HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

International Studies Virtual Academy
WL# 6017
(A Charter School under
International Studies Charter High School, Inc.)

Miami, Florida

Financial Statements and
Independent Auditors' Report

June 30, 2026

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International Studies Virtual Academy
(A charter school under International Studies Charter High School, Inc.)

W/L# 6017

230 SW 17th Road
Miami, FL 33129

2025-2026

BOARD OF DIRECTORS

Eleonora Cuesta, Director & Board Chair
Roger Pardo, Director & Secretary
Corinne Pollini, Director
Jose Ramon Puroy, Director
Sofia Ruiz del Arbol Moro, Director, resigned effective August 26, 2025

SCHOOL ADMINISTRATOR AND CORPORATE OFFICER (NON-VOTING)

Noelle Iglesias, Principal

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
International Studies Virtual Academy
Miami, Florida

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of International Studies Virtual Academy (the "School"), a charter school under International Studies Charter High School, Inc., as of, and for the year ended June 30, 2026, 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 each major fund of the School as of June 30, 2026, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

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

Emphasis of a Matter – Presentation
As described in Note 1, the accompanying financial statements referred to above present only the financial position and change in financial position of that is attributable to the transactions of the School and is not intended to be a complete presentation of International Studies Charter High School, Inc. These financial statements do not purport to, and do not, present fairly the financial position of International Studies Charter High School, Inc., as of June 30, 2026, and its changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Emphasis of a Matter – Related Party Transactions
As described in Note 4 to the financial statements, the School relies on significant support from International Studies High Charter School, Inc. and its Education Service and Support Provider. Our opinion is not modified with respect to this matter.

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 on pages 5 through 9 and 28 through 30 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards
In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2026, 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, 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 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.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026

Management's Discussion and Analysis
International Studies Virtual Academy
(A Charter School under International Studies Charter High School, Inc.)
June 30, 2026

The corporate officers of International Studies Charter High School, Inc. have prepared this narrative overview and analysis of the School's financial activities for the fiscal year ended June 30, 2026.

About the School

International Studies Virtual Academy opened in 2015 and is a Miami-Dade County public charter school serving students in grades six through twelve. The School provides a virtual educational program and operates under International Studies Charter High School, Inc.

Overview of the Financial Statements

The financial statements of International Studies Virtual Academy present the financial position and results of operations of the School for the fiscal year ended June 30, 2026, in accordance with generally accepted accounting principles for state and local governments.

The financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

The government-wide financial statements report all assets and liabilities of the government, including both financial and nonfinancial assets and both short-term and long-term obligations. Revenues are recognized when they relate to the current reporting period, regardless of when the related cash is received, and expenses are recognized when incurred, regardless of when cash is paid. The government-wide statements also report deferred outflows and deferred inflows of resources that relate to future reporting periods. Accordingly, the government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting.

The governmental fund financial statements focus on current financial resources. They generally report current financial assets and liabilities, such as cash, receivables, and accounts payable, rather than long-term capital assets and long-term liabilities. Revenues are recognized when they are both measurable and available to finance current-period expenditures, while expenditures generally are recognized when the related governmental fund liability is incurred, subject to certain exceptions for long-term obligations. Deferred outflows and deferred inflows reported at the governmental fund level are limited to those applicable to current financial resources. Accordingly, governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting.

More detail about the measurement focuses and bases of accounting can be found in the first note to the financial statements, the Summary of Significant Accounting Policies.

FINANCIAL SUMMARY

A summary and analysis of the School's net position as of June 30, 2026 and 2025 is as follows:

	2026	2025	Variance
Cash	$ 2,635	$ 1,740	$ 895
Investments	200,000	173,000	27,000
Prepaid expenses and other current assets	10,846	10,129	717
Due from other agencies	-	24,283	(24,283)
Due from International Studies Charter High School, Inc.	47,408	23,126	24,282
Total Assets	260,889	232,278	28,611
Deferred outflows of resources	-	-	-
Accounts payable and accrued liabilities	1,690	-	1,690
Due to other agencies	115,506	90,786	24,720
Due to other divisions of International Studies Charter High School, Inc.	10,000	25,000	(15,000)
Compensated absences	585	585	-
Due to education service and support provider	15,000	15,000	-
Total Liabilities	142,781	131,371	11,410
Deferred inflows of resources	-	-	-
Net Position:			
Unrestricted	118,108	100,907	17,201
Total Net Position	$ 118,108	$ 100,907	$ 17,201

The School's financial position improved during the year ended June 30, 2026. Total net position increased by approximately $17,000, from approximately $101,000 at June 30, 2025, to approximately $118,000 at June 30, 2026, representing an increase of approximately 17.0%.

The most significant changes in total assets and liabilities were as follows: Investments increased by approximately $27,000, from approximately $173,000 at June 30, 2025, to approximately $200,000 at June 30, 2026, primarily attributable to the increase in net position during the current year. Amounts due from other agencies decreased by approximately $24,000, from approximately $24,000 at June 30, 2025, to zero at June 30, 2026, primarily reflecting the collection of amounts outstanding from Miami-Dade County Public Schools for referendum funds at the prior fiscal year-end. Amounts due from International Studies Charter High School, Inc. increased by approximately $24,000, from approximately $23,000 at June 30, 2025, to approximately $47,000 at June 30, 2026, based on Board approval at year end.

Amounts due to other agencies increased by approximately $25,000, from approximately $91,000 at June 30, 2025, to approximately $116,000 at June 30, 2026, primarily attributable to referendum funds received during the current fiscal year that are due to be returned to Miami-Dade County Public Schools. Amounts due to other divisions of International Studies Charter High School, Inc. decreased by $15,000, from $25,000 at June 30, 2025, to $10,000 at June 30, 2026, as a result of the reclassification of $15,000 of amounts due to International Studies Charter High School, Inc. to a recoverable grant during the current fiscal year.

A summary and analysis of the School's changes in net position for the years ended June 30, 2026 and 2025 follows:

	2026	2025	Variance
REVENUES			
Program Revenues			
Operating grants and contributions	$ 1,844	$ 25,527	$ (23,683)
Charges for services and other revenues	1,115	988	127
General Revenues			
State and local sources	207,417	161,727	45,690
Other revenues	22,881	82,875	(59,994)
Total Revenues	$ 233,257	$ 271,117	$ (37,860)
EXPENSES			
Instruction	$ 117,140	$ 118,698	$ (1,558)
Student support services	10,672	-	10,672
Instructional staff training services	1,284	1,366	(82)
School board	17,011	17,696	(685)
School administration	53,931	79,944	(26,013)
Fiscal services	3,958	4,592	(634)
Central services	3,958	4,804	(846)
Operation of plant	7,426	11,811	(4,385)
Community services	676	937	(261)
Total Expenses	216,056	239,848	(23,792)
Increase in net position	17,201	31,269	(14,068)
Net Position at Beginning of Year	100,907	69,638	31,269
Net Position at End of Year	$ 118,108	$ 100,907	$ 17,201

Enrollment decreased between fiscal years, with 25 full-time equivalent students during fiscal year 2026 compared with 29 full-time equivalent students during fiscal year 2025, a decrease of 4 students, or approximately 13.8%.

Total revenues decreased from approximately $271,000 in 2025 to approximately $233,000 in 2026, a decrease of approximately $38,000, or 14.0%. The decrease was primarily attributable to reductions of approximately $24,000 in operating grants and contributions and approximately $60,000 in other revenues, partially offset by an increase of approximately $46,000 in state and local sources.

Major changes in revenues and expenses included:

Operating grants and contributions decreased by approximately $24,000, from approximately $26,000 in 2025 to approximately $2,000 in 2026, primarily attributable to a decrease in Elementary and Secondary School Emergency Relief (ESSER) funding compared to the prior fiscal year.

State and local sources increased by approximately $46,000, from approximately $162,000 in 2025 to approximately $207,000 in 2026, primarily attributable to increases in local referendum funding and FTE funding revenues during the current fiscal year, which more than offset the impact of the decrease in enrollment.

Other revenues decreased by approximately $60,000, from approximately $83,000 in 2025 to approximately $23,000 in 2026, primarily attributable to a decrease in recoverable grant revenue recognized during the current fiscal year. Recoverable grant revenue recognized in fiscal year 2026 was approximately $60,000 less than the amount recognized in the prior fiscal year.

Student support services increased by approximately $11,000, from zero in 2025 to approximately $11,000 in 2026 due to a corrective reclassification of staff from administrative to student support services.

School administration expense decreased by approximately $26,000, from approximately $80,000 in 2025 to approximately $54,000 in 2026, primarily attributable to a reclassification of staff and lower administrative personnel and related costs during the current fiscal year.

Governmental Funds

The School reports three major funds individually in the governmental fund financial statements. Most of the discussion regarding governmental activities is equally applicable to the finances of those governmental funds.

At the end of the fiscal year, the School's governmental general fund reported ending fund balance of $211,048. The fund balance unassigned and available for spending at the School's discretion is $200,202. These funds will be available for the School's future ongoing operations.

The special revenue fund reported an ending fund balance of $743 comprised of assigned community services fund of $743. The community services fund reflects the activity in the School's internal funds and accounts for the current year's change in the ending fund balance.

Capital Assets

The School had no investments in capital assets as of June 30, 2026 and 2025.

The School has a physical location at 230 SW 17th Road, Miami, FL 33129.

CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

Currently known facts, decisions or conditions expected to affect the School's financial position include:

- **Enrollment** – Enrollment is projected to be approximately 13 in fiscal year 2027.
- **Changes in funding or legislative appropriations** - The School receives the Secure Our Future Referendum to raise/maintain teacher compensation and improve school safety and security from Miami-Dade County School District. The current renewal is set to expire on June 30, 2027. Additionally, Local Capital Improvement Revenue is expected to increase by an additional 25% in fiscal year 2026-2027 compared to fiscal year 2025-2026, in addition to any increases resulting from higher local tax collections.
- **Major program changes or new initiatives** – There are no major program changes or new initiatives expected for the next school year.

- **Planned capital projects or financing activities** - There are no planned capital projects or financing activities expected for the next school year.

Requests for Information

This financial report is intended to provide a general overview of the finances of the Charter School. Requests for additional information may be addressed to Ms. Ana Martinez at Academica Dade, LLC, 6340 Sunset Drive, Miami, Florida 33143.

International Studies Virtual Academy
(A charter school under International Studies Charter High School, Inc.)

Statement of Net Position
June 30, 2026

	Primary Government
	Governmental Activities
Assets	
Current assets:	
Cash	$ 2,635
Investments	200,000
Prepaid expenses and other current assets	10,846
Total Current Assets	213,481
Due from International Studies Charter High School, Inc.	47,408
Total Assets	260,889
Deferred Outflows of Resources	-
Liabilities	
Current liabilities:	
Accounts payable and accrued expenses	1,690
Compensated absences, current	585
Total Current Liabilities	2,275
Due to other agencies	115,506
Due to other divisions of International Studies Charter High School, Inc.	10,000
Due to education service and support provider	15,000
Total Liabilities	142,781
Deferred Inflows of Resources	-
Net Position	
Unrestricted	118,108
Total Net Position	$ 118,108

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

International Studies Virtual Academy
(A charter school under International Studies Charter High School, Inc.)

Statement of Activities
For the year ended June 30, 2026

		Program Revenues			
Primary Government	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Net (Expense) Revenue and Changes in Net Positior**
Governmental activities:					
Instruction	$ 117,140	$ -	$ 560	$ -	$ (116,580)
Student support services	10,672	-	-	-	(10,672)
Instructional staff training services	1,284	-	1,284	-	-
School board	17,011	-	-	-	(17,011)
School administration	53,931	-	-	-	(53,931)
Fiscal services	3,958	-	-	-	(3,958)
Central services	3,958	-	-	-	(3,958)
Operation of plant	7,426	-	-	-	(7,426)
Community services	676	1,115	-	-	439
Total governmental activities	$ 216,056	$ 1,115	$ 1,844	$ -	$ (213,097)

General revenues:	
State and local sources	207,417
Investment earnings and other income	7,881
Recoverable grant	15,000
Change in net position	17,201
Net position, beginning	100,907
Net position, ending	$ 118,108

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

International Studies Virtual Academy
(A charter school under International Studies Charter High School, Inc.)

Balance Sheet - Governmental Fund
June 30, 2026

	General Fund	Special Revenue Fund	Total Governmental Funds
Assets			
Cash	$ 1,892	$ 743	$ 2,635
Investments	200,000	-	200,000
Prepaid expenses and other current assets	10,846	-	10,846
Total Assets	212,738	743	213,481
Deferred Outflows of Resources	-	-	-
Liabilities			
Accounts payable and accrued expenses	1,690	-	1,690
Total Liabilities	1,690	-	1,690
Deferred Inflows of Resources	-	-	-
Fund Balance			
Nonspendable, not in spendable form	10,846	-	10,846
Assigned	-	743	743
Unassigned	200,202	-	200,202
	211,048	743	211,791
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 212,738	$ 743	$ 213,481

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

International Studies Virtual Academy
(A charter school under International Studies Charter High School, Inc.)

Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position
June 30, 2026

Total Fund Balance - Governmental Funds	$	211,791
Amounts reported for governmental activities in the statement of net position are different because:		
Receivables in governmental activities that are not considered available to pay current liabilities are not current financial resources and, therefore, are not reported in the governmental funds.		47,408
Long term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		(141,091)
Total Net Position - Governmental Activities	$	118,108

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

International Studies Virtual Academy
(A charter school under International Studies Charter High School, Inc.)

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund
For the year ended June 30, 2026

	General Fund	Special Revenue Fund	Total Governmental Funds
Revenues:			
Operating grants and contributions	$ -	$ 1,844	$ 1,844
State passed through local	185,253	-	185,253
Local sources	22,164	-	22,164
Charges for services and other revenue	7,881	1,115	8,996
Total Revenues	215,298	2,959	218,257
Expenditures:			
Current			
Instruction	116,580	560	117,140
Student support services	10,672	-	10,672
Instructional media services	-	1,284	1,284
Board	17,011	-	17,011
School administration	53,931	-	53,931
Fiscal services	3,958	-	3,958
Central services	3,958	-	3,958
Operation of plant	7,426	-	7,426
Community services	-	676	676
Total Expenditures	213,536	2,520	216,056
Excess (deficit) of revenues over expenditures	1,762	439	2,201
Other financing sources (uses)			
Transfers in (out)	299	(299)	-
Increase in due to other agencies	24,720	-	24,720
Advances to other divisions of International Studies Charter High School, Inc.	(24,282)	-	(24,282)
Net change in fund balance	2,499	140	2,639
Fund Balance at beginning of year	208,549	603	209,152
Fund Balance at end of year	$ 211,048	$ 743	$ 211,791

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

International Studies Virtual Academy
(A charter school under International Studies Charter High School, Inc.)

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the year ended June 30, 2026

Net Change in Fund Balance - Governmental Funds		$ 2,639
Amounts reported for governmental activities in the statement of activities are different because:		
Increases in long term liabilities is revenue in the governmental funds, but a decrease or repayment of such payables reduces liabilities in the statement of net position.		
Increase in long term liabilities	(24,720)	
Decrease in long-term payable	15,000	(9,720)
Increase in long term receivables is an expenditure in the governmental funds, but a decrease or collections of such receivables reduces long-term assets in the statement of net position. This is the amount by which the increase in long-term receivables of $24,282 exceeded collections of $-0- in the current period.		24,282
Change in Net Position of Governmental Activities		$ 17,201

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

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

International Studies Virtual Academy (the "School"), is a charter school sponsored by the School Board of Miami-Dade County, Florida (the "District"). The School's charter is held by International Studies Charter High School, Inc., a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act. The governing body of the School is the board of directors of International Studies Charter High School, Inc., which is composed of four members and also governs other charter schools. The board of directors has determined that no component units exist that would require inclusion in the School's financial statements.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter granted by the sponsoring district, the School Board of Miami-Dade County, Florida. The current charter expires on June 30, 2028 and it can be renewed in accordance with law. A charter can also be terminated before its date of expiration for reasons set forth in the charter and Section 1002.33 of the Florida Statutes.

The School provides virtual educational services for students from sixth through twelfth grade. These financial statements are for the year ended June 30, 2026, when on average 25 students were enrolled for the school year.

Basis of Presentation

The School's accounting policies conform to accounting principles generally accepted in the United States 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. Accordingly, the basic financial statements include both the government-wide and fund financial statements.

Deferred Outflows/Inflows of Resources

In addition to assets, 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, represent a consumption of net position that applies to a future period and so will not be recognized as an 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 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 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.

Note 1 – Summary of Significant Accounting Policies (continued)

Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information about the School as a whole. Any internal interfund activity has been eliminated from these financial statements. Both statements report only governmental activities as the School does not engage in any business type activities. These statements also do not include fiduciary funds.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity.

Program revenues include: (1) charges for services for student activity fees; (2) federal grants, and other state allocations. In addition, revenues not classified as program revenues are shown ad general revenues, which include Florida Education Finance Program (FEFP) revenues, and other state and local sources.

Fund Financial Statements

Fund financial statements are provided for governmental funds. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures. The School reports the following major governmental funds:

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

Special Revenue Fund – accounts for specific revenues, such as federal funding that are legally restricted to expenditures for particular purposes. Also, accounts for resources of the School's Internal Fund, which is used to administer monies collected in connection with school, class, and club activities.

Measurement Focus and Basis of Accounting

The financial statements of the School are prepared in accordance with generally accepted accounting principles (GAAP). The 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.

Note 1 – Summary of Significant Accounting Policies (continued)

The School recognizes assets of non-exchange transactions in the period when the underlying transaction occurs, when an enforceable legal claim has arisen, or when all eligibility requirements are met. Revenues are recognized, on the modified accrual basis, when they are measurable and available.

Non-exchange transactions occur when the school provides (or receives) value to (from) another party without receiving (or giving) equal or nearly equal value in return. Most donations are examples of non-exchange transactions. Revenues from grants and donations are recognized on the accrual basis, in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. "Measurable" means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Florida Education Finance Program (FEFP) revenues are recognized when received. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Charges for services and fees are recognized when cash is collected as amounts are not measurable.

When grant terms provide that the expenditure of funds is the prime factor for determining eligibility for federal, state, and other grant funds, revenue is recognized at the time the expenditure is made. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt and compensated absences, which are reported as expenditures when due. General capital asset acquisitions are reported as expenditures in governmental funds.

Budgets and Budgetary Accounting

In compliance with Florida Statutes, the Board of Directors adopts an annual budget using the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g. salaries and benefits, purchased services, materials and supplies and capital outlay) within each activity (e.g. instruction, pupil personnel services and school administration). Revisions to the annual budget are approved by the Board.

Cash, Cash Equivalents and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, nonmarketable time deposits with maturities of three months or less when purchased, and money market/savings accounts.

The School has adopted a formal investment policy that permits the investment of surplus funds, subject to Board approval, in cash and cash equivalents, debt instruments, mutual funds, certificates of deposit, government-sponsored investment vehicles, and certain investments that support the Charter School Network's educational mission. The School currently invests excess deposit funds in a government money market mutual fund.

Note 1 – Summary of Significant Accounting Policies (continued)

The School follows the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, GASB Statement No. 72, *Fair Value Measurement and Application,* and other related standards which establish accounting and financial reporting standards for all investments (see Note 2). Money market investment that have maturities of one year or less from the date of acquisition are reported at amortized cost rather than fair value. Amortized cost closely approximates fair value.

Due from Other Governments or Agencies
Amounts due to the School by other governments or agencies relate to grants or programs for which the services have been provided by the School. No allowance for uncollectible accounts is deemed necessary.

Prepaid Expenses
Other assets consist mainly of prepaid expenses which are payments for goods or services that have not been consumed or used at year end. The expenditure will be recorded when the asset is used. Accordingly, prepaid expenses are equally offset by a nonspendable fund balance classification.

Compensated Absences
GASB Statement No. 101, *Compensated Absences*, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. GASB Statement No. 101 establishes guidance for measuring a liability that has not been used, generally using an employee's pay rate as of the date of the financial statements.

The School grants a specific number of personal time off. Full time teachers and instructional employees are eligible to one day per month to up to ten days of active work during the ten-month period (a "benefit year"). In the event that available time is not used by the end of the benefit year, employees may "rollover" all unused days for use in future benefit years. There is an opportunity to "cash out" unused days for personal time off, however, the employees may only cash out if they have used three days or less in that benefit year. Employees may not cash out more than ten days per school year and are required to always maintain a minimum of twenty-one unused days in order to cash out. The cash out value is eighty percent of their current daily rate. There is no termination payment for accumulated unused days. Non-exempt and office salaried employees are not eligible to "cash out" unused personal time off days.

The compensated absences liability includes an accrual for the cash out days and personal time off for services already rendered.

Note 1 – Summary of Significant Accounting Policies (continued)

Revenue Sources

Revenues for current operations are received primarily from the State through District pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School will report the number of full-time equivalent (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 School during the designated full-time equivalent student survey periods. After review and verification of FTE reports and supporting documentation, the FDOE may adjust subsequent fiscal period allocations of FEFP funding for prior year errors disclosed by its review as well as to prevent statewide allocations from exceeding the amount authorized by the Legislature. Normally, such adjustments are treated as reductions of revenue in the year the adjustment is made. In addition, the School receives a portion of the local operating millage revenues levied by the District (Secure our Future Referendum).

Finally, the School also receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to and approved by various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred. Any excess amounts are recorded as deferred revenues until expended. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

Inter-fund Transfers

Inter-fund receivables/payables ("due to/from") are short-term balances that represent reimbursements between funds for payments made by one fund on behalf of another fund.

Net Position and Fund Balance Classification

Government-wide financial statements

Equity is classified as net position and displayed in three components:

a) Net investment in capital assets - consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets.
b) Restricted net position - consists of net position with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments.
c) Unrestricted net position - all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Note 1 – Summary of Significant Accounting Policies (continued)

When both restricted and unrestricted resources are available for a specific purpose, it is the School's policy to use restricted resources first, until exhausted, before using unrestricted resources.

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 list below:

a) Nonspendable – includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Consists of fund balance associated with prepaid expenses. All nonspendable fund balances at year end pertain to not in spendable form assets.
b) Restricted – this classification includes fund balance category amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. There are no restricted fund balances at year end.
c) Committed – fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School's Board of Directors. There are no committed fund balances at year end.
d) Assigned – fund balance classification that is intended to be used by the School's management for specific purposes but do not meet the criteria to be classified as restricted or committed. The assigned balances pertain to the School's internal account.
e) Unassigned – portion of the fund balance that has not been restricted, committed or assigned for a specific purpose. This is the residual classification for the School's general fund.

Committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Income Taxes
International Studies Charter High School, Inc. qualifies as a tax-exempt organization under Internal Revenue Code Section 501(c)(3), and is, therefore, exempt from income tax. Accordingly, no tax provision has been made in the accompanying financial statements.

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

Note 1 – Summary of Significant Accounting Policies (continued)

New Accounting Standard Adopted

In fiscal year 2026, the School adopted GASB Statement No. 103, *Financial Reporting Model Improvements*. Statement No. 103 requirements updates reporting requirements and changes to MD&A, unusual/infrequent items, proprietary fund presentation, major component units, budgetary comparison information and statistical information. The adoption of this statement did not have a material impact on the School's financial statements. This statement was applied prospectively.

In fiscal year 2026, the School adopted GASB issued Statement No. 104, Disclosure of Certain Capital Assets. Statement No. 104 requires certain capital assets to be separately identified within the capital asset footnote. This includes lease assets by major class of underlying asset and other specified categories of capital assets. It also establishes accounting and disclosure requirements for capital assets held for sale. The adoption of this statement did not have a material impact on the School's financial statements. This statement was applied prospectively.

Pronouncements Issued But Not Yet Effective

The GASB issued GASB Statement No. 105, *Subsequent Events*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2026.

The School is currently evaluating the effect that implementation of the new standards will have on its financial statements.

Subsequent Events

In accordance with GASB Codification Section 2250.106, the School has evaluated subsequent events and transactions for potential recognition or disclosure through September 15, 2026, which is the date the financial statements were available to be issued.

Note 2 – Cash and Investments

Deposits

The School maintains its cash and cash equivalents in one financial institution. Deposits at FDIC-insured institutions are insured up to $250,000 per depositor, per financial institution. The School is a charter school under International Studies Charter High School, Inc., which also operates various other charter schools. All bank accounts are opened under the account ownership of International Studies Charter High School, Inc., therefore, bank balances at times may potentially be in excess of FDIC coverage. As of June 30, 2026, bank balances in potential excess of FDIC coverage totaled $2,510.

Investments

The School follows the Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in markets for identical assets: Level 2 inputs are significant other observable inputs (including quoted prices for similar investments, interest rates, credit risk, etc.); Level 3 inputs are significant unobservable inputs.

Note 2 – Cash and Investments (Continued)

At June 30, 2026, the School had $220,000 invested in a governmental money market mutual fund that is exempt from GASB 72 fair value hierarchy disclosures. The governmental money market mutual fund values its portfolio securities at amortized cost which approximates fair value. The government money market mutual fund primarily invests in cash, high quality, short-term U.S. government securities and/or repurchase agreements that are collateralized fully by government securities that have been valued by the fund as Level 2. As of June 30, 2026, maturities of the fund's portfolio holdings are approximately 77% within 30 days.

Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of investments in a single issuer. The School manages its exposure to credit risk by limiting investments to highly rated government money market mutual funds. The fund is rated Aaa-mf by Moody's.

Custodial credit risk is the risk that in the event of a failure of a depository financial institution or counterparty that is in possession of investment or collateral securities, the School will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the School will not be able to recover the value of investments or collateral securities that are in the possession of an outside party. At June 30, 2026, all of the School's investments in government money market mutual funds were held in a separate account and designated as assets of the School.

Interest rate risk is the risk that changes in interest rate will adversely affect the fair value of an investment. The School manages its exposure to declines in fair values by limiting all investments to government money market mutual funds that can be redeemed daily.

Note 3 – Education Service and Support Provider

Education Service and Support Provider Agreement

Academica Dade, LLC, an education service and support provider, offers administrative services to the School including, but not limited to, facility design, staffing recommendations, human resource coordination, regulatory compliance, legal and corporate upkeep, maintenance of the books and records, bookkeeping, budgeting and financial reporting and virtual services. The agreement between the School and the ESSP calls for a fee on a per student basis. The agreement is with International Studies Charter High School, Inc., through June 30, 2028, and unless terminated by the board will have an option to renew for an additional five year period. During the year ended June 30, 2026, the School incurred $11,874 in fees.

As of June 30, 2026, $15,000 was due to Academica Dade, LLC in the form of a non-interest bearing loan which was extended during the year and has a new maturity date of June 30, 2027.

Note 3 – Education Service and Support Provider (continued)

The following schedule provides a summary of changes in long-term liabilities for the year:

	Balance 07/01/25	Increases	Decreases	Balance 06/30/26
Due to education service and support provider	$ 15,000	$ -	$ -	$ 15,000
Total Long Term Liabilities	$ 15,000	$ -	$ -	$ 15,000

Recoverable Grant

To date, the school has received $145,000 in recoverable grants from Academica Dade, LLC. The purpose of the grants is to fund the Schools' operating expenses. Under the terms of the grant, the School would repay the Corporation in the event the School experiences a surplus of its operating budget for any period ending on June 30, following the execution of the agreement. To date, management has determined that the School has not met the requirements for repayment under the grant terms. The maximum amount the School may be required to pay in the future should the School meet the requirements for repayment is $145,000.

Note 4 – Transactions with Other Organizations and Other Divisions of International Studies Charter High School, Inc.

Somerset Virtual Academy, Inc.

Florida law requires the School to contract with a state authorized Virtual Instruction Provider. Effective July 1, 2014, the School entered into a Florida Virtual Instruction Provider Contract with Somerset Virtual Academy, (an entity which contracts with the School's educational services and support provider), for a variety of educational products and services and administrative and technology services. The initial contract expired on June 30, 2018 and automatically extends for successive additional periods, consistent with extension of charter, currently expiring on June 30, 2028. During the year ended June 30, 2026, the School incurred approximately $88,000 in virtual fees.

On July 1, 2025, the School entered into a virtual instruction provider agreement with Somerset Virtual Academy (VIP) for the provision of virtual instruction services for the 2025-26 academic year. Under the terms of the agreement, VIP will supply virtual courseware, instructional support, and platform access for the School's virtual charter program. Fees are based on student enrollment models (full-time, part-time, or single course), with an additional platform fee per student. The agreement outlines each party's responsibilities, including compliance with Florida law, data privacy (FERPA), and reporting requirements. The agreement automatically renews annually unless terminated per specified notice provisions. Either party may terminate for cause or, in the case of the School, without cause with 30 days' notice.

Recoverable Grant

In previous years, the School received a recoverable grant from Somerset Virtual Academy for $14,500 in fees for services provided under this contract to fund the operations of the School with repayment contingent on the school subsequently meeting certain financial conditions. To date, management has determined that the school has not met the requirements for repayment under the grant terms. The maximum amount the School may be required to pay in the future, should the school meet the requirements for repayment, is $14,500.

Note 4 – Transactions with Other Organizations and Other Divisions of International Studies Charter High School, Inc. (continued)

Prior to 2025, the School received recoverable grants totaling $290,000 from International Studies Charter High School, Inc. The purpose of the grants is to fund the Schools' operating expenses. Under the terms of the grant, the School would repay the Corporation in the event the School experiences a surplus of its operating budget for any period ending on June 30, following the execution of the agreement. In 2026, the School received a recoverable grant of $15,000, which was applied as a reduction to the debt owed to International Studies Charter High School, Inc. To date, management has determined that the School has not met the requirements for repayment under the grant terms. The maximum amount the School may be required to pay in the future should the School meet the requirements for repayment is $305,000.

International Studies Charter High School, Inc., charges all its affiliated schools an assessment for shared corporate costs and accreditation expenses. During the year, the School paid International Studies Charter High School, Inc., $4,900 for such costs.

The School received long-term, non-interest bearing advances from International Studies Charter High School, Inc. The following schedule provides a summary of changes in long-term liabilities for the year:

	Balance 07/01/25	Increases	Decreases	Balance 06/30/26
Due to International Studies Charter High School, Inc.	$ 25,000	$ -	$ (15,000)	$ 10,000
Total Long Term Liabilities	$ 25,000	$ -	$ (15,000)	$ 10,000

The School has made long-term, non-interest bearing advances to International Studies Charter High School, Inc. In addition, as of June 30, 2026, the School transferred a total of 47,408 of funds received in connection with the retroactive referendum settlement agreement to International Studies Charter High School, Inc. for future investments on behalf of the School. The following schedule provides a summary of changes in long-term advances for the year ended June 30, 2026:

	Balance 07/01/25	Increases	Decreases	Balance 06/30/26
Due from International Studies Charter High School, Inc.	$ 23,126	$ 24,282	$ -	$ 47,408
Total Long Term Receivables	$ 23,126	$ 24,282	$ -	$ 47,408

Note 5 – Due to Other Agencies

In prior years, the School received referendum funds that may have to be returned to the district. Accordingly, the School has reported those funds as a liability on the statement of net position.

Note 5 – Due to Other Agencies (continued)

The following summarizes changes in due to other agencies as of June 30, 2026:

	Balance 07/01/25	Increases	Decreases	Balance 06/30/26
Due to other agencies	$ 90,786	$ 24,720	$ -	$ 115,506
Total Long Term Liabilities	$ 90,786	$ 24,720	$ -	$ 115,506

Note 6 – Commitments, Contingencies and Concentrations

The School receives the majority of its funding from the State through the District under the Florida Education Finance Program (FEFP) and various other state and local funding. The FEFP is based in part on a computation of the number of full-time equivalent (FTE) students attending different instructional programs. The accuracy of FTE student data submitted by individual schools and used in the FEFP computations is subject to audit by the state and, if found to be in error, could result in refunds to the state or in decreases to future funding allocations.

Additionally, the School participates in a number of federal, state and local grants which are subject to financial and compliance audits.

It is the opinion of management that the amount of revenue, if any, which may be remitted back to the state due to errors in the FTE student data or the amount of grant expenditures which may be disallowed by grantor agencies would not be material to the financial position of the School.

Pursuant to the Charter School contract with the School District, the District withholds an administrative fee of 5% of the qualifying revenues of the School. For the year ended June 30, 2026, administrative fees withheld by the School District totaled $8,726.

Note 7 – Risk Management

The School is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; administrative errors and omissions and natural disasters for which the School carries commercial insurance. In addition, there were no reductions in insurance coverage from those in the prior year.

The School has entered into a strategic relationship with ADP TotalSource, Inc., a human resource management firm, typically known as “Professional Employer Organization” (PEO). Under a co-employment agreement, the PEO is the employer of record and is responsible for administering payroll, payroll taxes, provide employee benefits and assist with human resources and risk management. Accordingly, certain human resource related risks are transferred to the PEO. Nevertheless, the School may be subject to risks, including loss, penalties and fines related to employment practices, administrative error and omissions.

Note 8 – Interfund Transfers

Inter-fund transfers and balances in governmental funds as of June 30, 2026 consists of the following:

	General Fund	Special Revenue Fund
To reimburse General Fund for prior period's expenditures	$ 299	$ (299)
Total Transfers, net	$ 299	$ (299)

Note 9 – Compensated Absences

Compensated absences payable consist of leave benefits, paid time off, that employees earned based on services already rendered. Compensated absences are recognized as a liability when the leave accumulates, is attributable to past service, and it is more likely than not that the leave will be used or paid.

Changes in compensated absence liabilities during the year are as follows:

	7/1/2025	Increases *	Decreases	6/30/2026	Due within One Year
Compensated absences	$ 585	$ -	$ -	$ 585	$ 585
	$ 585	$ -	$ -	$ 585	$ 585

* The change in compensated absence balances is presented as a net change.

REQUIRED SUPPLEMENTARY INFORMATION

International Studies Virtual Academy
(A charter school under International Studies Charter High School, Inc.)

Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund
For the year ended June 30, 2026

	General Fund			Variance	
	Original Budget	Final Budget	Actual	Original to Final	Final to Actual
REVENUES					
State passed through local	$ 193,895	$ 227,678	$ 185,253	$ (33,783)	$ 42,425
Local sources (Including Referendum revenue)	48,300	25,632	22,164	22,668	3,468
Charges for services and other revenue	4,700	8,392	7,881	(3,692)	511
Total Revenues	246,895	261,702	215,298	(14,807)	46,404
EXPENDITURES					
Current:					
Instruction	118,186	117,186	116,580	1,000	606
Student support services	-	10,711	10,672	(10,711)	39
Board	19,125	17,103	17,011	2,022	92
School administration	75,636	55,084	53,931	20,552	1,153
Fiscal services	4,750	3,958	3,958	792	-
Central services	4,750	3,958	3,958	792	-
Operation of plant	7,191	7,541	7,426	(350)	115
Total Current Expenditures	229,638	215,541	213,536	14,097	2,005
Excess (deficit) of Revenues Over Current Expenditures	17,257	46,161	1,762	(28,904)	44,399
Other financing sources (uses):					
Transfers in (out)	-	299	299	(299)	-
Change in due to International Studies Charter High School, Inc.	-	(24,282)	(24,282)	24,282	-
Increase in due to other agencies	-	24,720	24,720	(24,720)	-
Net change in fund balance	17,257	46,898	2,499	(29,641)	44,399
Fund Balance at beginning of year	208,549	208,549	208,549	-	-
Fund Balance at end of year	$ 225,806	$ 255,447	$ 211,048	$ (29,641)	$ 44,399

See accompanying notes to the budgetary comparison schedules.

International Studies Virtual Academy
(A charter school under International Studies Charter High School, Inc.)

Statement of Revenues, Expenditures, and Changes in Fund Balance - Special Revenue Fund
For the year ended June 30, 2026

	Special Revenue Fund			Variance	
	Original Budget	Final Budget	Actual	Original to Final	Final to Actual
REVENUES					
Federal sources	$ 1,350	$ 1,825	$ 1,844	$ (475)	$ (19)
Charges for services and other revenue	1,650	1,015	1,115	635	(100)
Total Revenues	3,000	2,840	2,959	160	(119)
EXPENDITURES					
Current:					
Instruction	650	560	560	90	-
Instructional staff training	1,350	1,300	1,284	50	16
Community services	1,000	980	676	20	304
Total Current Expenditures	3,000	2,840	2,520	160	320
Excess (Deficit) of Revenues Over Current Expenditures	-	-	439	-	(439)
Other financing sources (uses)					
Transfers in (out)	-	(299)	(299)	299	-
Net change in fund balance	-	(299)	140	299	(439)
Fund Balance at beginning of year	603	603	603	-	-
Fund Balance at end of year	$ 603	$ 304	$ 743	$ 299	$ (439)

See accompanying notes to the budgetary comparison schedules.

Note 1 – Budgets and Budgetary Accounting

An annual budget is adopted on the modified accrual basis of accounting, consistent with generally accepted accounting principles. The original budget and any subsequent amendments are approved by the Board of Directors.

Note 2 – Variances

The variances in State Passed Through Local in the General Fund occurred because funding per student increased significantly from original projection.

The variances in Local Sources in the General Fund occurred because referendum expenditures are limited due to the virtual nature of the school.

The variances in Student Support Services and School Administration expenditures in the General Fund occurred because the final budget was increased to reflect changes in staff allocation.

The variances in due to International Studies Charter High School, Inc. were based on Board approval at year end.

The variances in due to other agencies were based on Board approval at year-end.

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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 of
International Studies Virtual Academy
Miami, Florida

We have audited, 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, the financial statements of the governmental activities and each major fund of International Studies Virtual Academy (the "School"), as of, and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon dated September 15, 2026.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the 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*.

We issued a separate management letter dated September 15, 2026, pursuant to Chapter 10.850, Rules of the Auditor General.

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.

HLB Gravier, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

MANAGEMENT LETTER

To the Board of Directors of
International Studies Virtual Academy
Miami, Florida

Report on the Financial Statements
We have audited the financial statements of International Studies Virtual Academy, Miami, Florida as of and for the fiscal year ended June 30, 2026 and have issued our report thereon dated September 15, 2026.

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 Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports and schedules, which are dated September 15, 2026, 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 and recommendations made in the preceding annual financial audit report.

Official Title
Section 10.854.(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity 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 is International Studies Virtual Academy, 6017.

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 International Studies Virtual Academy has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identify the specific condition(s) met. In connection with our audit, we determined that International Studies Virtual Academy 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 International Studies Virtual Academy. It is management's responsibility to monitor International Studies Virtual Academy 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 recommendation 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 International Studies Virtual Academy maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that International Studies Virtual Academy 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 fraud, waste, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter
Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, School Board of Dade County, Federal and other granting agencies, 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.

HLB Gravier, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026