicable, its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

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### *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, which raise substantial doubt about the School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

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

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



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

***Required Supplementary Information***

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 30, 2024 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

BDO USA, P.C.

Miami, Florida  
August 30, 2024

**Lincoln-Marti Charter Schools, Inc.**  
**Charter High School of the Americas**  
(A Charter School under Lincoln-Marti Charter Schools, Inc.)

**Management's Discussion and Analysis**

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As management of Lincoln-Marti Charter Schools, Inc. (Charter High School of the Americas) (the "School"), we offer readers this narrative overview and analysis of the financial activities of the School as of and for the years ended June 30, 2024, 2023 and 2022.

Management's discussion and analysis provides, in layman's terms, the past and current position of the School's financial condition. This summary should not be taken as a replacement for the audited financial statements, which consists of the financial statements and supplementary information intended to furnish additional detail to support the financial statements themselves.

***Financial Highlights***

Our financial statements provide these insights into the results of current and prior years' operations.

The School's current year of operations generated a change in net position of \$(349,911) compared to a change in net position of \$135,565 and \$316,560 in fiscal years 2023 and 2022, respectively. Revenues for the year ended June 30, 2024 increased over the prior year by approximately \$62,000 as a result of an increase in state FTE revenues of approximately \$28,000, in addition to an increase in local grants and other of approximately \$41,000, offset by a decrease in contributions of nonfinancial assets of approximately \$7,000. Revenues for the year ended June 30, 2023 decreased over the prior year by approximately \$64,000 as a result of a decrease in state FTE revenues of approximately \$162,000, offset by an increase in local grants and other of approximately \$91,000.

During the year ended June 30, 2024, expenses increased from the prior year by approximately \$547,000. The increase was mainly a result of an increase in instruction expenses and in operation of plant expenses. During the year ended June 30, 2023, expenses increased from the prior year by approximately \$117,000. The increase was mainly a result of an increase in school administration, offset by a decrease in instruction expenses.

The net position of the School at June 30, 2024, 2023 and 2022 was \$1,165,344, \$1,515,255 and \$1,379,690, respectively, of which \$1,013,474, \$1,429,705 and \$1,215,768, respectively, was unrestricted.

***Using this Annual Report***

This discussion and analysis are intended to serve as an introduction to the School's financial statements. The School's 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 required supplementary information in addition to the financial statements themselves.

***Government-Wide Financial Statements***

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

The statements of net position present information on all the 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 School is improving or deteriorating.

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**Management's Discussion and Analysis**

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The statements of activities present information showing how the 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, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected revenues and services rendered but unpaid).

The government-wide financial statements include all governmental activities that are principally supported by grants and entitlements from the state for full-time equivalent funding. The School does not have any business-type activities. The governmental activities of the School primarily include instructional and support services.

The government-wide financial statements can be found on pages 14 through 16 of this report.

*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 School, like state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The School's only fund is the General Fund, a governmental fund type.

*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 inflow and outflow 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 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 School's near-term financing decisions. Both the governmental fund balance sheets and the governmental fund statements of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School maintains only one governmental fund type, which is the General Fund. Information is presented in the governmental fund balance sheets and the governmental fund statements of revenues, expenditures, and changes in fund balance for the General Fund.

The School adopts an annual budget for its governmental fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with the budget and is presented as required supplementary information.

The governmental fund financial statements can be found on pages 17 and 18 of this report.

**Lincoln-Marti Charter Schools, Inc.**  
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**Management's Discussion and Analysis**

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*Notes to the Basic Financial Statements*

The notes 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 basic financial statements can be found on pages 19 through 29 of this report.

*Other Information*

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary information for the School's general fund. Required supplementary information can be found on pages 31 through 33 of this report.

*Government-Wide Financial Analysis*

Our analysis of the financial statements of the School begins below. The Statements of Net Position and the Statements of Activities report information about the School's activities that will help answer questions about the position of the School.

*Net Position*

A summary of the School's Net Position is presented in Table A-1 and a summary of changes in net position is presented in Table A-2.

*Table A-1 - Summary of Net Position*

<i>June 30,</i>	2024	2023	2022
<b>Assets</b>			
Current assets	\$ 1,064,549	\$ 1,489,275	\$ 1,269,086
Capital assets, net	660,976	769,326	1,007,118
<b>Total Assets</b>	<b>1,725,525</b>	<b>2,258,601</b>	<b>2,276,204</b>
<b>Liabilities</b>			
Current liabilities	51,075	59,570	53,318
Noncurrent liabilities	509,106	683,776	843,196
<b>Total Liabilities</b>	<b>560,181</b>	<b>743,346</b>	<b>896,514</b>
<b>Net Position</b>			
Net investment in capital assets	151,870	85,550	163,922
Unrestricted	1,013,474	1,429,705	1,215,768
<b>Total Net Position</b>	<b>\$ 1,165,344</b>	<b>\$ 1,515,255</b>	<b>\$ 1,379,690</b>

**Lincoln-Marti Charter Schools, Inc.**  
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**Management's Discussion and Analysis**

*Table A-2 - Summary of Changes in Net Position*

<i>Year ended June 30,</i>	2024	2023	2022
<b>Revenues</b>			
State FTE revenues	\$ 1,222,285	\$ 1,194,022	\$ 1,356,077
Local grants and other	435,400	394,671	303,853
Contributions of nonfinancial assets	169,404	176,531	169,621
<b>Total Revenues</b>	<b>1,827,089</b>	<b>1,765,224</b>	<b>1,829,551</b>
<b>Expenses</b>			
Instruction	922,994	465,939	551,918
Student support services	63,036	2,983	-
Instruction and curriculum development services	96,305	49,632	97,605
Instructional staff training services	-	1,200	9,578
School board	23,223	43,610	47,622
School administration	281,934	424,443	144,492
Fiscal services	22,500	82,891	104,689
Food services	169,404	176,531	169,621
Central services	-	55,950	63,868
Student transportation services	-	27,625	27,625
Operation of plant	285,816	26,337	11,532
Maintenance of plant	284,547	237,792	242,894
Debt service	27,241	34,726	41,547
<b>Total Expenses</b>	<b>2,177,000</b>	<b>1,629,659</b>	<b>1,512,991</b>
Change in Net Position	(349,911)	135,565	316,560
<b>Net Position, beginning</b>	<b>1,515,255</b>	<b>1,379,690</b>	<b>1,063,130</b>
<b>Net Position, ending</b>	<b>\$ 1,165,344</b>	<b>\$ 1,515,255</b>	<b>\$ 1,379,690</b>

As noted in Table A-2, the cost of all governmental activities during the years ended June 30, 2024, 2023 and 2022 was \$2,177,000, \$1,629,659 and \$1,512,991, respectively. The majority of these activities were financed through general revenues of \$1,222,285, \$1,194,022 and \$1,356,077, which consist of FTE funding from the state for the years ended June 30, 2024, 2023 and 2022, respectively.

See "Financial Highlights" on page 6 of this report, for a further explanation of the reason for the increase in net position.

***Financial Analysis of the School's Fund***

As noted earlier, the School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

**Lincoln-Marti Charter Schools, Inc.**  
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**Management’s Discussion and Analysis**

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At the end of the School’s fiscal year of operations for 2024, 2023 and 2022, the fund balance of the General Fund was \$1,013,474, \$1,429,705 and \$1,215,768, respectively. The General Fund is the chief operating fund and only fund of the School.

A summary of the General Fund’s condensed balance sheets and statements of revenues, expenditures and changes in fund balance is presented in Table B-1 and B-2 as of and for the years ended June 30, 2024, 2023 and 2022.

*Table B-1 - Summary of Condensed Balance Sheets*

<i>June 30,</i>	2024	2023	2022
<b>Total Assets</b>	<b>\$ 1,064,549</b>	<b>\$ 1,489,275</b>	<b>\$ 1,269,086</b>
<b>Total Liabilities</b>	<b>51,075</b>	<b>59,570</b>	<b>53,318</b>
<b>Total Fund Balance</b>	<b>1,013,474</b>	<b>1,429,705</b>	<b>1,215,768</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 1,064,549</b>	<b>\$ 1,489,275</b>	<b>\$ 1,269,086</b>

*Table B-2 - Summary of Condensed Statements of Revenues, Expenditures and Changes in Fund Balance*

<i>Year ended June 30,</i>	2024	2023	2022
<b>Total Revenues</b>	<b>\$ 1,827,089</b>	<b>\$ 1,765,224</b>	<b>\$ 1,829,551</b>
<b>Total Expenditures</b>	<b>2,243,320</b>	<b>1,551,287</b>	<b>1,464,256</b>
<b>Change in Fund Balance</b>	<b>\$ (416,231)</b>	<b>\$ 213,937</b>	<b>\$ 365,295</b>

***Major Governmental Funds Budgeting and Operating Highlights***

An operating budget was adopted and maintained by the governing board for the School pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. There were no amendments to the budget during the years ended June 30, 2024 and 2023.

The General Fund’s actual revenues were \$1,827,089 for the year ended June 30, 2024. This amount is below the budget estimates primarily due to lower than expected FTE revenues and local grants for fiscal year 2024. The actual expenditures of the General Fund were \$2,243,320 for the year ended June 30, 2024. For the year ended June 30, 2024, this is under the budget estimates primarily due to lower than expected instruction.

The General Fund’s actual revenues were \$1,765,224 for the year ended June 30, 2023. This amount is above the budget estimates primarily due to higher than expected contributions of nonfinancial assets being offset by lower than expected state FTE revenues and local grants for fiscal year 2023.

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**Management’s Discussion and Analysis**

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The actual expenditures of the General Fund were \$1,551,287 for the year ended June 30, 2023. For the year ended June 30, 2023, this is under the budget estimates primarily due to lower than expected instruction and operation of plant.

See pages 32 through 33 for the budgetary comparison schedules.

***Capital Assets***

At June 30, 2024, 2023 and 2022, the School had \$1,795,441, \$1,651,024 and \$1,651,024, respectively, invested in right-to-use lease asset, improvements other than buildings, classroom furniture, fixtures, equipment and other of which \$1,134,465, \$881,698 and \$643,906, respectively, has been depreciated, which resulted in a net book value of \$660,976, \$769,326 and \$1,007,118, respectively. Total additions for the years ended June 30, 2024, 2023 and 2022 were \$144,417, \$0 and \$49,028, respectively.

***Debt Administration***

At the end of the School’s fiscal year of operations for 2024, 2023 and 2022, the School had a total lease liability of \$509,106, \$683,776 and \$843,196, respectively. The lease term is for a period of nine years, expiring in December 2026, and includes a provision for escalating annual rentals based on a rate of 4% per year. An initial lease liability was recorded in the amount of \$1,124,277, using an annual interest rate of 4.5%.

A summary of the lease liability at each fiscal year end is detailed as follows:

<i>June 30,</i>	2024	2023	2022
Lease liability, due within one year	\$ 190,937	\$ 174,670	\$ 159,420
Lease liability, due in more than one year	318,169	509,106	683,776
<b>Total lease liability</b>	<b>\$ 509,106</b>	<b>\$ 683,776</b>	<b>\$ 843,196</b>

***Economic Factors and Next Year’s Budget***

The State of Florida education funding for the Florida Education Finance Program for the fiscal year 2023-2024 minimally increased. These factors were considered in preparing the School’s budget for fiscal year 2024-2025.

***Requests for Information***

This financial report is designed to provide a general overview of the School's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Board of Directors of Lincoln-Marti Charter Schools, Inc., 2700 SW 8th Street, Miami, FL 33135.

## Financial Statements

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**Lincoln-Marti Charter Schools, Inc.**  
**Charter High School of the Americas**  
(A Charter School under Lincoln-Marti Charter Schools, Inc.)

**Statements of Net Position**

<i>June 30,</i>	2024	2023
<b>Assets</b>		
Cash	\$ 1,020,024	\$ 1,425,144
Due from other agencies	6,886	7,101
Prepaid expenses	37,639	57,030
Capital assets:		
Improvements other than buildings	80,209	42,423
Right-to-use lease asset	1,124,277	1,124,277
Classroom furniture, fixtures, equipment and other	590,955	484,324
Less accumulated depreciation/ amortization	(1,134,465)	(881,698)
<b>Total Assets</b>	<b>1,725,525</b>	<b>2,258,601</b>
<b>Liabilities and Net Position</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	20,000	18,000
Wages payable	31,075	41,570
Noncurrent liabilities:		
Due within one year		
Lease liability	190,937	174,670
Due in more than one year		
Lease liability	318,169	509,106
<b>Total Liabilities</b>	<b>560,181</b>	<b>743,346</b>
<b>Net Position</b>		
Net investment in capital assets	151,870	85,550
Unrestricted	1,013,474	1,429,705
<b>Total Net Position</b>	<b>1,165,344</b>	<b>1,515,255</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 1,725,525</b>	<b>\$ 2,258,601</b>

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

**Lincoln-Marti Charter Schools, Inc.**  
**Charter High School of the Americas**  
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**Statement of Activities**

<i>Year ended June 30, 2024</i>	Program Revenues			Net (Expenses)	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenues and Changes in Net Position Governmental Activities Total
<b>Governmental Activities:</b>					
Instruction	\$ (922,994)	\$ -	\$ 7,025	\$ -	\$ (915,969)
Student support services	(63,036)	-	-	-	(63,036)
Instruction and curriculum development services	(96,305)	-	-	-	(96,305)
School board	(23,223)	-	-	-	(23,223)
School administration	(281,934)	-	294,189	-	12,255
Fiscal services	(22,500)	-	-	-	(22,500)
Food services	(169,404)	-	169,404	-	-
Operation of plant	(285,816)	-	-	103,009	(182,807)
Maintenance of plant	(284,547)	-	-	-	(284,547)
Debt service	(27,241)	-	-	-	(27,241)
<b>Total Governmental Activities</b>	<b>\$ (2,177,000)</b>	<b>\$ -</b>	<b>\$ 470,618</b>	<b>\$ 103,009</b>	<b>\$ (1,603,373)</b>
<b>General Revenues:</b>					
State FTE revenues					\$ 1,222,285
Local grants and other					31,177
<b>Total General Revenues</b>					<b>\$ 1,253,462</b>
<b>Change in Net Position</b>					<b>\$ (349,911)</b>
<b>Net Position, beginning</b>					<b>1,515,255</b>
<b>Net Position, ending</b>					<b>\$ 1,165,344</b>

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

**Lincoln-Marti Charter Schools, Inc.**  
**Charter High School of the Americas**  
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**Statement of Activities**

<i>Year ended June 30, 2023</i>	Program Revenues			Net (Expenses)	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenues and Changes in Net Position Governmental Activities Total
<b>Governmental Activities:</b>					
Instruction	\$ (465,939)	\$ -	\$ 107,413	\$ -	\$ (358,526)
Student support services	(2,983)	-	-	-	(2,983)
Instruction and curriculum development services	(49,632)	-	-	-	(49,632)
Instructional staff training services	(1,200)	-	-	-	(1,200)
School board	(43,610)	-	-	-	(43,610)
School administration	(424,443)	-	144,548	-	(279,895)
Fiscal services	(82,891)	-	-	-	(82,891)
Food services	(176,531)	-	176,531	-	-
Central services	(55,950)	-	-	-	(55,950)
Student transportation services	(27,625)	-	-	-	(27,625)
Operation of plant	(26,337)	-	-	105,436	79,099
Maintenance of plant	(237,792)	-	-	-	(237,792)
Debt service	(34,726)	-	-	-	(34,726)
<b>Total Governmental Activities</b>	<b>\$ (1,629,659)</b>	<b>\$ -</b>	<b>\$ 428,492</b>	<b>\$ 105,436</b>	<b>\$ (1,095,731)</b>
<b>General Revenues:</b>					
State FTE revenues					\$ 1,194,022
Local grants and other					37,274
<b>Total General Revenues</b>					<b>\$ 1,231,296</b>
Change in Net Position					\$ 135,565
<b>Net Position, beginning</b>					<b>1,379,690</b>
<b>Net Position, ending</b>					<b>\$ 1,515,255</b>

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

**Lincoln-Marti Charter Schools, Inc.**  
**Charter High School of the Americas**  
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**Balance Sheets - Governmental Fund**

<i>June 30,</i>	2024	2023
<b>Assets</b>		
Cash	\$ 1,020,024	\$ 1,425,144
Prepaid expenses	37,639	57,030
Due from other agencies	6,886	7,101
<b>Total Assets</b>	<b>1,064,549</b>	<b>1,489,275</b>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities</b>		
Accounts payable	20,000	18,000
Wages payable	31,075	41,570
<b>Total Liabilities</b>	<b>51,075</b>	<b>59,570</b>
<b>Fund Balance</b>		
Nonspendable	37,639	57,030
Unassigned	975,835	1,372,675
<b>Total Fund Balance</b>	<b>\$ 1,013,474</b>	<b>\$ 1,429,705</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 1,064,549</b>	<b>\$ 1,489,275</b>
<i>June 30,</i>	2024	2023
Fund balance	\$ 1,013,474	\$ 1,429,705
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds	660,976	769,326
Liabilities not payable with current available resources are not reported as fund liabilities in the governmental fund statements. Those liabilities consist of:		
Lease liability	(509,106)	(683,776)
<b>Net Position of Governmental Activities</b>	<b>\$ 1,165,344</b>	<b>\$ 1,515,255</b>

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

**Lincoln-Marti Charter Schools, Inc.**  
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**Statements of Revenues, Expenditures and  
Changes in Fund Balance - Governmental Fund**

<i>Year ended June 30,</i>	2024	2023
<b>Revenues</b>		
State FTE revenues	\$ 1,222,285	\$ 1,194,022
Local grants and other	435,400	394,671
Contributions of nonfinancial assets	169,404	176,531
<b>Total Revenues</b>	<b>1,827,089</b>	<b>1,765,224</b>
<b>Expenditures</b>		
Instruction	922,994	465,939
Student support services	63,036	2,983
Instruction and curriculum development services	96,305	49,632
Instructional staff training services	-	1,200
School board	23,223	43,610
School administration	281,934	424,443
Fiscal services	22,500	82,891
Food services	169,404	176,531
Central services	-	55,950
Student transportation services	-	27,625
Operation of plant	430,233	26,337
Maintenance of plant	31,780	-
Debt service		
Principal - lease liability	174,670	159,420
Interest - lease liability	27,241	34,726
<b>Total Expenditures</b>	<b>2,243,320</b>	<b>1,551,287</b>
Change in Fund Balance	(416,231)	213,937
<b>Fund Balance, beginning of year</b>	<b>1,429,705</b>	<b>1,215,768</b>
<b>Fund Balance, end of year</b>	<b>\$ 1,013,474</b>	<b>\$ 1,429,705</b>

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

**Lincoln-Marti Charter Schools, Inc.**  
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**Reconciliation of the Statements of Revenues, Expenditures and Changes in Fund  
Balance of the Governmental Fund to the Statements of Activities**

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<i>Year ended June 30,</i>	2024	2023
Amounts reported for governmental activities in the statements of activities are different because:		
Net change in fund balances - total governmental fund	\$ (416,231)	\$ 213,937
Amount by which capital outlays exceeded depreciation/amortization	(108,350)	(237,792)
Principal paid on lease	174,670	159,420
<b>Change in Net Position of Governmental Activities</b>	<b>\$ (349,911)</b>	<b>\$ 135,565</b>

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

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**Notes to Financial Statements**

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**1. Reporting Entity and Summary of Significant Accounting Policies**

*Reporting Entity*

On January 18, 2012, the Miami-Dade County School Board approved the application submitted by the Board of Directors of Lincoln-Marti Charter Schools, Inc. for the creation of Lincoln-Marti Charter School (Charter High School of the Americas) (the "School"). Lincoln-Marti Charter Schools, Inc. (the "Organization") is a non-profit organization incorporated under the laws of Florida to operate charter schools organized pursuant to Section 1002.33 of the Florida Statutes. The governing body of the School is the Organization's Board of Directors.

The School operates under a charter of the sponsoring school district, the Miami-Dade County School Board (the "School Board"). The School's charter was approved by the School Board on January 18, 2012 and renewed on June 20, 2017 for a 15-year term commencing with the 2017-2018 school year and ending June 30, 2032. Pursuant to Section 1002.33(8)(e), of the Florida Statutes, the charter school contract provides that in the event the School is dissolved or terminated, any unencumbered funds and all school property purchased with public funds automatically revert to the School Board. During the term of the charter, the School Board may also terminate the charter if good cause is shown.

*Enrollment and Grade Configuration*

School Name and Address	Grades	Enrollment
Lincoln-Marti Charter Schools (Charter High School of the Americas) 998 West Flagler Street Miami, FL 33135	9-12	147

*Board of Directors*

The Board of Directors of the Lincoln-Marti Charter School's, Inc. consists of the following members:

Maria Denia Vasallo	President/Chairperson
Israel Salabarria	Vice President/Secretary
Yoryana Manrresa	Treasurer

*Financial Statement Presentation*

For financial reporting purposes, Charter High School of the Americas is a Charter School operated by Lincoln-Marti Charter Schools, Inc.

The financial statements present the government-wide statements, balance sheets and statements of revenues, expenditures and changes in fund balance for the Charter High School of the Americas of Lincoln-Marti Charter Schools, Inc. only and do not represent a complete presentation of the assets, liabilities, net position, statements of activities, and cash flows of the Organization. Accordingly, the accompanying financial statements are not intended to present the financial position of the Organization as of June 30, 2024 and 2023 or its changes in net position and cash

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**Notes to Financial Statements**

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flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Government-Wide and Fund Financial Statements*

The School's government-wide financial statements (i.e., the statements of net position and the statements of activities) report information on all of the activities of the School. Governmental activities are supported by Full-Time Equivalent ("FTE") dollars and intergovernmental revenues.

The statements of activities demonstrate the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) Florida Department of Education ("FDOE") funding through the Florida Education Finance Program, 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function and 3) capital grants and contributions that are restricted to meeting the capital requirements of a particular function. FTE dollars and other items not properly included among program revenues are reported instead as general revenues.

The General Fund is the School's only operating fund and its only governmental fund. It accounts for all financial resources of the School.

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

The School's government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The School's fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting.

FTE dollars, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the School.

The School's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

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**Notes to Financial Statements**

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*Assets, Liabilities and Net Position*

*Cash and Cash Equivalents*

The School considers all highly liquid investments with an original maturity of three months or less when purchased to be cash and cash equivalents. The School has no cash equivalents at June 30, 2024 and 2023.

*Prepaid Expenses*

Certain prepayments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in both government-wide and fund financial statements. The cost of prepaid expenses is recorded as expenditures/expenses when consumed rather than when purchased.

*Due from Other Agencies*

The due from other agencies in the accompanying statements of net position and balance sheets-governmental fund represents capital outlay funds receivable from the School Board. These receivables are considered to be fully collectible, and as such, no allowance for credit losses is recorded. For the years ended June 30, 2024 and 2023, the due from other agencies amounts are \$6,886 and \$7,101, respectively.

*Capital Assets*

Capital assets, which include right-to-use lease asset, improvements other than buildings and classroom furniture, fixtures, equipment and other, are reported in the government-wide financial statements. Capital assets are defined by the School as assets with an initial, individual or collective cost of more than \$750 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

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Improvements Other Than Buildings	10 years
Classroom Furniture, Fixtures, Equipment and Other	3 - 7 years
Right-to-use lease asset	78 months

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*Deferred Outflows/Inflows of Resources*

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an

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**Notes to Financial Statements**

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outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

In addition to liabilities, the statements of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element 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. The School does not have any items that qualify for reporting in this category.

*Leases*

The School is party to one lease of a nonfinancial asset as a lessee. The School recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements.

At the commencement of a lease, the School initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the School determines (1) the discount rate used to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The School uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the School generally uses its estimated incremental borrowing rate as the discount rate for the lease. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of variable payments. There is no purchase option in the lease.

The School monitors changes in circumstances that would require a remeasurement of its lease and will remeasure lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of any lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statements of net position.

*Fund Balance/Net Position*

GASB defines fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints.

Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form (i.e. inventories and prepayments) or (b) are legally or contractually required to be maintained intact.

Restricted - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

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Committed - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the School's Board of Directors. These amounts cannot be used for any other purpose unless the School's Board of Directors removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned - This classification includes amounts that are constrained by the School's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the School's Board of Directors.

Unassigned - This classification consists of the fund balance for the General Fund. Unassigned amounts are the portion of fund balance which is not obligated or specifically designated and is available for any purpose.

The government-wide financial statements utilize a net position presentation. Net position is categorized as investment in capital assets (net of related debt), restricted and unrestricted.

Net Investment in Capital Assets - consists of capital assets, net of accumulated depreciation, less outstanding balances of any borrowings attributable to those assets.

Restricted Net Position - represent liquid assets (generated from revenues and not bond proceeds) which have third party (statutory, bond covenant or granting agency) limitations on their use. The School would typically use restricted net position first, as appropriate opportunities arise, but reserve the right to selectively defer the use thereof to a future project or for replacement equipment acquisition.

Unrestricted Net Position - consists of net position that does not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are available for use, it is the School's policy to use restricted resources first, then unrestricted resources as they are needed. When an expenditure is incurred for a purpose in which both restricted and unrestricted funds are available, the School considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the School considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the School has provided otherwise in its commitment or assigned actions.

*Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may differ from actual results.

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**Notes to Financial Statements**

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*Revenue Sources*

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

*In-kind Revenue and Expense*

The School records the value of donated goods when there is an objective basis available to measure the value. Donated items are reflected as contributions in the accompanying financial statements at their fair market values at date of receipt and consist of food contributed for the School's students. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the School. Donated use of facilities is recognized as in-kind revenue and expense based on the portion of the lease cost that is donated to the School in a given year. During the years ended June 30, 2024 and 2023, the School recognized in-kind revenue and expense of \$169,404 and \$176,531, respectively (Note 4).

*Income Taxes*

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code") as a charitable organization whereby only unrelated business income, as defined by Section 509(a)(1) of the Code, is subject to federal income tax. The Organization currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded as of June 30, 2024 and 2023.

The Organization does not believe there are any material uncertain tax positions and, accordingly, it will not recognize the financial statement effects for unrecognized tax positions for the years ended June 30, 2024 and 2023. The Organization has filed for, and received, income tax exemptions in the jurisdictions where it is required to do so. Additionally, the Organization has filed IRS Form 990, as required, and all other applicable returns in jurisdictions when it is required.

**2. Cash**

The School's cash includes cash held in a demand deposit account. At June 30, 2024 and 2023, the carrying amounts of the School's deposits were \$1,020,024 and \$1,425,144, respectively, while the bank balances of such deposits were \$1,033,649 and \$1,491,939, respectively. The School's deposits are insured up to \$250,000 by the Federal Deposit Insurance Corporation ("FDIC"). At times, bank balances are in excess of the FDIC coverage. As of June 30, 2024 and 2023, the School's bank deposits exceeded the FDIC insured amount by \$783,649 and \$1,241,939, respectively. All cash in the bank is held in Qualified Public Depositories approved by the Office of the Chief Financial Officer of the State of Florida and is fully protected from loss in accordance with the Florida Security for Public Deposits Act (Chapter 280, Florida Statutes).

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**Notes to Financial Statements**

### 3. Capital Assets

The following schedule provides a summary of changes in capital assets for the year ended June 30, 2024:

<i>Year ended June 30, 2024</i>	Beginning Balance	Increases	Decreases	Ending Balance
<b>Capital Assets Being Depreciated/ Amortized:</b>				
Improvements other than buildings	\$ 42,423	\$ 37,786	\$ -	\$ 80,209
Right-to-use lease asset	1,124,277	-	-	1,124,277
Classroom furniture, fixtures, equipment and other	484,324	106,631	-	590,955
<b>Total Capital Assets Being Depreciated/ Amortized</b>	<b>1,651,024</b>	<b>144,417</b>	<b>-</b>	<b>1,795,441</b>
<b>Less Accumulated Depreciation/ Amortization for:</b>				
Improvements other than buildings	(31,397)	(7,125)	-	(38,522)
Right-to-use lease asset	(518,897)	(172,966)	-	(691,863)
Classroom furniture, fixtures, equipment and other	(331,404)	(72,676)	-	(404,080)
<b>Total Accumulated Depreciation/ Amortization</b>	<b>(881,698)</b>	<b>(252,767)</b>	<b>-</b>	<b>(1,134,465)</b>
<b>Total Capital Assets Being Depreciated/ Amortized, Net</b>	<b>\$ 769,326</b>	<b>\$ (108,350)</b>	<b>\$ -</b>	<b>\$ 660,976</b>

The following schedule provides a summary of changes in capital assets for the year ended June 30, 2023:

<i>Year ended June 30, 2023</i>	Beginning Balance	Increases	Decreases	Ending Balance
<b>Capital Assets Being Depreciated/ Amortized:</b>				
Improvements other than buildings	\$ 42,423	\$ -	\$ -	\$ 42,423
Right-to-use lease asset	1,124,277	-	-	1,124,277
Classroom furniture, fixtures, equipment and other	484,324	-	-	484,324
<b>Total Capital Assets Being Depreciated/ Amortized</b>	<b>1,651,024</b>	<b>-</b>	<b>-</b>	<b>1,651,024</b>
<b>Less Accumulated Depreciation/ Amortization for:</b>				
Improvements other than buildings	(27,155)	(4,242)	-	(31,397)
Right-to-use lease asset	(345,932)	(172,965)	-	(518,897)
Classroom furniture, fixtures, equipment and other	(270,819)	(60,585)	-	(331,404)
<b>Total Accumulated Depreciation/ Amortization</b>	<b>(643,906)</b>	<b>(237,792)</b>	<b>-</b>	<b>(881,698)</b>
<b>Total Capital Assets Being Depreciated/ Amortized, Net</b>	<b>\$ 1,007,118</b>	<b>\$ (237,792)</b>	<b>\$ -</b>	<b>\$ 769,326</b>

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Expenditures for capital assets during the fiscal years ended June 30, 2024 and 2023 were \$144,417 and \$0, respectively. For the years ended June 30, 2024 and 2023, depreciation and amortization expense was charged to functions/programs of the School as follows:

<i>June 30,</i>	2024	2023
Governmental activities:		
Maintenance of plant	\$ 252,767	\$ 237,792

#### 4. Contributions of Nonfinancial Assets

Contributed nonfinancial assets (in-kind donations) during the years ended June 30, 2024 and 2023 were as follows:

Nonfinancial Asset	Revenue Recognized		Utilization in Programs/Activities	Valuation Techniques/Inputs
	June 30, 2024	June 30, 2023		
Food	\$ 169,404	\$ 176,531	Student Meal Program	The School estimated the fair value of donated food based on estimated wholesale prices of identical or similar products if purchased in the region

#### 5. Leases

In 2017, the School entered into a multi-year lease agreement as a lessee for the School's premises, with D.P. Real Estate Holdings, LLC ("DP"), a related party. The lease went into effect on May 1, 2017. The School is responsible for the leasehold improvements, repairs and maintenance, and the insurance of the properties. The lease term is for a period of nine years, expiring in December 2026, and includes a provision for escalating annual rentals based on a rate of 4% per year.

An initial lease liability was recorded in the amount of \$1,124,277, using an annual interest rate of 4.5%. As of June 30, 2024 and 2023, the outstanding balance on the lease liability is \$509,106 and \$683,776, respectively. An initial right-to-use lease asset was recorded in the amount of \$1,124,277 as of July 1, 2020. The value of the initial right-to-use lease asset, net of accumulated amortization of \$691,863 and \$518,897, was \$432,414 and \$605,380 at June 30, 2024 and 2023, respectively.

The following schedule provides a summary of changes in the lease liability:

<i>Year ended June 30,</i>	2024	2023
Balance, at beginning of year	\$ 683,776	\$ 843,196
Additions	-	-
Deletions	(174,670)	(159,420)
Balance, at end of year	509,106	683,776
Less: current portion	(190,937)	(174,670)
Long-term portion	\$ 318,169	\$ 509,106

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**Notes to Financial Statements**

The future principal and interest lease payments as of June 30, 2024, are as follows:

<i>Year ended June 30,</i>	Principal	Interest	Total
2025	\$ 190,937	\$ 19,050	\$ 209,987
2026	208,282	10,105	218,387
2027	109,887	1,447	111,334
<b>Total</b>	<b>\$ 509,106</b>	<b>\$ 30,602</b>	<b>\$ 539,708</b>

## 6. Commitments and Contingencies

### *Risk Management*

The School is exposed to various risks of loss related torts, theft of, damage to and destruction of assets, errors and omissions and natural disasters for which the School carries property and liability insurance. Settlement amounts do not exceed insurance coverage. In addition, there have been no reductions of insurance coverage during the 2024 and 2023 fiscal years.

### *Management Services Agreement*

The School entered into a five-year management agreement with a charter management company, Educational Management Associates, LLC (“EMA”), a related party, to provide management and administrative services to the School. The agreement expired on June 30, 2028. The agreement requires the School to pay, as compensation, a management fee of \$537.50 per FTE student per annum. Management fee expense during the years ended June 30, 2024 and 2023 was approximately \$80,000 and \$82,000, respectively, which is included in fiscal services on the statements of activities.

Management Company Information:

Name and Address  
Educational Management Associates, LLC  
2700 SW 8th Street  
Miami, FL 33135

## 7. Related Party Transactions

Related party transactions occurred during the current and prior year with the following entities:

### *School Board*

Pursuant to the Charter School Agreement with the School Board, the School Board is paid an administrative fee of up to five percent (5%) of the qualifying revenues of the School. During each of the years ended June 30, 2024 and 2023, approximately \$23,000 was paid to the School Board for administrative fees. Pursuant to the Charter School Agreement with the School Board, the School receives from the School Board an FTE for each full-time equivalent student enrolled. There were 147 and 156 full time students enrolled during the years ended June 30, 2024 and 2023, respectively. The School also receives other allowances based upon students enrolled.

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**Notes to Financial Statements**

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*D.P. Real Estate Holdings, LLC (“DP”)*

The School is related to DP as a result of the School and DP sharing common management. During the years ended June 30, 2024 and 2023, lease payments for the rental of the School property between DP and the School were approximately \$202,000 and \$194,000, respectively.

*Educational Management Associates, LLC (“EMA”)*

The School is related to EMA as a result of the School and EMA sharing common management. During each of the years ended June 30, 2024 and 2023, the School incurred expenses under the term of the management agreement with EMA of approximately \$80,000 and \$82,000, respectively, which is included in fiscal services on the statements of activities.

*U.S. Community Transportation, Inc.*

The School is a related party to U.S. Community Transportation, Inc. (“USCT”) as a result of sharing common management. The School paid USCT approximately \$28,000 for transportation services during each of the years ended June 30, 2024 and 2023, which is included in student transportation services on the statements of activities.

*Lincoln-Marti Community Agency, Inc.*

The School is a related party to Lincoln-Marti Community Agency, Inc. (“LMCA”) as a result of the terms and conditions of the meal program and sharing common management. The School participates in a meal program with LMCA, who purchases, prepares and delivers the food to the School for students that are eligible.

The School recorded approximately \$169,000 and \$177,000 in food services as an in-kind donation and expense during the years ended June 30, 2024 and 2023, respectively.

*Libre, LLC*

The School is related to Libre, LLC (“Libre”) as a result of the School and Libre sharing common management. Libre provides advertising services to the School. During the years ended June 30, 2024 and 2023, the School paid \$60,000 and \$45,000, respectively, to Libre for advertising services provided.

## **8. Risks and Uncertainties**

*Current Vulnerability Due to Concentration*

During the years ended June 30, 2024 and 2023, the School received most of its support from the School Board. It is reasonably possible that in the near term these programs could increase or decrease due to budget modifications at the School Board, which could affect the School and its ability to continue operations. The School has considered this possibility and would seek other funding sources to continue its operations if any decreases were to occur.

**Lincoln-Marti Charter Schools, Inc.**  
**Charter High School of the Americas**  
(A Charter School under Lincoln-Marti Charter Schools, Inc.)

**Notes to Financial Statements**

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**9. Subsequent Events**

The School has evaluated subsequent events through August 30, 2024, which is the date the financial statements were available to be issued. There were no subsequent events requiring adjustments to the financial statements or disclosures stated herein.

## Required Supplementary Information

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**Lincoln-Marti Charter Schools, Inc.**  
**Charter High School of the Americas**  
(A Charter School under Lincoln-Marti Charter Schools, Inc.)

**Budgetary Comparison Schedule**

<i>Year ended June 30, 2024</i>	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
State FTE revenues	\$ 1,450,231	\$ 1,450,231	\$ 1,222,285	\$ (227,946)
Local grants and others	1,094,783	1,094,783	435,400	(659,383)
Contributions of nonfinancial assets	-	-	169,404	169,404
<b>Total Revenues</b>	<b>2,545,014</b>	<b>2,545,014</b>	<b>1,827,089</b>	<b>(717,925)</b>
<b>Expenditures</b>				
Instruction	1,110,745	1,110,745	922,994	187,751
Student support services	63,175	63,175	63,036	139
Instruction and curriculum development services	109,500	109,500	96,305	13,195
School board	23,175	23,175	23,223	(48)
School administration	307,300	307,300	281,934	25,366
Fiscal services	24,000	24,000	22,500	1,500
Food services	174,500	174,500	169,404	5,096
Operation of plant	261,875	261,875	430,233	(168,358)
Maintenance of plant	32,700	32,700	31,780	920
Debt service	210,000	210,000	201,911	8,089
<b>Total Expenditures</b>	<b>2,316,970</b>	<b>2,316,970</b>	<b>2,243,320</b>	<b>73,650</b>
<b>Change in Fund Balance</b>	<b>228,044</b>	<b>228,044</b>	<b>(416,231)</b>	<b>(644,275)</b>
<b>Fund Balance, beginning of year</b>	<b>1,429,705</b>	<b>1,429,705</b>	<b>1,429,705</b>	<b>-</b>
<b>Fund Balance, end of year</b>	<b>\$ 1,657,749</b>	<b>\$ 1,657,749</b>	<b>\$ 1,013,474</b>	<b>\$ (644,275)</b>

*See accompanying note to budgetary comparison schedule.*

**Lincoln-Marti Charter Schools, Inc.**  
**Charter High School of the Americas**  
(A Charter School under Lincoln-Marti Charter Schools, Inc.)

**Budgetary Comparison Schedule**

<i>Year ended June 30, 2023</i>	<u>Budgeted Amounts</u>		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Revenues</b>				
State FTE revenues	\$ 1,351,455	\$ 1,351,455	\$ 1,194,022	\$ (157,433)
Local grants and others	400,982	400,982	394,671	(6,311)
Contributions of nonfinancial assets	-	-	176,531	176,531
<b>Total Revenues</b>	<b>1,752,437</b>	<b>1,752,437</b>	<b>1,765,224</b>	<b>12,787</b>
<b>Expenditures</b>				
Instruction	756,275	756,275	465,939	290,336
Student support services	-	-	2,983	(2,983)
Instruction and curriculum development services	34,195	34,195	49,632	(15,437)
Instructional staff training services	-	-	1,200	(1,200)
School board	25,000	25,000	43,610	(18,610)
School administration	157,742	157,742	424,443	(266,701)
Fiscal services	91,000	91,000	82,891	8,109
Food services	194,000	194,000	176,531	17,469
Central services	50,000	50,000	55,950	(5,950)
Student transportation services	-	-	27,625	(27,625)
Operation of plant	356,079	356,079	26,337	329,742
Maintenance of plant	50,000	50,000	-	50,000
Debt service	-	-	194,146	(194,146)
<b>Total Expenditures</b>	<b>1,714,291</b>	<b>1,714,291</b>	<b>1,551,287</b>	<b>163,004</b>
<b>Change in Fund Balance</b>	<b>38,146</b>	<b>38,146</b>	<b>213,937</b>	<b>175,791</b>
<b>Fund Balance, beginning of year</b>	<b>1,215,768</b>	<b>1,215,768</b>	<b>1,215,768</b>	<b>-</b>
<b>Fund Balance, end of year</b>	<b>\$ 1,253,914</b>	<b>\$ 1,253,914</b>	<b>\$ 1,429,705</b>	<b>\$ 175,791</b>

*See accompanying note to budgetary comparison schedule.*

**Lincoln-Marti Charter Schools, Inc.**  
**Charter High School of the Americas**  
(A Charter School under Lincoln-Marti Charter Schools, Inc.)

**Note to Budgetary Comparison Schedules**

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**1. Budgets and Budgetary Accounting**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. All annual appropriations lapse at year-end. The original budget and any subsequent amendments are approved by the Board of Directors. For the years ended June 30, 2024 and 2023, there were no amendments to the original budget.

**2. Excess of Expenditures over Appropriations**

For the year ended June 30, 2024, expenditures exceeded appropriations in the following functions of the general fund by the amounts listed below:

Function	Amount which Expenditures Exceeded Appropriations
School board	\$ (48)
Operation of plant	(168,358)

For the year ended June 30, 2023, expenditures exceeded appropriations in the following functions of the general fund by the amounts listed below:

Function	Amount which Expenditures Exceeded Appropriations
Student support services	\$ (2,983)
Instruction and curriculum development services	(15,437)
Instructional staff training services	(1,200)
School board	(18,610)
School administration	(266,701)
Central services	(5,950)
Student transportation services	(27,625)
Debt service	(194,146)

## Supplementary Auditor's Reports

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## Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors  
Lincoln-Marti Charter Schools, Inc.  
Charter High School of the Americas  
(A Charter School under Lincoln-Marti Charter Schools, Inc.)  
Miami, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and major fund of Lincoln-Marti Charter Schools, Inc. Charter High School of the Americas (the "School") (A Charter School under Lincoln-Marti Charter Schools, Inc.), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated August 30, 2024.

### Report on Internal Control Over Financial Reporting

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

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

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



## Report on Compliance and Other Matters

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

## Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School'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 School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BDO USA, P.C.

Miami, Florida  
August 30, 2024



## Management Letter in Accordance with the Rules of the Auditor General of The State of Florida

Board of Directors  
Lincoln-Marti Charter Schools, Inc.  
Charter High School of the Americas  
(A Charter School under Lincoln-Marti Charter Schools, Inc.)  
Miami, Florida

### Report on the Financial Statements

We have audited the financial statements of Lincoln-Marti Charter Schools, Inc. (Charter High School of the Americas) (the "School"), (A Charter School under Lincoln-Marti Charter Schools, Inc.), as of and for the fiscal year ended June 30, 2024, and have issued our report thereon dated August 30, 2024.

### Auditor's Responsibility

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

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in this report, which is dated August 30, 2024, 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 was one prior audit finding, 2023-001, that detailed that the School did not accurately amortize the lease liability and did not accurately calculate lease interest expense and the recommendation was for the School to provide additional continuing education to its accounting department in order to stay up to date with applicable accounting standards and implement procedures to ensure recently issued accounting pronouncements are evaluated and implemented in a timely manner. Corrective actions were taken by the School to remedy this finding. As such, the prior year finding is considered resolved during the year ended June 30, 2024.

### Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Lincoln-Marti Charter Schools, Inc. (Charter High School of the Americas); 7080.



### **Financial Condition and Management**

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

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and 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 made no recommendations.

### **Transparency**

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

### **Additional Matters**

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements or fraud, waste, or abuse, which has occurred, or are likely to have occurred, that has 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, Miami-Dade County School Board, the Board of Directors, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

*BDO USA, P.C.*

Miami, Florida  
August 30, 2024