HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Theodore R. and Thelma A. Gibson Charter School

W/L #: 2060

Miami, Florida

Financial Statements and
Independent Auditors' Report

June 30, 2026

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Theodore R. and Thelma A. Gibson Charter School

W/L #: 2060

450 NW 14th Street
Miami, Florida 33136

2025-2026

Board of Directors

Charles Gibson, Board Chair and President/Director
Alex Tamargo, Secretary and Treasurer
Michelle Pestana, Director

School Administration

Jamaal Fairley, Principal

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Theodore R. and Thelma A. Gibson Charter School
Miami, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Theodore R. and Thelma A. Gibson Charter School (the "School"), a charter school under Theodore R. and Thelma A. Gibson Charter 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 Theodore R. and Thelma A. Gibson Charter 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Theodore R. and Thelma A. Gibson 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 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 Theodore R. and Thelma A. Gibson 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' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 Theodore R. and Thelma A. Gibson Charter School that is attributable to the transactions of the School and is not intended to be a complete presentation of Theodore R. and Thelma A. Gibson Charter School, Inc. These financial statements do not purport to, and do not, present fairly the financial position of Theodore R. and Thelma A. Gibson Charter 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 5 to the financial statements, the School relies on significant support from the 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 30 through 32 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
Theodore R. and Thelma A. Gibson Charter School
June 30, 2026

The corporate officers of the Theodore R. and Thelma A. Gibson Charter 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

Theodore R. and Thelma A. Gibson Charter School opened in 2002 and is a Miami-Dade County public charter school and serves students in kindergarten through fifth grade.

Overview of the Financial Statements

The financial statements of Theodore R. and Thelma A. Gibson Charter School 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 follows:

	2026	2025	Variance
Cash	$ 231,343	$ 205,310	$ 26,033
Investments	690,000	769,000	(79,000)
Prepaid expenses and other current assets	30,354	34,209	(3,855)
Due from other agencies	11,211	106,662	(95,451)
Deposits receivable	82,241	82,241	-
Capital and right-of-use capital assets, net	2,376,413	2,621,973	(245,560)
Total Assets	3,421,562	3,819,395	(397,833)
Deferred outflows of resources	-	-	
Accounts payable and accrued expenses	91,888	113,271	(21,383)
Notes payable to Academica Dade, LLC	-	200,000	(200,000)
Due to landlord	99,436	168,417	(68,981)
Compensated absences	52,144	67,300	(15,156)
Lease liability	2,583,864	2,698,520	(114,656)
Total Liabilities	2,827,332	3,247,508	(420,176)
Deferred inflows of resources	-	-	
Net Position:			
Net investment in capital assets	(306,887)	(244,964)	(61,923)
Restricted	21,935	-	21,935
Unrestricted	879,182	816,851	62,331
Total Net Position	$ 594,230	$ 571,887	$ 22,343

The School's financial position improved slightly during the year ended June 30, 2026. Total net position increased by approximately $22,000, from approximately $572,000 at June 30, 2025, to approximately $594,000 at June 30, 2026, representing an increase of approximately 4%.

The most significant changes in total assets and liabilities were as follows: Cash increased by approximately $26,000, primarily due to the timing of cash receipts and disbursements at year-end. Investments decreased by approximately $79,000, primarily due to the use of invested funds to support current-year operating activities. Amounts due from other agencies decreased by approximately $95,000, primarily reflecting the collection of amounts outstanding from governmental agencies at the prior fiscal year-end.

Capital and right-to-use capital assets, net, decreased by approximately $246,000, primarily as a result of depreciation and amortization exceeding current-year capital additions. Notes payable to Academica Dade, LLC decreased by $200,000 as a result of the outstanding balance being converted to a recoverable grant during the current fiscal year. Amounts due to the landlord decreased by approximately $69,000, primarily due to payments made on amounts outstanding at the prior fiscal year-end. Lease liabilities decreased by approximately $115,000, primarily as a result of scheduled principal payments on the School's lease obligations during the fiscal year. Information on the School's capital assets and related lease obligations can be found in the notes to the financial statements.

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	$ 227,684	$ 275,725	$ (48,041)
Capital grants and contributions	248,392	188,179	60,213
Charges for services	35,174	57,541	(22,367)
General Revenues			
State and local sources	1,753,312	1,798,241	(44,929)
Other revenues	437,801	280,521	157,280
Total Revenues	$ 2,702,363	$ 2,600,207	$ 102,156
EXPENSES			
Instruction	$ 956,358	$ 997,165	$ (40,807)
Instructional staff training services	8,369	6,334	2,035
School board	15,711	21,000	(5,289)
School administration	610,512	484,932	125,580
Fiscal services	25,808	26,758	(950)
Food services	192,076	155,653	36,423
Central services	29,138	67,964	(38,826)
Student transportation services	79,200	-	79,200
Operation of plant	510,760	552,016	(41,256)
Maintenance of plant	86,291	73,772	12,519
Community services	33,475	52,916	(19,441)
Debt service	132,322	137,121	(4,799)
Total Expenses	2,680,020	2,575,631	104,389
Increase in Net Position	22,343	24,576	(2,233)
Net Position at Beginning of Year	571,887	547,311	24,576
Net Position at End of Year	$ 594,230	$ 571,887	$ 22,343

Enrollment decreased by approximately 3.6% between fiscal years, with 163 full-time equivalent students during fiscal year 2026 compared with 169 full-time equivalent students during fiscal year 2025.

Total revenues increased by approximately $102,000, from approximately $2.60 million in 2025 to approximately $2.70 million in 2026, representing an increase of approximately 3.9%. Total expenses increased by approximately $104,000, from approximately $2.58 million in 2025 to approximately $2.68 million in 2026. As a result, the School reported an increase in net position of approximately $22,000 for the current fiscal year.

Major changes in revenues and expenses included:

Capital grants and contributions increased by approximately $60,000, reflecting increased funding. Capital Outlay funding per student increased at the state level by approximately $40 per pupil. Additionally, local capital improvement revenue rose by $341 per pupil compared to the prior year. The budget originally projected an increase in local capital improvement revenue;

however, higher than expected local tax collections resulted in an additional increase above the anticipated growth, producing a materially higher year-over-year revenue gain.

Other revenues increased by approximately $157,000, from approximately $281,000 in 2025 to approximately $438,000 in 2026, primarily due to recoverable grant revenue recognized during the current fiscal year, including the conversion of the $200,000 outstanding note payable to Academica Dade, LLC to a recoverable grant.

School administration expenses increased by approximately $126,000, from approximately $485,000 in 2025 to approximately $611,000 in 2026, primarily due to added administrative personnel and other school-level administrative costs incurred during the current fiscal year.

The board approved adding student transportation services expenses to support increased enrollment and service children in a neighborhood that otherwise would not be able to attend. This increased transportation expense by approximately $79,000 during the current fiscal year that was not incurred in the prior 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. There were significant changes in two of the three major funds.

At the end of the fiscal year, the School's governmental general fund reported ending fund balance of $842,014. The fund balance unassigned and available for spending at the School's discretion is $811,660. These funds will be available for the School's future ongoing operations.

The special revenue fund reported an ending fund balance of $29,006 comprised of restricted lunch program funds of $21,935 and assigned community services fund of $7,071. The community services fund reflects the activity in the School's internal funds and accounts for the current year change in the ending fund balance.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The School's investment in capital assets as of June 30, 2026 amounts to $111,947 (net of accumulated depreciation) and right of use lease asset (building) $2,264,466 (net of accumulated amortization). This investment in capital assets includes improvements, and furniture, fixtures and equipment. There were no significant additions, disposals or improvements during the year.

The School leases a facility at 450 NW 14th Street, Miami, Florida 33136.

Long-Term Liabilities

As of June 30, 2026, the School had long-term liabilities of $2,583,864 associated to its right of use lease asset (building).

The lease asset is amortized using the straight-line method over the term of the lease and the lease liability amortizes based on the effective interest method resulting in a higher liability and expense during the early years of the lease.

CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

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

- **Charter renewal** - The School's charter is scheduled for its renewal by the sponsoring district as its current charter expires on June 30, 2027. The School does not anticipate this affecting its ability to continue operations.
- **Enrollment** – enrollment is projected to be approximately 171 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** - The board has reviewed and approved a budget of $333,000 for required construction of traffic lights by the school.

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.

Theodore R. and Thelma A. Gibson Charter School
(A charter school under the Theodore R. and Thelma A. Gibson Charter School, Inc.)

Statement of Net Position
June 30, 2026

	Primary Government
	Governmental Activities
Assets	
Current assets:	
Cash	$ 231,343
Investments	690,000
Prepaid expenses and other current assets	30,354
Due from other agencies	11,211
Total Current Assets	962,908
Deposits receivable	82,241
Capital assets, net:	
Capital assets, depreciable	325,215
Less: accumulated depreciation	(213,268)
Right-of-use lease asset	2,830,578
Less: accumulated amortization	(566,112)
Total Capital Assets, net	2,376,413
Total Assets	3,421,562
Deferred Outflows of Resources	-
Liabilities	
Current liabilities:	
Accounts payable and expenses	91,888
Due to landlord, current	99,436
Compensated absences, current	41,135
Lease liability, current	153,596
Total Current Liabilities	386,055
Compensated absences	11,009
Lease liability	2,430,268
Total Liabilities	2,827,332
Deferred Inflows of Resources	-
Net Position	
Net investment in capital assets	(306,887)
Restricted	21,935
Unrestricted	879,182
Total Net Position	$ 594,230

The accompanying notes are an integral part of this financial statement.

Theodore R. and Thelma A. Gibson Charter School
(A charter school under the Theodore R. and Thelma A. Gibson Charter 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 Position**
Governmental activities:					
Instruction	$ 956,358	$ -	$ 88,010	$ -	$ (868,348)
Instructional staff training services	8,369	-	5,684	-	(2,685)
School board	15,711	-	-	-	(15,711)
School administration	610,512	-	3,844	-	(606,668)
Fiscal services	25,808	-	-	-	(25,808)
Food services	192,076	2,319	130,146	-	(59,611)
Central services	29,138	-	-	-	(29,138)
Student transportation services	79,200	-	-	-	(79,200)
Operation of plant	510,760	-	-	248,392	(262,368)
Maintenance of plant	86,291	-	-	-	(86,291)
Community services	33,475	32,855	-	-	(620)
Debt service	132,322	-	-	-	(132,322)
Total governmental activities	$ 2,680,020	$ 35,174	$ 227,684	$ 248,392	$ (2,168,770)

General revenues:	
State and local sources	1,753,312
Investment and other income	137,801
Recoverable grant	300,000
Change in net position	22,343
Net position, beginning	571,887
Net position, ending	$ 594,230

The accompanying notes are an integral part of this financial statement.

Theodore R. and Thelma A. Gibson Charter School
(A charter school under the Theodore R. and Thelma A. Gibson Charter School, Inc.)

Balance Sheet - Governmental Funds
June 30, 2026

	General Fund	Special Revenue Fund	Capital Project Fund	Total Governmental Funds
Assets				
Cash	$ 202,337	$ 29,006	$ -	$ 231,343
Investments	690,000	-	-	690,000
Prepaid expenses and other current assets	30,354	-	-	30,354
Due from other agencies	-	-	11,211	11,211
Due from other funds	11,211	-	-	11,211
Total Assets	933,902	29,006	11,211	974,119
Deferred Outflows of Resources	-	-	-	-
Liabilities				
Salaries and wages payable	91,888	-	-	91,888
Due to other funds	-	-	11,211	11,211
Total Liabilities	91,888	-	11,211	103,099
Deferred Inflows of Resources	-	-	-	-
Fund balance				
Nonspendable, not in spendable form	30,354	-	-	30,354
Assigned	-	7,071	-	7,071
Restricted	-	21,935		21,935
Unassigned	811,660	-	-	811,660
	842,014	29,006	-	871,020
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 933,902	$ 29,006	$ 11,211	$ 974,119

The accompanying notes are an integral part of this financial statement.

Theodore R. and Thelma A. Gibson Charter School
(A charter school under the Theodore R. and Thelma A. Gibson Charter School, Inc.)

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

Total Fund Balance - Governmental Funds		$ 871,020
Amounts reported for governmental activities in the statement of net position are different because:		
Depreciable and non-depreciable capital assets net of accumulated depreciation and amortization used in governmental activities are not financial resources and therefore are not reported in the fund.		
Capital assets, depreciable	325,215	
Less: accumulated depreciation	(213,268)	
Right-of-use lease asset	2,830,578	
Less: accumulated amortization	(566,112)	
		2,376,413
Long term deposits in governmental activities are not financial resources and therefore are not reported in the governmental funds.		82,241
Long term liabilities in governmental activities are not due and payable in the current period and therefore, are not reported in the governmental funds.		(2,735,444)
Total Net Position - Governmental Activities		$ 594,230

The accompanying notes are an integral part of this financial statement.

Theodore R. and Thelma A. Gibson Charter School
(A charter school under the Theodore R. and Thelma A. Gibson Charter School, Inc.)

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

	General Fund	Special Revenue Funds	Capital Project Fund	Total Governmental Funds
Revenues:				
State capital outlay funding	$ -	$ -	$ 110,857	$ 110,857
State passed through local	1,467,798	-	-	1,467,798
Local sources	285,514	-	137,535	423,049
Federal sources	-	230,003	-	230,003
Charges for services and other revenue	237,801	32,855	-	270,656
Total Revenues	1,991,113	262,858	248,392	2,502,363
Expenditures:				
Current				
Instruction	867,414	97,308	-	964,722
Instructional staff training	2,685	5,684	-	8,369
Board	15,711	-	-	15,711
School administration	557,275	3,844	-	561,119
Fiscal services	25,808	-	-	25,808
Food services	-	191,598	-	191,598
Central services	29,138	-	-	29,138
Pupil transportation	79,200	-	-	79,200
Operation of plant	320,449	-	1,414	321,863
Maintenance of plant	86,291	-	-	86,291
Community services	-	33,475	-	33,475
Debt Service:				
Redemption of principal	-	-	114,656	114,656
Interest	-	-	132,322	132,322
Total Expenditures	1,983,971	331,909	248,392	2,564,272
Excess (deficit) of revenues over expenditures	7,142	(69,051)	-	(61,909)
Other financing sources (uses)				
Transfers in (out)	(90,366)	90,366	-	-
Decrease in due to landlord	(68,981)	-	-	(68,981)
Net change in fund balance	(152,205)	21,315	-	(130,890)
Fund Balance at beginning of year	994,219	7,691	-	1,001,910
Fund Balance at end of year	$ 842,014	$ 29,006	$ -	$ 871,020

The accompanying notes are an integral part of this financial statement.

Theodore R. and Thelma A. Gibson Charter School
(A charter school under the Theodore R. and Thelma A. Gibson Charter 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		$ (130,890)
Amounts reported for governmental activities 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 and amortization expense.		
Capital outlay	-	
Depreciation and amortization expense	(245,560)	(245,560)
Increase 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.		
Decreases in long term liabilities	398,793	
Increases in long term liabilities	-	398,793
Change in Net Position of Governmental Activities		$ 22,343

The accompanying notes are an integral
part of this financial statement.

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

Theodore R. and Thelma A. Gibson Charter School (the "School"), is a charter school sponsored by the School Board of Miami-Dade County, Florida (the "District"). The Schools charter is held by Theodore R. and Thelma A. Gibson Charter 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 Theodore R. and Thelma A. Gibson Charter School, Inc., which is composed of three members. The board of directors has determined that no component unit exists 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, 2027, 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 is located in Miami, Florida for students from kindergarten through fifth grade. These financial statements are for the year ended June 30, 2026, when on average 163 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 as applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Accordingly, the basic financial statements include both the government wide and fund financial statements.

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, such as food service and student activity fees; (2) operating grants such as the National School Lunch Program, Federal grants, and other state allocations; and (3) capital grants specific to capital outlay. In addition, revenues not classified as program revenues are shown as general revenues, which include Florida Education Finance Program (FEFP) revenues and other state and local sources.

Note 1 – Summary of Significant Accounting Policies (continued)

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, deferred outflows of resources, liabilities, deferred inflows of resources, equity, revenues and expenditures. The School reports the following major governmental funds:

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

Special Revenue Fund - accounts for specific revenues, such as federal funding and federal lunch program 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, student athletics, class, and club activities.

Capital Projects Fund – accounts for state and other local capital funds as authorized by Charter School Capital Outlay, Section 1013.62, Florida Statutes.

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.

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.

Note 1 – Summary of Significant Accounting Policies (continued)

Measurement Focus and Basis of Accounting (continued)
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 and Cash Equivalents
Cash and investments are considered to be cash on hand, demand deposits, non-marketable time deposits with maturities of three months or less when purchased, and money market/savings accounts.

Investments
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 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.

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

Capital Assets
The School's property, plant and equipment with useful lives of more than one year are stated at historical cost and comprehensively reported in the statement of net position in the government-wide financial statements. Donated capital assets are recorded at their estimated fair market value on the date donated. The School generally capitalizes assets with a cost of $1,000 or more. Building improvements, additions and other capital outlays that significantly extend the useful life of an asset are capitalized.

Note 1 – Summary of Significant Accounting Policies (continued)

The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in government wide financial statements. Proceeds received from the sale or disposal of capital assets are recorded as Other Financing Sources in the governmental funds.

The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease. Estimated useful lives, in years, for capital assets are as follows:

Right-of-use asset (building)	15 Years
Improvements	5 Years
Furniture, Fixtures and Equipment	5-10 Years

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.

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, represents 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.

Prepaid Expenses
Prepaid expenses 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.

Note 1 – Summary of Significant Accounting Policies (continued)

Revenue Sources

Revenues for current operations are received primarily from the 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.

Revenue Sources (continued)

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).

The School receives state funds through the District under charter school capital outlay funding pursuant to Section 1013.62, Florida Statutes. Funds are based on a capital outlay plan submitted to the District. In addition, the School may receive a portion of the local capital improvement tax revenues levied by the District.

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.

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.

Note 1 – Summary of Significant Accounting Policies (continued)

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.

Long-Term Debt and Liabilities

In the government-wide financial statements, long-term debt and other long-term liabilities are reported as liabilities in the applicable governmental activities statement of net position. In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

Income Taxes

Theodore R. and Thelma A. Gibson Charter 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.

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.

Net Position and Fund Balance Classification

Government-wide financial statements

Equity is classified as net position and displayed in three (3) components:

a) Net investment in capital assets - consists of capital assets net of accumulated depreciation and amortization 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.

Note 1 – Summary of Significant Accounting Policies (continued)

c) Unrestricted net position - all other net position that does not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are available for 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 inventories and prepaid expenses,
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. Restricted fund balance pertains to the school's lunch program.
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. Assigned fund balance pertains 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.

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.

Note 2 – Cash and Investments

Deposits

The School maintains its cash in two financial institutions. Deposits at FDIC-insured institutions are insured up to $250,000 per depositor, per financial institution. As of June 30, 2026, there were no bank balances in potential excess of FDIC coverage.

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.

At June 30, 2026, the School had $690,000 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.

Note 2 – Cash and Investments (continued)

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 – Due from Other Agencies

The following is due from other agencies as of June 30, 2026:

Funding Source	Governmental Fund	Balance
Hardening Grant	Capital Projects Fund	$ 2,139
Capital Outlay	Capital Projects Fund	9,072
Total Due from Other Agencies		$ 11,211

Note 4 – Capital Assets

The following schedule provides a summary of changes in capital assets, acquired substantially with public funds, for the year ended June 30, 2026:

	Balance 07/01/25	Additions	Deletions	Balance 06/30/26
Capital Assets:				
Improvements	$ 1,900	$ -	$ -	$ 1,900
Furniture, fixtures, and equipment	324,442	-	(1,127)	323,315
Total Capital Assets	326,342	-	(1,127)	325,215
Less Accumulated Depreciation:				
Improvements	(602)	(380)	-	(982)
Furniture, fixtures, and equipment	(156,938)	(56,475)	1,127	(212,286)
Total Accumulated Depreciation	(157,540)	(56,855)	1,127	(213,268)
Capital Assets, being depreciated, net	$ 168,802	$ (56,855)	$ -	$ 111,947
Lease Assets:				
Right to use leased asset (building)	$2,830,578	$ -	$ -	$ 2,830,578
Less accumulated amortization:	(377,407)	(188,705)	-	(566,112)
Total Lease Assets being amortized, net	2,453,171	(188,705)	-	2,264,466
Governmental Activities Capital Assets, net	$2,621,973	$ (245,560)	$ -	$ 2,376,413

For the fiscal year ended June 30, 2026, depreciation and amortization expense is allocated in the Statement of Activities by function as follows:

	Depreciation	Amortization
Instruction	$ 2,233	$ -
School administration	54,622	-
Operation of plant	-	188,705
Total Expense	$ 56,855	$ 188,705

Note 5 – Education Service and Support Provider and Grant Revenue

Academica Dade, LLC, an educational 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 financial reporting, and virtual education services. The agreement calls for a fee on a per student basis.

The agreement is for a period of five years, through June 30, 2028, and unless terminated by the board shall have the option to renew for an additional five year term. During the year ended June 30, 2026, the School incurred $77,424 in fees related to this agreement, which were fully granted by Academica and recognized as other income. Academica Dade, LLC is located at 6340 Sunset Drive, Miami, Florida 33143.

Note 5 – Education Service and Support Provider and Grant Revenue (continued)

The School received long-term, non-interest bearing advances from Academica Dade, LLC. The following schedule provides a summary of changes in the long-term debt for the year ended June 30, 2026:

	Balance 07/01/25	Increases	Decreases	Balance 06/30/26
Due to Academica Dade , LLC	$ 200,000	$ -	$ (200,000)	$ -
	$ 200,000	$ -	$ (200,000)	$ -

Recoverable Grant

Prior to fiscal year 2026, the School received recoverable grants from Academica Dade, LLC totaling $1,545,000. During the year ended June 30, 2026, the School received additional recoverable grants totaling $300,000, of which $200,000 was applied as a reduction of debt owed to Academica Dade, LLC. The grants are intended to support the School's development and incentivize annual operating surpluses and become repayable once the School generates an operating surplus in any fiscal year. Management determined that the repayment requirements had not been met as of June 30, 2026. The maximum amount the School may be required to repay in the future is $1,845,000.

Note 6 – Long Term Liabilities

The School entered into an educational facilities license agreement with Overtown Youth Center, Inc. The agreement continues through June 30, 2038, including an automatic renewal of an additional term of five years. At the time of the initial measurement, there was no interest rate specified in the original lease agreement. The School has used an average effective interest for several borrowings during fiscal year 2022 and 2023. The average borrowing rate was 5% which was used to discount the annual lease payments to recognize the intangible right to use this asset and the lease liability.

For the year ended June 30, 2026, interest expense totaled $132,322, as it relates to its lease agreement. For 2026, there were no variable lease payments in relation to this agreement.

Additionally, the School agreed to reimburse Overtown Youth Center, Inc. $273,108 for furniture, delivery, and installation within three years from the execution date of the lease. The amount due to the landlord is non-interest-bearing. Through June 30, 2025, the School had reimbursed the landlord $104,691. During the year ended June 30, 2026, the School paid an additional $68,981, leaving an outstanding balance of $99,436, which is presented as a current liability.

Note 6 – Long Term Liabilities (continued)

Annual requirements to amortize the lease liability and related interest are as follows:

Year	Principal	Interest	Total	
2027	$ 153,596	$ 125,705	$ 279,301	
2028	170,028	117,652	287,680	
2029	178,727	108,953	287,680	
2030	187,871	99,809	287,680	
2031	197,483	90,197	287,680	
2032-2036	1,149,712	288,688	1,438,400	(Total of five year period)
2037-2038	546,447	28,914	575,361	(Total of two year period)
	$ 2,583,864	$ 859,918	$ 3,443,782	

Changes in long-term lease liabilities during the year are as follows:

	Balance 07/01/25	Increases	Decreases	Balance 06/30/26
Lease liability	$ 2,698,520	$ -	$ (114,656)	$ 2,583,864
	$ 2,698,520	$ -	$ (114,656)	$ 2,583,864

Note 7 – 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.

On November 6, 2018, and November 8, 2022, the voters of Miami-Dade approved and renewed, respectively, the Secure Our Future Referendum to raise/maintain teacher compensation and improve school safety and security. The Miami-Dade County School District shares a portion with charter schools. The current renewal is set to expire on June 30, 2027.

Note 7 – Commitments, Contingencies and Concentrations (continued)

For the year ended June 30, 2026, the Schools total referendum revenues were approximately $285,500 or 11% of total revenues.

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 $68,822.

Construction Contract

On June 1, 2026, the School entered into a construction contract for the installation of a school zone system with an estimated cost of $310,292. The project is scheduled for completion by December 1, 2026. Subsequent to year end, the school made a deposit of 50% of the estimated cost of the project.

Note 8 – Risk Management

The School is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions and natural disasters for which the School carries commercial insurance. Settlement amounts have not exceeded insurance coverage for the past three fiscal years.

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 agreements, 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 9 – Inter-fund Transfers

Interfund transfers in governmental funds as of June 30, 2026 consist of the following:

	General Fund	Special Revenue Fund	Capital Projects Fund
To fund special revenue fund for lunch program deficit	$ (59,133)	$ 59,133	$ -
To reimburse special revenue fund for prior period's federal expenditures	(31,233)	31,233	-
Total Transfers, net	$ (90,366)	$ 90,366	$ -

Due from / (Due to) balances as of June 30, 2026 consist of the following:

Due to General Fund from Capital Projects Fund for capital outlay	$ 11,211	$ -	$ (11,211)
Total Due from/(Due to)	$ 11,211	$ -	$ (11,211)

Note 10 – Defined Contribution Retirement Plan

The School's personnel, which are leased through ADP TotalSource Group, Inc., are eligible to participate in a defined contribution 401(k) plan sponsored by the leasing company, covering employees who meet certain age and tenure requirements. Under the ADP TotalSource Retirement Savings Plan (the "Plan"), the School provides a match of 100% of the employee's contribution up to 4% of the employee's compensation. The School contributed to the Plan $18,142 for the year ended June 30, 2026. The School does not exercise any control or fiduciary responsibility over the Plans' assets, which are administered by Voya Financial.

Note 11 – Compensated Absences

Compensated absences payable consists 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	$ 67,300	$ -	$ (15,156)	$ 52,144	$ 41,135
	$ 67,300	$ -	$ (15,156)	$ 52,144	$ 41,135

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

REQUIRED SUPPLEMENTARY INFORMATION

Theodore R. and Thelma A. Gibson Charter School
(A charter school under the Theodore R. and Thelma A. Gibson Charter 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	$ 1,400,603	$ 1,449,772	$ 1,467,798	$ (49,169)	$ (18,026)
Local sources (Including Referendum revenue)	278,530	282,316	285,514	(3,786)	(3,198)
Charges for services and other revenue	228,975	237,535	237,801	(8,560)	(266)
Total Revenues	1,908,108	1,969,623	1,991,113	(61,515)	(21,490)
EXPENDITURES					
Current:					
Instruction	937,823	931,639	867,414	6,184	64,225
Instructional staff training	3,500	3,500	2,685	-	815
Board	20,740	22,500	15,711	(1,760)	6,789
School administration	461,953	560,691	557,275	(98,738)	3,416
Fiscal services	27,392	25,808	25,808	1,584	-
Central services	67,392	70,045	29,138	(2,653)	40,907
Student transportation services	81,000	81,000	79,200	-	1,800
Operation of plant	335,587	348,886	320,449	(13,299)	28,437
Maintenance of plant	96,500	96,500	86,291	-	10,209
Total Current Expenditures	2,031,887	2,140,569	1,983,971	(108,682)	156,598
Excess (deficit) of Revenues Over Current Expenditures	(123,779)	(170,946)	7,142	47,167	(178,088)
Other financing sources (uses):					
Transfers in (out)	(51,539)	(40,774)	(90,366)	(10,765)	49,592
Decrease in due to landlord	-	(68,981)	(68,981)	68,981	-
Net change in fund balance	(175,318)	(280,701)	(152,205)	105,383	(128,496)
Fund Balance at beginning of year	994,219	994,219	994,219	-	-
Fund Balance at end of year	$ 818,901	$ 713,518	$ 842,014	$ 105,383	$ (128,496)

See accompanying notes to the budgetary comparison schedules.

Theodore R. and Thelma A. Gibson Charter School
(A charter school under the Theodore R. and Thelma A. Gibson Charter 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	$ 242,485	$ 246,554	$ 230,003	$ (4,069)	$ 16,551
Charges for services and other revenue	26,300	30,000	32,855	(3,700)	(2,855)
Total Revenues	268,785	276,554	262,858	(7,769)	13,696
EXPENDITURES					
Current:					
Instruction	140,585	99,790	97,308	40,795	2,482
Instructional staff training	7,785	7,335	5,684	450	1,651
School administration	5,500	5,500	3,844	-	1,656
Food services	139,145	177,394	191,598	(38,249)	(14,204)
Community services	35,000	35,000	33,475	-	1,525
Total Current Expenditures	328,015	325,019	331,909	2,996	(6,890)
Excess (Deficit) of Revenues Over Current Expenditures	(59,230)	(48,465)	(69,051)	(10,765)	20,586
Other financing sources (uses)					
Transfers in (out)	51,539	40,774	90,366	10,765	(49,592)
Net change in fund balance	(7,691)	(7,691)	21,315	-	(29,006)
Fund Balance at beginning of year	7,691	7,691	7,691	-	-
			-		
Fund Balance at end of year	$ -	$ -	$ 29,006	$ -	$ (29,006)

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 Instruction expenditure in the General Fund occurred because the final budget was increased to more closely align staffing allocations with actual student enrollment.

The variances in School Administration expenditure in the General Fund occurred because the final budget was increased to more closely align the administrative personnel and other school-level administrative costs with the actual student count of the year.

The variance in due to landlord in the General Fund resulted from an adjustment to the final budget to properly reflect payments made during the year.

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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*

Board of Directors of
Theodore R. and Thelma A. Gibson Charter School
Miami, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Theodore R. and Thelma A. Gibson Charter School (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) as a basis for designing 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 a 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 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.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026

HLB GRAVIER, LLP
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MANAGEMENT LETTER

Board of Directors of
Theodore R. and Thelma A. Gibson Charter School
Miami, Florida

Report on the Financial Statements

We have audited the financial statements of Theodore R. and Thelma A. Gibson Charter School, 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 on 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 Theodore R. and Thelma A. Gibson Charter School, 2060.

Financial Condition and Management

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 Theodore R. and Thelma A. Gibson Charter School 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 Theodore R. and Thelma A. Gibson Charter School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we have no 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 Theodore R. and Thelma A. Gibson Charter School maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that Theodore R. and Thelma A. Gibson Charter School maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or 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 warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, School Board of Miami-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.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026