

**ACHIEVEMENT ACADEMY, INC.**

**Financial Statements  
and Supplementary  
Information**

**June 30, 2024 and 2023**

## TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities and Changes in Net Assets	4-5
Statements of Cash Flows	6
Statements of Functional Expenses	7-8
Notes to Financial Statements	9-21
SUPPLEMENTAL INFORMATION	
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	22-23
MANAGEMENT LETTER	24-25
MANAGEMENT FINDINGS, RECOMMENDATIONS, AND RESPONSES	26



***Partners***

W. Ed Moss, Jr.  
Joe M. Krusick  
Cori G. Novinich  
Bob P. Marchewka  
Ric Perez  
Renee C. Varga  
Richard F. Hayes  
Frank J. Guida  
Angela M. Harr  
Rachel K. Brouwer

Winter Park, FL 32789  
501 S. New York Ave.  
Suite 100  
Phone: 407-644-5811  
www.mosskrusick.com

N. Palm Beach, FL 33408  
631 US Highway One  
Suite 405  
Phone: 561-848-9300

Miami Lakes, FL 33016  
7900 NW 155th Street  
Suite 201  
Phone: 305-445-7956

American Institute of  
Certified Public  
Accountants

Florida Institute of  
Certified Public  
Accountants

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Achievement Academy, Inc.  
Lakeland, Florida

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statements of Achievement Academy, Inc. (the "Academy") (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Academy as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

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

***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Academy's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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.

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

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 Academy'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 Academy'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.

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

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

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
September 30, 2024

**Achievement Academy, Inc.**

**STATEMENTS OF FINANCIAL POSITION**

**June 30, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 1,778,328	\$ 1,548,092
Restricted cash	263,676	275,534
Due from other agencies	35,109	106,551
Pledges receivable	7,051	10,552
Prepaid expenses	26,737	37,368
Total current assets	2,110,901	1,978,097
Property and equipment, net	1,298,923	1,212,728
Investments	284,792	256,051
Other assets	300	300
Total assets	<b>\$ 3,694,916</b>	<b>\$ 3,447,176</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 259,287	\$ 212,398
Current portion of long-term debt	-	22,346
Total current liabilities	259,287	234,744
Long-term debt, less current portion	-	105,608
Total liabilities	259,287	340,352
<b>NET ASSETS</b>		
Without donor restrictions		
Undesignated	1,846,946	1,728,345
Net investment in property and equipment	166,444	129,945
Total net assets without donor restrictions	2,013,390	1,858,290
With donor restrictions		
Unexpended grants	101,504	145,641
Contributions restricted by donor	188,256	148,877
Net investment in property and equipment	1,132,479	954,016
Total net assets with donor restrictions	1,422,239	1,248,534
Total net assets	3,435,629	3,106,824
Total liabilities and net assets	<b>\$ 3,694,916</b>	<b>\$ 3,447,176</b>

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

**Achievement Academy, Inc.**

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

**Year Ended June 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUES</b>			
Grants, government	\$ 2,551,034	\$ 551,513	\$ 3,102,547
Grants, private	280,100	-	280,100
United Way	242,001	7,051	249,052
Contributions of non-financial assets	23,824	-	23,824
Contributions of cash and other financial assets	104,726	98,800	203,526
Special events	360,062	-	360,062
Program service fees	104,295	-	104,295
Net investment income	61,234	2,165	63,399
Loss on disposal of assets	(12,762)	-	(12,762)
Other income	49,573	-	49,573
Net assets released from restrictions:			
Satisfaction of program restrictions	485,824	(485,824)	-
Total support, revenue and net assets released from restrictions	4,249,911	173,705	4,423,616
<b>PROGRAM SERVICES</b>			
Charter school	3,414,257	-	3,414,257
Birth to three	340,551	-	340,551
Total program services	3,754,808	-	3,754,808
<b>SUPPORTING ACTIVITIES</b>			
Management and general	143,709	-	143,709
Fundraising	196,294	-	196,294
Total supporting activities	340,003	-	340,003
Total expenses	4,094,811	-	4,094,811
<b>CHANGE IN NET ASSETS</b>	155,100	173,705	328,805
<b>NET ASSETS, BEGINNING OF YEAR</b>	1,858,290	1,248,534	3,106,824
<b>NET ASSETS, END OF YEAR</b>	\$ 2,013,390	\$ 1,422,239	\$ 3,435,629

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

Achievement Academy, Inc.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUES</b>			
Grants, government	\$ 2,326,835	\$ 745,420	\$ 3,072,255
Grants, private	263,500	-	263,500
United Way	208,835	10,552	219,387
Contributions of non-financial assets	11,654	-	11,654
Contributions of cash and other financial assets	81,807	27,852	109,659
Special events	306,323	-	306,323
Program service fees	71,675	-	71,675
Net investment income	36,305	1,462	37,767
Loss on disposal of assets	(1,612)	-	(1,612)
Other income	97,963	-	97,963
Net assets released from restrictions:			
Satisfaction of program restrictions	759,940	(759,940)	-
	<u>4,163,225</u>	<u>25,346</u>	<u>4,188,571</u>
<b>PROGRAM SERVICES</b>			
Charter school	3,197,052	-	3,197,052
Birth to three	331,645	-	331,645
	<u>3,528,697</u>	<u>-</u>	<u>3,528,697</u>
<b>SUPPORTING ACTIVITIES</b>			
Management and general	140,674	-	140,674
Fundraising	180,387	-	180,387
	<u>321,061</u>	<u>-</u>	<u>321,061</u>
Total expenses	<u>3,849,758</u>	<u>-</u>	<u>3,849,758</u>
<b>CHANGE IN NET ASSETS</b>	313,467	25,346	338,813
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>1,544,823</u>	<u>1,223,188</u>	<u>2,768,011</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 1,858,290</u>	<u>\$ 1,248,534</u>	<u>\$ 3,106,824</u>

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

**Achievement Academy, Inc.**

**STATEMENTS OF CASH FLOWS**

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

	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATIONS</b>		
Change in net assets	\$ 328,805	\$ 338,813
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	84,654	79,781
Loss on disposal of assets	12,762	1,612
Noncash interest expense	813	137
Net realized and unrealized gain on investments	(28,741)	(20,139)
Net change in assets and liabilities:		
Due from other agencies	71,442	112,244
Pledges receivable	3,501	(2,878)
Prepaid expenses	10,631	(14,217)
Accounts payable and accrued expenses	46,889	11,166
	<u>530,756</u>	<u>506,519</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(183,611)	(45,565)
	<u>(183,611)</u>	<u>(45,565)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal payments on long-term borrowing	(128,767)	(44,891)
	<u>(128,767)</u>	<u>(44,891)</u>
Net increase in cash and cash equivalents	218,378	416,063
Cash, cash equivalents and restricted cash beginning of year	1,823,626	1,407,563
Cash, cash equivalents and restricted cash end of year	<u>\$ 2,042,004</u>	<u>\$ 1,823,626</u>
<b>SUPPLEMENTAL DISCLOSURE</b>		
Contributed materials, equipment and services	\$ 23,824	\$ 11,654
Interest paid	<u>\$ 4,489</u>	<u>\$ 6,138</u>
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH BALANCES</b>		
Cash and cash equivalents	\$ 1,778,328	\$ 1,548,092
Restricted	263,676	275,534
	<u>\$ 2,042,004</u>	<u>\$ 1,823,626</u>

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



**Achievement Academy, Inc.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**Year Ended June 30, 2024**

	Program Services		Supporting Activities		Total
	Charter School	Birth to Three	Management and General	Fund- Raising	
Leased employee salaries	\$ 2,275,608	\$ 213,547	\$ 67,772	\$ 59,504	\$ 2,616,431
Leased employee benefits	370,269	34,319	12,758	13,892	431,238
Leased employee payroll taxes	162,999	15,260	5,610	9,108	192,977
Professional fees	257,816	10,029	8,116	2,606	278,567
Supplies	22,556	1,993	1,055	1,202	26,806
Telephone	8,873	4,550	2,707	3,608	19,738
Postage	672	269	196	866	2,003
Occupancy	155,879	23,230	33,543	30,613	243,265
Equipment rental and maintenance	11,256	1,310	-	-	12,566
Printing and publications	9,076	2,499	2,152	4,866	18,593
Travel	4,888	12,680	919	2,156	20,643
Conferences and meetings	1,623	441	335	189	2,588
Membership dues and continuing education	2,329	265	-	306	2,900
Miscellaneous	3,710	4,823	82	662	9,277
Administrative fees	22,493	-	-	-	22,493
Advertising	2,403	-	-	-	2,403
Insurance	29,610	6,854	-	-	36,464
Special events expense	-	-	-	66,716	66,716
Interest	4,040	449	-	-	4,489
Depreciation	68,157	8,033	8,464	-	84,654
	<u>\$ 3,414,257</u>	<u>\$ 340,551</u>	<u>\$ 143,709</u>	<u>\$ 196,294</u>	<u>\$ 4,094,811</u>
Total functional expenses	<u>\$ 3,414,257</u>	<u>\$ 340,551</u>	<u>\$ 143,709</u>	<u>\$ 196,294</u>	<u>\$ 4,094,811</u>

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

Achievement Academy, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2023

	Program Services		Supporting Activities		Total
	Charter School	Birth to Three	Management and General	Fund-Raising	
Leased employee salaries	\$ 2,129,396	\$ 212,676	\$ 65,691	\$ 65,645	\$ 2,473,408
Leased employee benefits	313,148	33,149	10,909	14,852	372,058
Leased employee payroll taxes	158,247	16,938	5,506	11,240	191,931
Professional fees	248,270	11,320	7,651	2,693	269,934
Supplies	22,739	2,526	1,371	1,502	28,138
Telephone	9,381	4,341	2,860	3,934	20,516
Postage	841	316	251	680	2,088
Occupancy	159,981	15,488	34,815	30,756	241,040
Equipment rental and maintenance	16,087	1,291	-	-	17,378
Printing and publications	9,191	2,586	2,036	2,945	16,758
Travel	3,268	10,523	952	1,636	16,379
Conferences and meetings	1,935	135	640	271	2,981
Membership dues and continuing education	2,218	247	-	306	2,771
Miscellaneous	3,238	3,928	14	638	7,818
Administrative fees	21,410	-	-	-	21,410
Advertising	3,787	2,566	-	-	6,353
Insurance	24,083	5,506	-	-	29,589
Special events expense	-	-	-	43,289	43,289
Interest	5,524	614	-	-	6,138
Depreciation	64,308	7,495	7,978	-	79,781
Total functional expenses	<u>\$ 3,197,052</u>	<u>\$ 331,645</u>	<u>\$ 140,674</u>	<u>\$ 180,387</u>	<u>\$ 3,849,758</u>

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

**Achievement Academy, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2024 and 2023**

**NOTE 1 – ORGANIZATION, SUMMARY OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

1. Organization

Achievement Academy, Inc. (the “Academy”), formerly known as Child Development Center of Polk County, Inc., was organized to maintain and operate programs for the education, evaluation, and social and physical advancement of children (birth through six years of age) with developmental delays/disabilities and to conduct ongoing programs to educate the general public.

The Academy opened a charter school in 1997 which operates under a charter approval by its sponsor, the School Board of Polk County, Florida (the “School Board”). The governing body of the charter school is the not-for-profit corporation Board of Directors which is composed of 16 members. The Executive Director of the Academy is the executive officer of the charter school. The Academy was reaccredited by AdvancED through June of 2023.

The Academy is funded through a variety of sources, including United Way, Florida Department of Education (through the School Board), program fees, contributions, and various fundraising events.

2. Basis of presentation

The financial statement presentation follows the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) guidance for non-profit organizations. The Academy is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

3. Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting. Support and revenue are recognized when earned or unconditionally received, and expenses are recognized when incurred. Changes in the net assets of the Academy as a result of support, revenue, expenses, gains and losses are classified based on the existence of any donor-imposed restrictions. Accordingly, the net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* - Net assets without donor restrictions are available for use at the discretion of the Board and/or management for general operating purposes. From time to time the Board may designate a portion of these net assets for specific purposes which makes them unavailable for use at management’s discretion.

See Note 8 for more information on the composition of net assets without donor restrictions.

Achievement Academy, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 1 – ORGANIZATION, SUMMARY OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)

3. Basis of accounting (continued)

*Net Assets With Donor Restrictions* - Net assets with donor restrictions consist of assets whose use is limited by donor-imposed restrictions, time and/or purpose restrictions.

The Academy reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities as net assets released from restrictions.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Academy to expend the income generated by the assets in accordance with the provisions of additional donor imposed stipulations or a Board approved spending policy.

See Note 9 for more information on the composition of net assets with donor restrictions.

4. Cash, cash equivalents and restricted cash

Cash and cash equivalents include cash on hand; cash in banks and certificates of deposit with original maturities of three months or less when purchased. The carrying amount reported in the statements of financial position for cash and cash equivalents approximates its fair value.

For the years ended June 30, 2024 and 2023, the Academy had restricted cash of \$263,676 and \$275,534, respectively, which includes amounts that have been received but not yet expended for which there are donor-imposed restrictions.

5. Investments

Investments consist of certificates of deposit with maturities greater than three months when purchased, as well as certain investments held and managed for the benefit of the Academy by a private foundation.

6. Property and equipment

Property and equipment are recorded at cost or at their estimated fair value at the date of donation. Items costing \$500 or more are capitalized in the statements of financial position, whereas all other items are expensed.

Achievement Academy, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 1 – ORGANIZATION, SUMMARY OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)

6. Property and equipment (continued)

Depreciation is provided using the straight-line method over the following useful lives:

	<u>Years</u>
Buildings and improvements	10-40
Furniture, fixtures, and equipment	3-10
Playground equipment	5-20
Vehicles	5

Maintenance and repairs are charged to expense when incurred.

The Academy is subject to accounting guidance related to the impairment or disposal of long-lived assets. This guidance requires impairment losses to be recorded on long-lived assets when indicators of impairment are present and when the undiscounted cash flows estimated to be generated by those assets (excluding interest) are less than the carrying amount of the assets. In such cases, the carrying value of assets to be held and used are adjusted to their estimated fair value and assets held for sale are adjusted to their estimated fair value less selling expenses.

7. Debt issuance costs

Debt issuance costs relating to the mortgage notes payable are capitalized and being amortized using the straight-line method over a period of 11 years. Amortization expense for the years ended June 30, 2024 and 2023 was \$813 and \$137, respectively. In June 2024, the mortgage loan was paid off in its entirety.

8. Revenue recognition

The Academy follows Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (ASC 606), which outlines a five-step model whereby revenue is recognized as performance obligations within the contract are satisfied, and 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (ASC 958-605), which clarifies how transactions should be accounted for as contributions (nonreciprocal transactions) or exchange transactions and whether a contribution is conditional.

Revenues are recognized on the accrual basis. Contributions subject to donor-imposed restrictions are recorded as with donor restrictions and are reclassified as without donor restrictions when the donor-imposed restrictions have been fulfilled or the stipulation of time period has elapsed. Contributions with restrictions that are met during the fiscal year are recorded as net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions that are not fulfilled in the accounting period. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law. Expiration of donor restrictions on net assets, that is, the expiration of the donor-imposed stipulation purpose or the elapsing of the specified time period are reported as net assets released from restrictions.

**Achievement Academy, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2024 and 2023**

**NOTE 1 – ORGANIZATION, SUMMARY OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

8. Revenue recognition (continued)

Revenues consist primarily of governmental grants, private grants, United Way, program service fees and contributions.

The Academy follows ASU No. 2020-07, *Not-for-Profit Entities* (Topic 958): *Presentation and Disclosures by Not-for-Profit Entities for Contributed Non-financial Assets*, which requires the monitoring and tracking of gifts in kind by asset category, while also noting any donor-imposed restrictions.

9. Concentration of revenue sources

Approximately 70% of the Academy's revenue is derived from grants from the federal government passed through the State of Florida Department of Education (which is renewed annually) and state and local funds passed through the School Board (which is renewable every ten years). The current level of the Academy's operations and program services may be impacted or certain services discontinued if the funding is not renewed.

10. Due from other agencies

Due from other agencies represent amounts due from the School Board, Medicaid and private insurance. Management has determined that the amounts are fully collectible; therefore, no allowance for uncollectible accounts is considered necessary as of June 30, 2024 and 2023.

11. Pledges receivable

Pledges receivable represent amounts due from the United Way.

12. Reclassifications

Certain reclassifications have been made to the prior year financial statements to conform to the current year presentation.

13. Credit risk

The carrying amounts approximate fair value based on quoted market prices or discounted cash flow analyses for cash equivalents and other financial instruments. The Academy is subject to some credit risk through short-term cash investments which are placed with high credit quality financial institutions. The Academy had \$78,597 and \$137,279 in excess of federally insured limits as of June 30, 2024 and 2023, respectively.

**Achievement Academy, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2024 and 2023**

**NOTE 1 – ORGANIZATION, SUMMARY OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

14. Use of estimates

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

15. Income taxes

The Academy qualifies as a tax-exempt organization under Internal Revenue Code Section 501(c)(3), and is therefore, exempt from income taxes. Accordingly, no tax provision has been made in the accompanying financial statements. Additionally, no uncertain tax positions have been made requiring disclosure in the related notes to the financial statements. The Academy's income tax returns for 2023, 2022, and 2021 are subject to examination by tax authorities, and may change upon examination.

16. Recent accounting pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases (ASC 842)*, that requires lessees to put most leases on their statement of financial position and recognize expenses on their statement of activities in a manner similar to today's capital lease accounting. For lessors, the guidance modifies the classification criteria for accounting for sales-type and direct financing leases. The Academy adopted ASC 842 effective July 1, 2022. The adoption had no impact on the Academy's financial statements.

Effective July 1, 2023, the Academy adopted FASB ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The adoption had no impact on the Academy's financial statements.

Achievement Academy, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 2 – FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States of America (GAAP) define fair value for an investment generally as the price an organization would receive upon selling the investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. The information available to measure fair value varies depending on the nature of each investment and its market or markets. Accordingly, GAAP recognizes a hierarchy of "inputs" an organization may use in determining or estimating fair value. The inputs are categorized into "levels" that relate to the extent to which an input is objectively observable and the extent to which markets exist for identical or comparable investments. In determining or estimating fair value, an organization is required to maximize the use of observable market data (to the extent available) and minimize the use of unobservable inputs. The hierarchy assigns the highest priority to unadjusted quoted prices in active markets for identical items (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

The fair value hierarchy distinguishes between independent observable inputs and unobservable inputs used to measure fair value as follows:

*Level 1:* Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

*Level 2:* Inputs other than quoted market prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

*Level 3:* Unobservable inputs for an asset or liability. Level 3 inputs should be used to measure fair value to the extent that observable Level 1 or 2 inputs are not available.

This statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The Academy's significant financial instruments are cash, accounts receivable, accounts payable, short term borrowings, and other short term assets and liabilities. For these financial instruments (Level 1), carrying values approximate fair value because of the short maturity of these instruments.

Estimated fair value of certain assets measured on a recurring basis at June 30, 2024 is as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments	\$ 284,792	\$ -	\$ -	\$ 284,792
Total	<u>\$ 284,792</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 284,792</u>

Estimated fair value of certain assets measured on a recurring basis at June 30, 2023 is as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments	\$ 256,051	\$ -	\$ -	\$ 256,051
Total	<u>\$ 256,051</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 256,051</u>



**Achievement Academy, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2024 and 2023**

**NOTE 2 – FAIR VALUE MEASUREMENTS (continued)**

The Academy has various investments that are held in the Community Foundation. Investments are reported at fair market value, are held for trading purposes only, and consist of the following:

	2024	2023
Givewell Community Foundation Common Fund	\$ 284,792	\$ 256,051
Total	\$ 284,792	\$ 256,051

**NOTE 3 – DUE FROM OTHER AGENCIES**

Due from other agencies includes the following at June 30:

	2024	2023
Capital outlay	\$ 4,359	\$ 8,432
Other receivables	28,949	12,600
ESSER III	-	85,519
Grants	1,801	-
Total	\$ 35,109	\$ 106,551

The capital outlay receivables included in the accompanying financial statements is reflected as net assets with donor restrictions since it must be spent for lawful capital outlay expenditures.

Management has determined that the receivables are fully collectible; therefore, no allowance for uncollectible accounts is considered necessary as of June 30, 2024 and 2023.

**NOTE 4 – PLEDGES RECEIVABLE**

Pledges receivable from United Way as of June 30, 2024 and 2023, respectively.

	2024	2023
Less than one year	\$ 7,051	\$ 10,552
Total	\$ 7,051	\$ 10,552

For the years ended June 30, 2024 and 2023, management has deemed an allowance or discounts are not required since the pledges are due and collectible within one year.

**Achievement Academy, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2024 and 2023**

**NOTE 5 – PROPERTY AND EQUIPMENT**

	2024	2023
Land	\$ 219,596	\$ 219,596
Buildings and improvements	2,254,969	2,161,078
Furniture, fixtures and equipment	445,042	443,490
Playground equipment	70,332	70,332
Vehicles	3,000	3,000
	2,897,496	2,897,496
Less accumulated depreciation	(1,694,016)	(1,684,768)
Total	\$ 1,298,923	\$ 1,212,728

Depreciation expense totaled \$84,654 and \$79,781 for the years ended June 30, 2024 and 2023, respectively.

**NOTE 6 – LONG-TERM DEBT**

Long-term debt is summarized as follows:

	2024	2023
The Academy had a 4.25% mortgage note payable to a bank, 60 months, 59 monthly payments of principal and interest of \$2,268, based on a 15-year amortization and a balloon payment of \$223,063. Secured by Bartow School real estate. During June 2018, the Academy refinanced the note payable. Terms of the loan is interest only payments through June 2019 with fixed interest of 4.95%. Effective July 2019, principal and interest payments of \$2,253 are due monthly until the note matures in June 2029. The note was paid off on June 24, 2024.	\$ -	\$ 128,767
	-	128,767
Less current portion	-	(20,346)
Total long-term liabilities	\$ -	\$ 106,421

Interest expense totaled \$4,489 and \$6,138 for the years ended June 30, 2024 and 2023, respectively.

**Achievement Academy, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2024 and 2023**

**NOTE 7 – CREDIT OBLIGATIONS**

In January 2018, the Academy entered into a \$200,000 revolving line of credit in which principal is due upon demand. The Academy is required to make monthly interest payments, which is calculated based on the Wall Street Journal Prime Rate (8.50% as of June 2024). As of June 30, 2024 and 2023, there was no outstanding balance.

**NOTE 8 – NET ASSETS WITHOUT DONOR RESTRICTIONS**

Net assets without donor restrictions are comprised of undesignated and net investment in property and equipment amounts for the following purposes or periods as of June 30:

	2024	2023
Undesignated	\$ 1,846,946	\$ 1,728,345
Net investment in property and equipment	166,444	129,945
	\$ 2,013,390	\$ 1,858,290

*Undesignated*

Net assets without donor restrictions are considered as undesignated and used at the discretion of the Board and/or management for general operating purposes. Expenditures from the years ended June 30, 2024 and 2023 are included in the statements of functional expenses.

**NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes or periods as of June 30:

	2024	2023
Unexpended grants:		
Capital outlay funds restricted for specific purpose	\$ 101,504	\$ 145,641
Contributions by donor:		
Contributions restricted by donor for specific purpose	181,205	138,325
Pledges restricted - United Way	7,051	10,552
	188,256	148,877
Net investment in property and equipment (net of amounts borrowed of \$0 and \$128,767 as of June 30, 2024 and 2023, respectively) – use restricted by charter school grant.	1,132,479	954,016
	\$ 1,422,239	\$ 1,248,534

**Achievement Academy, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2024 and 2023**

**NOTE 10 – NET ASSETS RELEASED FROM DONOR RESTRICTIONS**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors.

The following net assets were released from restrictions as of June 30:

	<u>2024</u>	<u>2023</u>
Purpose restrictions accomplished:		
Capital outlay funds restricted for specific purpose	\$ 158,887	\$ 86,271
Other government grant funds restricted for specific purpose	182,487	573,113
Contributions restricted by donor for specific purpose	55,920	33,791
Time restrictions met:		
Pledges restricted - United Way	10,552	7,674
Net investment in property and equipment	77,978	59,091
	<u>                    </u>	<u>                    </u>
Net assets released from restrictions	<u>\$ 485,824</u>	<u>\$ 759,940</u>

**NOTE 11 – CONTRIBUTIONS OF NON-FINANCIAL ASSETS**

Contributions of non-financial assets, if any, are recorded in the accompanying financial statements at their fair value at the date of receipt. Unless otherwise noted, contributions of non-financial assets did not have donor-imposed restrictions. The Academy received \$23,824 and \$11,654 in donated professional fees, supplies, property, and equipment for the years ended June 30, 2024 and 2023, respectively.

A number of other volunteers have donated significant amounts of their time to the Academy's administrative services and in its fundraising campaigns during the year; however, these donated services are not reflected in the financial statements since the services are not professional in nature, and, as such, do not meet the criteria for recognition as contributed services.

**NOTE 12 – GOVERNMENT GRANTS**

The Academy has a contract with the School Board to operate a charter school for a maximum student population of 200. On June 14, 2022 the current charter was renewed and is effective until June 30, 2037. The term shall be automatically extended on a month-to-month basis until the Charter has been renewed, non-renewed, or terminated by the Academy. At the end of the term of the charter, the School Board may choose not to renew the charter under grounds specified in the charter, in which case the School Board is required to notify the charter school in writing at least 90 days prior to the charter's expiration. During the term of the charter, the School Board may also terminate the charter if good cause is shown.

**Achievement Academy, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2024 and 2023**

**NOTE 12 – GOVERNMENT GRANTS (continued)**

Revenues for current operations are received primarily from the District School Board of Polk County, Florida pursuant to the funding provisions included in the charter. As such, the charter school's revenue stream is largely dependent upon the general state of the economy and the amounts allotted to the Florida Department of Education ("FDOE") by the state legislature. In accordance with the funding provisions of the charter and Section 1002.33(18), Florida Statutes, the charter school reports the number of full-time equivalent students and related data to the School Board.

Under provisions of Section 1011.62, Florida Statutes, the District reports the number of Full Time Equivalent ("FTE") students and related data to the 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 FEFP and the actual weighted full-time equivalent students reported by the charter school during the designated full-time equivalent student survey period. The FDOE may also adjust subsequent fiscal period allocations based on an audit of the charter school's compliance in determining and reporting FTE and related data. Generally, such adjustments are treated as reduction or additions of revenues in the year when the adjustments are made.

The basic amount of funding through the FEFP under Section 1011.62 is calculated based on (1) unweighted FTE, multiplied by (2) the cost factor for each program multiplied by (3) the base student allocation established by the Florida legislature. Additional funds for exceptional students who do not have a matrix of services are provided through the guaranteed allocation designated in Section 1011.62(1)(e)2., Florida Statutes. The charter school reported, on average, an enrollment of 157 unweighted full-time students for the fiscal years ended June 30, 2024 and 2023.

The charter school receives state funds through the District under charter school capital outlay funding pursuant to Section 1013.62, Florida Statutes and amounts received are based on the charter school's enrollment during the fiscal year. Funds received under this program are restricted to capital outlay expenditures, as detailed in the Florida statutes. Since a claim to the grant proceeds is based upon incurring eligible expenditures, revenue is classified as with donor restrictions and once eligible expenditures have been made, the revenue is reclassified to revenue without donor restrictions and is reported in the statements of activities as "net assets released from restrictions."

The charter school also receives federal awards for the enhancement of various education programs. Federal awards are generally received based on applications submitted to and approved by various granting agencies. Since a claim to the grant proceeds is based upon incurring eligible expenditures, revenue is classified as with donor restrictions and once eligible expenditures have been made, the revenue is reclassified to revenue without donor restrictions and is reported in the statements of activities as "net assets released from restrictions."

Under the terms of the charter, any property and equipment purchased with School Board funds must be returned to the School Board if the contract for the charter school is terminated.

**Achievement Academy, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2024 and 2023**

**NOTE 12 – GOVERNMENT GRANTS (continued)**

The summary of funds earned during the years ended June 30, 2024 and 2023 is as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
2024 School Board	\$ 2,551,034	\$ 551,513	\$ 3,102,547
2023 School Board	\$ 2,326,835	\$ 745,420	\$ 3,072,255

The Academy is reimbursed for providing services to Medicaid eligible individuals. Medicaid reimbursements, included as program service fees, earned during the years ended June 30, 2024 and 2023, respectively, are as follows:

	<u>2024</u>	<u>2023</u>
Medicaid reimbursements	<u>\$ 72,001</u>	<u>\$ 42,658</u>

**NOTE 13 – FUNCTIONAL ALLOCATION OF EXPENSES**

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include leased employee salaries, benefits, and payroll taxes, occupancy, depreciation, and professional fees which are allocated on the basis of estimates of time and percentage of assets utilized.

**NOTE 14 – PENSION PLAN AND COMPENSATED ABSENCES**

The Academy adopted a SIMPLE IRA retirement program during 1997. All employees with over six months of service are eligible to participate in the program. Total contributions to the plan by the Academy for the years ended June 30, 2024 and 2023, were approximately \$54,000, which represented a contribution rate of 3% on wages paid to each participating employee or 100% match of employee contributions (whichever is lower). The Academy has no liability for the administration or payment of benefits of the plan and, accordingly, the present value of the related vested benefits is not reflected in these financial statements.

The Academy's liability for compensated absences was not significant and has not been recorded in these financial statements since it was not considered material to the financial statements taken as a whole.

**Achievement Academy, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2024 and 2023**

**NOTE 15 – COMMITMENTS AND CONTINGENCIES**

The Academy has an agreement with the City of Lakeland to lease the land on which the Academy's building is located. The lease agreement was entered into in 1967 and is for a term of 99 years. There is no annual lease payment. The fair value of the lease has not been recognized as a contribution or reflected as an expense of operations since an objective basis for measuring the value of such lease cannot be determined.

**NOTE 16 – SUBSEQUENT EVENTS**

The Academy has adopted guidance that requires the disclosure of the date through which an entity has evaluated subsequent events and the basis for that date (that is, whether that date represents the date the financial statements were issued or were available to be issued). The Academy has evaluated subsequent events through September 30, 2024, which is the date the financial statements were available to be issued.

**NOTE 17 – LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Academy's financial assets available within one year of the statements of financial position date for general expenditures are as follows:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 1,778,328	\$ 1,548,092
Due from other agencies	35,109	106,551
Investments	284,792	256,051
Pledges receivable	<u>7,051</u>	<u>10,552</u>
Total financial assets available within one year	<u>\$ 2,105,280</u>	<u>\$ 1,921,246</u>

As part of the Academy's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Academy has a committed line of credit of \$200,000, which it could draw upon.

Pledges receivable include amounts expected to be received within one year and will become available for use within one year.

Prepaid expenses, property and equipment, and other assets are not available for spending.

The investments listed above represent assets, which could be converted to cash on a short-term basis and thus are available to support cash flow needs and operations. The Academy has no immediate plans to liquidate investments beyond what is needed for current operations based on the respective spending policy and operating budget approved by the Board of Directors.

**SUPPLEMENTAL INFORMATION**





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

***Partners***

W. Ed Moss, Jr.  
Joe M. Krusick  
Cori G. Novinich  
Bob P. Marchewka  
Ric Perez  
Renee C. Varga  
Richard F. Hayes  
Frank J. Guida  
Angela M. Harr  
Rachel K. Brouwer

Winter Park, FL 32789  
501 S. New York Ave.  
Suite 100  
Phone: 407-644-5811  
www.mosskrusick.com

N. Palm Beach, FL 33408  
631 US Highway One  
Suite 405  
Phone: 561-848-9300

Miami Lakes, FL 33016  
7900 NW 155th Street  
Suite 201  
Phone: 305-445-7956

American Institute of  
Certified Public  
Accountants

Florida Institute of  
Certified Public  
Accountants

To the Board of Directors  
Achievement Academy, 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 Achievement Academy, Inc. (the "Academy") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 30, 2024.

**Report on Internal Control over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

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

**Purpose of This Report**

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

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
September 30, 2024



**Partners**

W. Ed Moss, Jr.  
Joe M. Krusick  
Cori G. Novinich  
Bob P. Marchewka  
Ric Perez  
Renee C. Varga  
Richard F. Hayes  
Frank J. Guida  
Angela M. Harr  
Rachel K. Brouwer

Winter Park, FL 32789  
501 S. New York Ave.  
Suite 100  
Phone: 407-644-5811  
www.mosskrusick.com

N. Palm Beach, FL 33408  
631 US Highway One  
Suite 405  
Phone: 561-848-9300

Miami Lakes, FL 33016  
7900 NW 155th Street  
Suite 201  
Phone: 305-445-7956

American Institute of  
Certified Public  
Accountants

Florida Institute of  
Certified Public  
Accountants

**MANAGEMENT LETTER**

To the Board of Directors, Florida  
Achievement Academy, Inc.

**Report on the Financial Statements**

We have audited the financial statements of Achievement Academy, Inc. (the "Academy"), Florida, as of and for the fiscal year ended June 30, 2024, and have issued our report thereon dated September 30, 2024.

**Auditor's Responsibility**

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

**Other Reporting Requirements**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated September 30, 2024, should be considered in conjunction with this management letter.

**Prior Audit Findings**

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

**Official Title**

Section 10.854(1)(e)5., *Rules of the Auditor General*, requires that the name or official title of the entity be disclosed in this management letter. The official title of the entity is *Achievement Academy, Inc.*

**Financial Condition and Management**

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

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

**Financial Condition and Management (continued)**

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 Academy maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the Academy maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

**Additional Matters**

Section 10.854(1)(e)4., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

**Purpose of this Letter**

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

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
September 30, 2024

## **MANAGEMENT FINDINGS, RECOMMENDATIONS, AND RESPONSES**

For the year ended June 30, 2024, there are no management recommendations.