SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

INDEPENDENT AUDITORS' REPORT
FINANCIAL STATEMENTS
AND
REQUIRED SUPPLEMENTARY
INFORMATION

JUNE 30, 2026



TABLE OF CONTENTS

Page

INDEPENDENT AUDITORS' REPORT 1

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) 4

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

Statement of Net Position 9

Statement of Activities.....10

Fund Financial Statements

Balance Sheet – Governmental Funds 11

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position 12

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds.....13

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds to the Statement of Activities....14

Notes to Basic Financial Statements.....15

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedule (Unaudited). 25

Notes to Budgetary Comparison Schedule. 26

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 *Governmental Auditing Standards* 27

Management Letter 29

miller & miller CPAs

Marc A. Miller, CPA*

Kelley D. Miller, CPA*

INDEPENDENT AUDITORS' REPORT

Board of Directors
Sarasota School of Arts & Sciences, Inc.

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Sarasota School of Arts & Sciences, Inc. (the Charter School), a Charter School and component unit of the School Board of Sarasota County, Florida, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Sarasota School of Arts & Sciences, Inc.'s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of Sarasota School of Arts and Sciences, Inc., 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 (Government Auditing Standards). 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 the Charter School, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Charter 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' Responsibility 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 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 Charter 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 Charter 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 on pages 4-8 and budgetary comparison schedule and notes to budgetary comparison schedule on pages 25-26 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 GAAS, 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 xx, 2026, on our consideration of the Sarasota School of Arts and Sciences, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Sarasota School of Arts and Sciences, Inc.'s internal control over financial reporting and compliance.

Miller & Miller, P.A.

Sarasota, Florida

October 7, 2026

The following pages represent Management's Discussion and Analysis (MD&A) of Sarasota School of Arts & Sciences, Inc. (the Charter School). It depicts and reviews the financial picture and activities of the Charter School as of and for the year ended June 30, 2026.

The intent of this MD&A is to present a picture and assessment of the Charter School's financial performance in an effort to more clearly demonstrate to readers the results of this year's financial operations. Readers should also review the basic financial statements and notes to enhance their understanding of the Charter School's financial performance.

Using the Financial Statements

This financial report includes a series of financial statements and notes to those financial statements. These statements are organized so the reader can understand Sarasota School of Arts & Sciences, Inc. as a financial whole, or as an entire operating entity.

The statement of net position and the statement of activities provide information about the activities of the Charter School as a whole, presenting both an aggregate view of the Charter School's finances and a longer-term view of those finances. The financial statements show how services were financed in the short-term as well as what financial resources remain for future spending.

Financial Highlights

Statement of Net Position

	2026	2025	$ Change	% Change
Current and other assets	$ 5,074,826	$ 4,625,517	$ 449,309	
Capital assets	13,565,871	13,452,443	113,428	
Total Assets	$ 18,640,697	$ 18,077,960	$ 562,737	3.1%
Current liabilities	$ 1,392,605	$ 1,510,391	$ (117,786)	
Noncurrent liabilities	10,186,500	11,056,911	(870,411)	
Total Liabilities	$ 11,579,105	$ 12,567,302	$ (988,197)	(7.9)%
Net investment in capital assets	$ 2,842,293	$ 2,069,625	$ 772,668	
Restricted	-	-	-	
Unrestricted	4,219,299	3,441,033	778,266	
Total Net Position	$ 7,061,592	$ 5,510,658	$ 1,550,934	28.1%

Total assets increased this year by 3.1% for the year ended June 30, 2026, compared with the year ended June 30, 2025. This increase was primarily due to the purchase of property, addition of more school vehicles, and more computers and iPads beyond the numbers we have had in previous years.

Total liabilities decreased this year by (7.9)% for the year ended June 30, 2026, compared with the year ended June 30, 2025. This decrease was primarily due to repayments on long-term debt.

Capital Assets, Equipment under Finance Lease, and Long-term Debt Administration

Below is a schedule of the Charter School's capital assets as of June 30, 2026 and 2025.

	2026	2025	Change
Capital assets, not being depreciated			
Land	$ 5,234,104	$ 5,234,104	$ -
Construction-in-progress	-	-	-
Total capital assets, not being depreciated	$ 5,234,104	$ 5,234,104	$ -
Capital assets being depreciated, net and equipment under finance lease being amortized, net			
Building and improvements	$ 7,451,232	$ 7,377,976	$ 73,256
Furniture, fixtures and equipment	630,300	693,519	(63,219)
Motor vehicles	244,679	119,064	125,615
Equipment under finance lease	5,556	27,780	(22,224)
Total capital assets being depreciated, net and equipment under finance lease being amortized, net	8,331,767	8,218,339	113,428
Capital assets and equipment under finance lease, net	$ 13,565,871	$13,452,443	$ 113,428

The Charter School has invested in a variety of capital assets including real property, building improvements, furniture, fixtures, and other equipment. Total capital assets and equipment under finance lease at June 30, 2026, amount to $13,565,871, net of accumulated depreciation and amortization.

See Note E to the financial statements for details of the activity during the fiscal year and other related information.

Long-term Debt

Below is a schedule of outstanding debt as of June 30, 2026 and 2025.

	2026	2025	Change
Long-term debt and capital leases	$ 10,723,578	$ 11,382,818	$(659,240)

Long-term debt at June 30, 2026, consisted of three notes payable and obligations under financial leases. Notes payable had a year-end balance of $10,716,446 and the finance lease obligations had a year-end balance of $7,132.

See Note G to the financial statements for details of the activity during the fiscal year and other related information.

Statement of Activities

	2026	2025	Change	% Change
Revenues				
Program revenues				
Operating grants and contributions	$ 12,199	$ -	$ 12,199	
General revenues				
Local	10,717,369	9,845,688	871,681	
Investment income	24,578	28,161	(3,583)	
Total revenues	10,754,146	9,873,849	880,297	8.19%
Expenses				
Instruction	5,595,755	5,143,932	451,823	
Pupil personnel services	67,439	66,621	818	
Instructional media services	195,823	170,459	25,364	
Instructional staff training	50,359	48,034	2,325	
Board	112,153	105,136	7,017	
General administration	29,974	27,587	2,387	
School administration	1,387,483	1,224,532	162,951	
Fiscal services	48,755	57,270	(8,515)	
Pupil transportation	144,660	165,177	(20,517)	
Operation of plant	503,958	568,188	(64,230)	
Maintenance of plant	569,187	503,984	65,203	
Interest and fiscal charges on long-term debt	497,666	527,566	(29,900)	
Total expenses	9,203,212	8,608,486	594,726	6.46%
Change in net position	1,550,934	1,265,363	285,571	
Net position, beginning of year	5,510,658	4,245,295	1,265,363	
Net position, end of year	$ 7,061,592	$ 5,510,658	$ 1,550,934	21.96%

Total revenue increased 8.19% ($880,297) for the year ended June 30, 2026, compared to the year ended June 30, 2025, due to an increase in per student FTE funding, an increase in Local Effort Discretionary Funds, an increase in capital funding both at district and state levels and additional federal funding. Also, increased due to the state legislative requirement of increasing our local capital revenue sharing requirements. Previously the district shared a flat amount of $250 per pupil with charter schools, regardless of tax roll changes. The legislative requirement of sharing 20% of our allocated FTE amount, increased our capital funding considerably. In addition, our district's referendum amounts have increased as property values and tax rolls increase.

Overall expenditures increased 6.46% ($594,726) for the year ended June 30, 2026, compared to the year ended June 30, 2025, due to a couple of factors. First, we increased salaries 5-15% for all teachers, administration, and staff this school year to help us maintain a competitive and happy staff. In addition, insurance costs have increased annually. Second, expenditures increased due to purchases of computers, enrichment supplies, and other items with revenue from federal and state funding.

The largest revenue source for the Charter School is the Florida Education Finance Program (FEFP), which allocates funds based on the number and type of students enrolled in the Charter School. Our second largest source of revenue is both the local and state capital funding. Grants and fundraising account for the third largest source of revenue.

General Fund Budgetary Highlights

During the year there were slight increases in budget appropriations between the original budget and the final amended budget.

Economic Factors and the Budget

The viability and future goals of the Sarasota School of Arts & Sciences, Inc are based on the continuation of conservative and creative financial management. Our Charter School has continued to perform competitively based on comparison of district state testing (FAST) scores. The Charter School earned an A rating since 2006. The Charter School is located in an A rated district in Florida and is still one of the highest performing middle schools within this competitive district. This year, we received the highest A grade of any Sarasota County Middle School. Our Charter School continues to be a "High Performing Charter School" as designated by the state of Florida, which has given us many advantages including a reduction of 3% in our sponsor cost, to only 2% of the first 250 students. To earn a High Performing Charter School designation, the state reviews both our school grade as well as our financial stability and audit results. We have been able to maintain a surplus within our savings accounts, with a year-end unrestricted cash balance of $4,885,916. In addition, we are extremely pleased to maintain our BBB- rating from Standard and Poor's (S&P). Finally, FYE 2026 school year, SSA+S was again confirmed and deemed a School of Excellence by the Florida Department of Education, for every year that this designation has been in existence. Niche.com has rated us the number one Charter Middle School and number three Public Middle School in Sarasota County (number one is a gifted magnet school) in the district. In addition, as a north county school, we have outperformed all of our competition schools.

The goal for this school year is to maintain our student population of 745, with a waiting list which allows us to fill any spaces made by attrition. The legislation now has 20% local capital funding requirement, and this will increase, 20% each year, until it hits 100% in year five. We are in year four of the progression of this, so we are at 80%. For fiscal year ended June 30, 2027, we will be allocated a total of $1,296,537.00 of capital outlay dollars. Our capital monies are used to purchase ever-changing technology (we update our student computers every three years) as well as maintain and improve the facilities for our students. When capital funding is high, we upgrade our technology and facilities; when funding decreases, we decrease our capital projects so that it does not affect our operating budget. This increased funding is also allowing for the incremental step purchase of the property next door, which will be retrofitted into an auditorium and woodshop without affecting our budget.

For the 2025-2026 budget, SSAS did see an increase in both the Safe School Allocation and Mental Health Service Allocation (increased a total amount of $4,054.00 from the 2024-2025 SY). The Governor continues to finance his new teacher raise and minimum teacher salary allocation ($290,513**)** since 2020 (TSIA Funding). Due to our high teacher retention and compensation package, most of this allocation was used to fund a 5% raise for all teachers without affecting our general fund and maintaining previous increases. This TSIA Funding is continuing again this school year and will again fund and maintain Faculty Raises. This, in addition to winning the Best Workplace Award in 2024, based entirely on climate surveys of employee satisfaction, ensures that we keep highly qualified staff retained.

All of the achievements above, coupled with our successful financial management techniques, will ensure that our Charter School continues to be Sarasota County's highest performing middle school.

Request for Information

This financial report is designed to provide a general overview of the Sarasota School of Arts & Sciences, Inc.'s finances for those with an interest in the Charter School's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Principal.

For further information contact;

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SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

STATEMENT OF NET POSITION

June 30, 2026

Assets	Total
Current assets	
Cash	$ 4,886,562
Employee receivable	14
Total current assets	4,886,576
Noncurrent assets	
Equipment under finance lease, net of accumulated amortization of $105,564	5,556
Capital assets, non-depreciable	5,234,104
Capital assets, net of accumulated depreciation of $6,169,086	8,326,211
Deposits	188,250
Total noncurrent assets	13,754,121
Total Assets	18,640,697
Deferred Outflows of Resources	-
Total Assets and Deferred Outflows of Resources	$ 18,640,697
Liabilities and Net Position	
Current liabilities	
Accounts payable	$ 150,362
Accrued salaries payable	371,832
Deferred rent and insurance	200,000
Current portion of long term debt, net of discount	663,279
Current portion of obligation under finance lease	7,132
Total current liabilities	1,392,605
Noncurrent liabilities	
Deferred rent and insurance	133,333
Long-term debt, net discount	10,053,167
Total noncurrent liabilities	10,186,500
Total Liabilities	11,579,105
Deferred Inflows of Resources	-
Total Liabilities and Deferred Inflows of Resources	11,579,105
Net position	
Investment in capital assets, net of related debt	2,842,293
Unrestricted	4,219,299
Total net position	7,061,592
Total Liabilities and Net Position	$ 18,640,697

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

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets
Governmental activities					
Instruction	$ 5,595,755	$ -	$ 12,199	$ -	$ (5,583,556)
Support services					
Pupil personnel services	67,439	-	-	-	(67,439)
Instructional media services	195,823	-	-	-	(195,823)
Instructional staff training	50,359	-	-	-	(50,359)
Board	112,153	-	-	-	(112,153)
General administration	29,974	-	-	-	(29,974)
School administration	1,387,483	-	-	-	(1,387,483)
Fiscal services	48,755	-	-	-	(48,755)
Pupil transportation services	144,660	-	-	-	(144,660)
Operation of plant	503,958	-	-	-	(503,958)
Maintenance of plant	569,187	-	-	-	(569,187)
Interest and fiscal charges on long-term debt	497,666	-	-	-	(497,666)
Total governmental activities	$ 9,203,212	$ -	$ 12,199	$ -	$ (9,191,013)
General revenues:					
Local					10,717,369
Investment income					24,578
Total general revenues					10,741,947
Change in net position					1,550,934
Net position, beginning of year					5,510,658
Net position, end of year					$ 7,061,592

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

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2026

Assets	General Fund	Capital Projects Fund	Total
Cash	$ 4,886,562	$ -	$ 4,886,562
Employee receivable	14	-	14
Deposit	188,250	-	188,250
Total Assets	$ 5,074,826	$ -	$ 5,074,826
Liabilities and Fund Balance			
Liabilities			
Accounts payable	$ 150,362	$ -	$ 150,362
Accrued expenses	371,832	-	371,832
Deferred rent and insurance	200,000	-	200,000
Total liabilities	722,194	-	722,194
Fund balance			
Nonspendable			
Prepaid items/deposit	188,250	-	188,250
Unassigned	4,164,382	-	4,164,382
Total fund balance	4,352,632	-	4,352,632
Total Liabilities and Fund Balance	$ 5,074,826	$ -	$ 5,074,826

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

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION

June 30, 2026

Fund balance - Governmental Funds		$ 4,352,632
Amounts reported in the statement of net assets are different because:		
Capital assets and leased equipment used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Capital assets	19,729,401	
Less accumulated depreciation	(6,169,086)	13,560,315
Leased equipment	111,120	
Less accumulated amortization	(105,564)	5,556
Noncurrent liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Deferred rent and insurance	(133,333)	
Long-term debt, net of discount	(10,723,578)	(10,856,911)
Total Net position - Governmental Activities		$ 7,061,592

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

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2026

	General Fund	Capital Projects Fund	Total
Revenues			
Intergovernmental			
Federal through local	$ 12,199	$ -	$ 12,199
State through local	5,527,249	-	5,527,249
Local	5,002,884	-	5,002,884
Investment income	24,578	-	24,578
Total revenues	10,566,910	-	10,566,910
Expenditures			
Education			
Instruction	4,967,579	-	4,967,579
Pupil personnel services	67,439	-	67,439
Instructional media services	195,823	-	195,823
Instructional staff training	50,359	-	50,359
Board	87,373	-	87,373
School administration	1,344,523	-	1,344,523
Fiscal services	48,755	-	48,755
Pupil transportation	144,660	-	144,660
Operation of plant	500,937	-	500,937
Maintenance of plant	567,679	-	567,679
Capital outlay	856,611	-	856,611
Debt service			
Principal and interest	1,156,906	-	1,156,906
Total expenditures	9,988,644	-	9,988,644
Net change in fund balance	578,266	-	578,266
Fund balance, beginning of year	3,774,366	-	3,774,366
Fund balance, end of year	$ 4,352,632	$ -	$ 4,352,632

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

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2026

Net change in fund balance - Governmental Funds		$ 578,266
Amounts reported in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.		
Capital outlay expenditures	856,611	
Depreciation expense	(708,195)	148,416
Governmental funds report leased equipment as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as amortization expense. This is the amount by which capital outlays exceeded amortization expense in the current period.		
Less current year amortization		(22,224)
The issuance of long-term debt provides current financial resources in the governmental funds, but issuing debt increases noncurrent liabilities in the Statement of Net Position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces noncurrent liabilities in the Statement of Net Position. This is the amount by which repayments exceeded proceeds.		
Principal repayments on notes payable and capital leases		659,240
The net effect of various transactions involving capital assets (i.e., sales) is to decrease net position.		
Net book value of capital assets disposed		(12,764)
In the Statement of Activities, some revenue and expense do not require the source or use of current financial resources and, therefore, are not reported as revenue or expenditure in the governmental funds.		
Deferred Rent income recognized in current year		200,000
Change in net position of Governmental Activities		$ 1,550,934

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: Sarasota School of Arts & Sciences, Inc. (the Charter School) is a not-for-profit corporation formed on February 10, 1997, pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 228.056, Florida Statutes. The governing body of the Charter School is a Board of Directors of no less than seven members. The Charter School is dedicated to teaching principles of academic excellence and social responsibility to grades 6-8 through involvement of students, faculty, parents, mentors, and the community. The Charter School's curriculum emphasizes the arts and sciences encouraging students to learn, think and explore by traditional and nontraditional means.

The general operating authority of the Charter School is contained in Chapter 1002.33, Florida Statutes. The Charter School operates under a charter of the sponsoring school board, the School Board of Sarasota County, Florida (the School Board). The current charter was renewed on July 1, 2014 and is effective until June 30, 2028, and may be renewed by mutual agreement between the Charter School and the School Board. The Charter School is considered a component unit of the School Board.

Basis of Presentation: The basic financial statements of the Charter School have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB has issued a codification of government accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as GAAP for state and local governments.

Government-Wide and Fund Financial Statements: The Charter School's basic financial statements include both government-wide (reporting on the Charter School as a whole) and fund financial statements (reporting on the General Fund only). Both the government-wide and fund financial statements present only governmental activities. The Charter School has no business-type activities.

In the government-wide Statement of Net Position, the Charter School reports on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Charter School's net position is reported in three parts (as applicable): net investment in capital assets; restricted net position; and unrestricted net position.

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a given function (or segment) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions restricted to meeting the operational or capital requirements of a particular function or segment. Unrestricted grants and contributions and other items not properly included among program revenues are reported as general revenues.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements – Continued

The financial transactions of the Charter School are reported in individual funds in the fund financial statements. The fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures.

The individual generic fund types in the Charter School's financial statements are governmental funds. The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

The only governmental fund utilized by the Charter School is the General Fund. This fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures. The General Fund is the general operating fund of the Charter School and is used to account for all its financial resources.

Measurement Focus, Basis of Accounting and Financial Statement Presentation: The 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 the related cash flows.

Governmental 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 Charter School considers revenues to be available if they are collected within 60 days of the end of the current period. When grant terms provide that the expenditure of resources is the determining factor for eligibility for Federal, State and other grant resources, revenue is recognized at the time the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting, However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due.

Revenues for current operations received from the School Board of Sarasota County, Florida, pursuant to the funding provisions included in the Charter School's charter are considered to be susceptible to accrual and so 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 Charter School.

Budgetary Basis of Accounting: Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the fund level.

For the year ended June 30, 2026, expenditures exceeded appropriations for various functions. These were covered by positive variances in other functions which resulted in a net total positive variance overall.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash Deposits: The Charter School's cash consists of demand deposits with financial institutions insured by the Federal Depository Insurance Company. The Charter School has no cash equivalents.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Receivables: Receivables were $14 as of June 30, 2026. Management considers all receivables to be fully collectible, therefore no allowance has been recorded as of June 30, 2026.

Capital Assets: Capital assets are reported in the governmental activities column in the government-wide financial statements and are not reported in the fund financial statements. Capital assets are defined by the Charter School as assets with an initial cost of more than $750 and an estimated useful life in excess of one year. Capital assets are recorded at historical cost if purchased or constructed or estimated historical cost when actual historical cost is not available. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. All capital assets are depreciated using the straight-line method over their estimated useful lives. Useful lives vary from 5 to 40 years for buildings and improvements, and 5 to 15 years for furniture, fixtures and equipment, 5 years for motor vehicles, 3 to 5 years for software, and 5 to 7 years for property under capital leases.

Bonds and Long-Term Debt: Bond and long-term debt obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in government-wide statement of net position.

In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due. Governmental fund types recognize bond discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Equity: Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance: Generally, fund balance represents the difference between the assets and liabilities under the current financial resource's measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Charter School is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balances are classified as follows:

- *Nonspendable*: This component includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

- *Restricted*: This component consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation.

- *Committed*: This component consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Charter School's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Charter School removes or changes the specified use by taking the same type of action it employed previously to commit those amounts.

- *Assigned*: This component consists of amounts that are constrained by the Charter School's intent to be used for specific purposes but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Board of Directors.

- *Unassigned*: This classification represents amounts that have not been restricted, committed or assigned to a specific purpose within the general fund. The general fund is the only fund that reports a positive assigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance.

Net Position: Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws or regulations. All net positions not reported as net investment in capital assets and restricted net position, are reported as unrestricted net position.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Equity – Continued

Flow Assumptions: When both restricted and unrestricted amounts of fund balance/net position are available for use for expenditures/expenses incurred, it is the Charter School's policy to use restricted amounts first, then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Charter School's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Revenue Sources: Revenues for current operations are received primarily from the School Board of Sarasota County pursuant to the funding provisions included in the Charter School's charter. In accordance with the funding provisions of the charter and Section 1002.33(17), Florida Statutes, the Charter School reports the number of full-time equivalent (FTE) students and related data to the School Board. Under the provisions of Section 1011.62, Florida Statutes, the School Board reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program (FEFP). Funding for the Charter School is adjusted during the year to reflect the revised calculations by the FDOE under the Florida Education Finance Program and the actual weighted full-time equivalent students reported by the Charter School during the designated full-time equivalent student survey periods.

The Charter School also receives Federal 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.

Additional revenues are derived from various fund-raising activities, contributions and interest earned.

Income Taxes: The Charter School qualifies as a tax-exempt organization under Internal Revenue Code Section 501(c)(3). The Charter School's status as a tax-exempt not-for-profit entity is considered a tax position subject to reporting requirements under FASB Accounting Standards Codification 740-10. Entities are required to examine all tax positions and determine if it is more likely than not that the positions would be sustained upon examination by taxing authorities. The Charter School has not recorded any accruals for uncertain income tax positions at June 30, 2026.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Implementation of GASB Statement No. 103: During the year ended June 30, 2026, the Charter School implemented GASB Statement No. 103, Financial Reporting Model Improvements. GASB Statement No. 103 requires governments to present budgetary comparison information as required supplementary information (RSI) and requires presentation of (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts, together with explanations of significant variances in notes to required supplementary information.

The implementation of GASB Statement No. 103 resulted in additional required supplementary information disclosures relating to the Charter School's budgetary comparison schedule. The adoption of this statement did not have an impact on beginning fund balance, net position, or the change in fund balance reported in the accompanying financial statements.

NOTE B – CASH

Cash: Custodial credit risk is the risk that in the event of bank failure, the Charter School's deposits may not be returned. The Charter School can mitigate this risk by depositing funds in financial institutions insured by Federal depository insurance. At June 30, 2026, the carrying amount of the Charter School's deposits was 4,886,562 and bank balances were $4,872,809. The Charter School had uninsured balances at June 30, 2026, of $4,072,718.

NOTE C – RISK MANAGEMENT PROGRAMS

The Charter School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Charter School has purchased commercial insurance. The Charter School has not had any reduction in insurance coverage and the amount of claims resulting from these risks has not exceeded insurance coverage for the past three years.

NOTE D – DEFERRED RENT AND INSURANCE

In February 2024, the Charter School purchased property at 741 Central Avenue with the condition that the seller would be allowed to lease the property back from the Charter School for 4 years. The lease qualifies as an operating lease. Rent of $800,000 and insurance premium reimbursements of $29,797 were recorded at the time of the purchase. No lease payments were actually received but lease payments were imputed based on the fair market value of rents over the life of the lease. Rent will be recognized as it is earned over the life of the lease. Insurance premiums were recognized over the insurance policy period, which ended in January 2025 . During the year ended June 30, 2026, $200,000 was recognized as rent. At June 30, 2026, deferred rent revenue is $333,333 of which $200,000 is current.

NOTE E - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2026 was as follows:

	Balance July 1, 2025	Reclass/ Additions/	Deletions	Balance June 30, 2026
Governmental activities				
Capital assets, not being depreciated				
Land	$ 5,234,104	$ -	$ -	$ 5,234,104
Construction in progress	-	-	-	-
Total capital assets not being depreciated	5,234,104	-	-	5,234,104
Capital assets, being depreciated				
Buildings and improvements	10,999,452	473,932	(9,500)	11,463,884
Furniture, fixtures and equipment	2,372,590	203,861	(172,250)	2,404,201
Motor vehicles	448,395	178,817	-	627,212
Total capital assets being depreciated	13,820,437	856,610	(181,750)	14,495,297
Less accumulated depreciation				
Buildings and improvements	3,621,476	393,472	(2,296)	4,012,652
Furniture, fixtures and equipment	1,679,071	261,521	(166,691)	1,773,901
Motor vehicles	329,331	53,202	-	382,533
Total accumulated depreciation	5,629,878	708,195	(168,987)	6,169,086
Total capital assets being depreciated, net	8,190,559	148,415	(12,763)	8,326,211
Capital Assets, net	$13,424,663	$ 148,415	$ (12,763)	$13,560,315

Depreciation expense was $708,195 for the year ended June 30, 2026 and was allocated to the following governmental functions:

Instruction	$ 605,952
Board	24,780
General administration	29,974
School administration	42,960
Operation of plant	3,021
Maintenance of plant	1,508
Total	$ 708,195

NOTE F – LONG-TERM DEBT

Long-term debt activity for the year ended June 30, 2026 was as follows:

	Balance July 1, 2025	Additions	Reductions	Balance June 30, 2026	Due Within One Year
Governmental activities					
Note payable	$ 7,321,129	$ -0-	$ (372,278)	$ 6,948,851	$ 385,905
Note payable – 741 Central Avenue	4,027,387	-0-	(259,792)	3,767,595	277,374
Obligation under finance lease	34,302	-0-	(27,170)	7,132	7,132
	$ 11,382,818	$ -0-	$ (659,240)	$ 10,723,578	$ 670,411

On July 22, 2020, the Charter School entered into a loan agreement to borrow $8,935,316 from Equitable Facilities Fund, Inc. for the purpose of paying off existing bonds. The loan will mature on July 1, 2040 and interest shall be computed at a rate equal to 4% per annum on the unpaid principal balance. Principal and interest are due monthly beginning on September 1, 2020, payable in 239 monthly installments of $52,478.

In February 2024, the Charter School entered into a long agreement to borrow $4,272,728 from 741 Central Avenue, LLC to purchase an adjacent property to the school. The loan will mature on July 15, 2027 and interest is to be computed at an imputed rate of 6.75% per annum on the unpaid principal balance. Principal and interest payments of $500,000 are due on July 15, 2024, July 15, 2025, and July 15, 2026 with the remaining balance of $3,500,000 due and payable on July 15, 2027.

Maturities of long-term debt for the each of the next five years ended June 30 and thereafter are as follows:

	Principal	Interest	Total
2027	$ 670,411	$ 466,519	$ 1,136,930
2028	3,890,251	239,486	4,129,737
2029	414,670	215,067	629,737
2030	429,847	199,890	629,737
2031	445,579	184,158	629,737
thereafter	4,872,820	847,290	5,720,110
Total	$ 10,723,578	$ 2,152,410	$ 12,875,988

NOTE F – LONG-TERM DEBT – (CONTINUED)

As security for the obligation to make all payments due, and to perform all obligations, the Charter School grants a security interest of its revenues, deposit accounts, goods, equipment, inventory, fixtures, accessions, and investment property.

The note payable contains certain restrictions and covenants. At June 30, 2026, the Charter School was in compliance with the debt covenants.

NOTE G – RETIREMENT PLAN

The Charter School sponsors a defined contribution pension plan that covers all full-time employees that have met certain age and service requirements. The Charter School's contributions to the plan are 7% of eligible employees' wages. Employees are vested in the plan according to a schedule. For the year ended June 30, 2026, the Charter School's retirement plan contributions were $279,920.

NOTE H – EQUIPMENT UNDER FINANCE LEASE

The Charter School leases copiers under a finance lease since the lease term of 60 months is for the major part of the remaining economic life of the copiers. The lease began on October 1, 2021 and expires on October 1, 2026 and includes monthly payments of $1,861 until September 2002, $1,968 until September 2023, $2,092 until September 2024, $2,333 until September 2025, and $2,397 until September 2026. Under a finance lease, the leased equipment value and the lease liability are recorded at the present value using a discounted rate of 5%. The leased equipment value and the lease liability at the inception of the lease was $111,120. At June 30, 2026, the balance of the lease liability is $7,132.

Future minimum lease payments under the finance lease are as follows:

Fiscal Year Ending June 30:	Principal	Interest	Total
2027	$ 7,132	$ 60	$ 7,192

The leased equipment is amortized over the lesser of the lease term or the useful life of the underlying asset, which is 60 months. Amortization expense for the year ended June 30, 2026 was $22,224.

NOTE I – NET INVESTMENT IN CAPITAL ASSETS

In the Statement of Net Position, the Charter School is reporting a positive net investment in capital assets balance of $2,842,293 as of June 30, 2026.

NOTE J – LOCAL REVENUE SOURCES

The following is a schedule of local revenue sources and amounts:

Source	Amount
Federal through local	
E-Rate Funds	$ 12,199
	12,199
State through local	
Base funding (less administrative fee)	4,284,999
School recognition funds	62,378
Class reduction size	686,495
Charter school capital outlay	493,377
Subtotal	5,527,249
Local	
Discretionary local effort	1,176,835
Referendum millage allocation	1,573,301
Sales tax	348,567
Local capital outlay millage funds	1,398,395
Grants/donations/fundraising/rent	31,449
Other miscellaneous revenue	474,337
Subtotal	5,002,884
Total	$ 10,542,332

NOTE K – CONTINGENICES RELATED TO LEGAL MATTERS

As of June 30, 2026, the Charter School is involved in one pending lawsuit in litigation and one threatened lawsuit. Management is defending both matters vigorously. The plaintiffs seek damages related to the asserted claims. Legal counsel has advised that a reliable evaluation of the likelihood of an unfavorable outcome or the amount or range of potential loss cannot be made at June 30, 2026. Accordingly, no estimate of possible loss has been recorded at June 30, 2026.

NOTE L – EVALUATION OF SUBSEQUENT EVENTS

The Charter School has evaluated subsequent events through October 7, 2026, the date the financial statements were available for issuance, and has determined that there are no additional subsequent events that require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

SARASOTA SCHOOL OF ARTS AND SCIENCES, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED JUNE 30, 2026
UNAUDITED

	Budgeted Amounts		Over /		Over /
	Original	Final	(Under)	Actual	(Under)
Revenues					
Federal through local	$ 12,924	$ 12,924	$ -	$ 12,199	$ (725)
State through local	5,383,439	5,442,024	58,585	5,527,249	85,225
Local	4,655,925	4,829,071	173,146	5,002,884	173,813
Investment income	27,500	25,000	(2,500)	24,578	(422)
Total revenues	10,079,788	10,309,019	229,231	10,566,910	257,891
Expenses					
Current					
Instruction	5,008,053	5,117,015	108,962	4,967,579	(149,436)
Pupil personnel services	71,803	71,803	-	67,439	(4,364)
Instructional media services	215,063	215,063	-	195,823	(19,240)
Instructional staff training	55,000	50,000	(5,000)	50,359	359
Board	106,962	129,462	22,500	87,373	(42,089)
School and general administration	1,298,302	1,259,336	(38,966)	1,344,523	85,187
Fiscal services	60,000	60,000	-	48,755	(11,245)
Pupil transportation services	192,500	194,000	1,500	144,660	(49,340)
Operation of plant	630,687	692,056	61,369	500,937	(191,119)
Maintenance of plant	670,000	650,687	(19,313)	567,679	(83,008)
Capital outlay	1,488,136	1,586,315	98,179	856,611	(729,704)
Debt service					
Principal and interest	283,282	283,282	-	1,156,906	873,624
Total expenditures	10,079,788	10,309,019	229,231	9,988,644	(320,375)
Net change in fund balance	$ -	$ -	$ -	$ 578,266	$ 578,266

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

NOTE A – EXPLANATION OF SIGNIFICANT VARIATIONS BETWEE ORGINAL AND FINAL BUDGETS AMOUNTS AND FINAL BUDGET AMOUNTS AND ACTUAL RESULTS

The Charter School's final budget reflected amendments made during the fiscal year to accommodate changes in operating and capital expenditure expectations. Actual results differed from the final amended budget in several functions due primarily to the following matters:

- Debt service expenditures exceeded the original and final budget since only interest payments were included in the original and final budget and the actual results included principal and interest payments.

- Capital outlay expenditures were lower than the original and final budget due to smaller ticketed items being allocated to other expenditure categories.

- The resulting positive variance in fund balance compared with the final amended budget was primarily attributable to revenues exceeding expectations combined with lower expenditures in certain operational and capital functions.

The budget was prepared on the modified accrual basis of accounting, and all annual appropriations lapse at fiscal year-end, as disclosed in the accompanying required supplementary information schedule.

Miller & Miller CPAs

Marc A. Miller, CPA*

Kelley D. Miller, CPA*

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
Sarasota School of Arts & Sciences, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Sarasota School of Arts & Sciences, Inc.'s (the "Charter School"), as of, and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise Sarasota School of Arts & Sciences, Inc.'s basic financial statements and have issued our report thereon dated October 7, 2026.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Charter School's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the Charter School's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material

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weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Miller & Miller, P.A.

Sarasota, Florida
October 7, 2026

miller & miller CPAs

Marc A. Miller, CPA*

Kelley D. Miller, CPA*

MANAGEMENT LETTER

To the Board of Directors
Sarasota School of Arts & Sciences, Inc.

Report on the Financial Statements

We have audited the financial statements of the governmental activities and each major fund of Sarasota School of Arts & Sciences, Inc. (the Charter School), a Charter School and component unit of the School Board of Sarasota County, as of and for the year ended June 30, 2026, which collectively comprise Sarasota School of Arts & Sciences, Inc.'s basic financial statements and have issued our report thereon dated October 7, 2026.

Auditors' Responsibility

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

Other Reporting Required by *Government Auditing Standards*

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 this report, which is dated October 7, 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 prior year findings or recommendations.

Official Title

Section 10.854(1)(e)5, Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education are the Sarasota School of Arts & Sciences, Inc. and 0083.

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Financial Condition

Section 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 Sarasota School of Arts & Sciences, Inc. has met one or more of the conditions described in Section 218.503(1), Florida Statues, and to identify the specific condition(s) met. In connection with our audit, we determined that the Sarasota School of Arts & Sciences, Inc. 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 Sarasota School of Arts & Sciences, Inc. 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 their review of financial information provided by the same.

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

Transparency

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the Sarasota School of Arts & Sciences, Inc maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the Sarasota School of Arts & Sciences, Inc. 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 that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

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

Miller & Miller, P.A.

Sarasota, Florida
October 7, 2026