

Request For Proposals Addendum

Addendum: #1 Vendor Questions & Answers / Pre-Proposal recording

Date: 4/4/24

RFP-38-FLAUDIT-0524

Pre-proposal recording can be found [here](#).

To: All Prospective Vendors

The following questions were sent in response to the referenced Solicitation for further clarification. Questions and answers are listed below:

Question 1: Please provide copies of the most recent audited financial statements and single audit.

Answer: Files attached.

Question 2: Is this a new audit or an ongoing engagement?

Answer: This audit is an ongoing engagement

Question 3: If ongoing, how long have you been engaged with the current auditor and is that firm eligible for rehire?

Answer: The current auditor has been engaged for three years and is allowed to submit a proposal.

Question 4: What have you budgeted for the services covered in the scope of the RFP?

Answer: \$60,000.00 has been budgeted for the services covered in the scope of the RFP.

Question 5: If ongoing, what are the total fees paid to the current audit firm?

Answer: We are unable to disclose vendor pricing. In the event you would like to request open records, we encourage you to visit our website at <https://ideapublicschools.org/our-story/financebudget/pcs/bids-rfps/> and reference the *Open Records Request* section for further details.

Question 6: If ongoing, how many journal entries and/or audit adjustments have there been for the last audit?

Answer: In the previous fiscal year, there were a total of 2,374 journal entries and of those, one adjusting entry was received from auditors.

Question 7: Do you have written procedures to document your control environment?

Answer: There are existing written procedures, however, there are some that are still in progress.

Question 8: If ongoing, why are you considering a change in auditors?

Answer: Our contract and engagement have termed out and are outsourcing to find the most suitable firm for our organization.

Question 9: When will the trial balance and supporting schedules be ready for audit planning and timing purposes?

Answer: The trial balance and supporting schedules are ready for auditors on August 9, 2024.

Question 10: What accounting system do you use and are there any other software or applications significant to the financial reporting function?

Answer: The accounting software utilized by IDEA is Tyler Munis.

Question 11: Does the District plan on changing accounting software in the next three years?

Answer: At the moment we do not see the district making any changes to the accounting software.

Question 12: What auditor attributes are most appreciated by the District?

Answer: Overall, auditors who demonstrate a combination of technical expertise, effective communication, professionalism, and collaborative attitude are most appreciated by the District.

Question 13: Does the District have a preference to on-site or remote work?

Answer: Considering the efficiency and flexibility remote work offers, IDEA would prefer the auditors to work remotely.

Question 14: Are records in digital or paper format?

Answer: All records are digital.

Question 15: We'd like to request a copy of IDEA Florida Inc.'s prior year audited financial statements.

Answer: Files attached.

Question 16: We'd like to request the prior year fees for the financial statement audit, single audit, and Form 990 preparation.

Answer: Please refer to the answer on question #5.

Question 17: For 2024 FY, Table 3 in the package has six locations while Table 2 has four. What falls under the scope for FY 2024?

Answer: Four (4) campuses will be audited in FY 24 to include Hope, Victory, Bassett, and River Bluff.

Question 18: For 2025 FY and 2026 FY what campuses will be covered?

Answer: FY 25 will include Hope, Victory, Bassett, River Bluff, and Lakeland (opening date TBD) as specified in Table 2 of the RFP.

Question 19: The Auditor General website includes the FY2023 audit for Bassett and River Bluff and the FY2022 audit for Hope and Victory. Could you provide a copy of the FY2023 audit for Hope and Victory?

Answer: Files attached.

Question 20: The RFP also requests a fee quote for the annual Form 990 for submission to the IRS. Could you provide a copy of the latest Form 990 that has been filed for the organization?

Answer: Files attached.

Question 21: Per review of the latest audits on the Auditor General website, it appears that federal sources exceed the \$750,000 federal Single Audit threshold; however, it does not appear that these audits were performed under the Uniform Guidance (i.e: they do not include the Schedule of Expenditures of Federal Awards (SEFA), the independent auditor's report on compliance for each major program and on internal control over compliance required by the Uniform Guidance, or the Schedule of Findings and Questioned Costs). Is a separate reporting package issued to meet the Single Audit requirements for the organization as a whole?

Answer: No, a separate reporting package is not issued to meet the Single Audit requirements for the organization as a whole.

Question 22: The State of Florida has its own Single Audit requirements for funding that is considered state financial assistance. Are the "School of Hope" funds received from the state considered "state financial assistance" and, therefore, subject to the Florida Single Audit Act?

Answer: Yes, they are state financial assistance but are not considered single audit act.

Question 23: We currently have several charter school audits that are conducted in-person or remotely or a combination of the two. Does the organization have any preferences with regard to in-person or remote fieldwork?

Answer: Considering the efficiency and flexibility remote work offers, IDEA would prefer the auditors to work remotely.

Question 24: Is the prior auditor being considered for re-appointment?

Answer: We are considering all proposals; we aim to evaluate each option thoroughly to ensure the best fit for our organization's needs moving forward.

Question 25: Could you please provide a copy of the June 30, 2023, audited financial statements and accompanying 990 form?

Answer: Files attached.

Question 26: Please provide a brief summary of the accounting department personnel and their relevant experience.

Answer:

Lupita Hinojosa (Accounting Managing Director)

Alejandro Quintero (Director of Accounting)

Martha Arellano (Director of Accounts Payable)

Priscilla Perez (Assistant Director of Accounts Payable)

Aybeth Martinez (Director of Payroll)

Jose Perez (Director of Procurement

Purchasing)

Chris Borthwick (Managing Director of Finance Compliance)

Paige McGinty (Corporate Card Procurement Manager)

Question 27: Are there any auditing problems / difficulties we need to be made aware of?

Answer: We did not experience any difficulties during the prior year's audit. Our contract and engagement have termed out and are outsourcing to find the most suitable firm for our organization.

Question 28: Do you have an audit committee or equivalent oversight by the Board?

Answer: Yes, IDEA has an internal audit committee.

Question 29: Is all of the accounting performed in one office, on one system? If not, how many accounting systems and locations are involved?

Answer: Yes, Tyler Munis. We do have about 5 remote employees, but most are out of the RGV HQ.

Question 30: Is the fixed asset detail maintained in a fixed asset software system or on excel spreadsheets?

Answer: The fixed assets are maintained in a fixed asset software system.

Question 31: Will you calculate and record the lease liabilities and right to use asset and related amortization?

Answer: Yes, the lease software calculates it

Question 32: Do you typically prepare financial statements and footnotes or does the audit firm prepare them?

Answer: The audit firm prepares the financial statements and footnotes.

Question 33: Can you provide the prior year trial balance and audit adjustments, if any? Or give an indication of the number of adjustments and a description of the entries, if any?

Answer: In the previous fiscal year, there were a total of 2,374 journal entries and of those, one adjusting entry was received from auditors.

Question 34: May we please get a copy of the budget or any interim financial statements for the current fiscal year?

Answer: Files attached.

Question 35: What is the expected timeline for audit fieldwork? Expected start and completion date?

Answer: Field work, interim and final, scheduled for two weeks. Our timeline for fieldwork kickoff is scheduled from August 12 through August 23. The final report is to be delivered on September 13.

Question 36: What is your preference of how field work is performed (remote, in person, hybrid, etc.)?

Answer: Considering the efficiency and flexibility remote work offers, IDEA would prefer the auditors to work remotely.

Question 37: If possible, can you indicate the professional fees for 2023 or the number of hours incurred on the engagement?

Answer: Please refer to the answer on question #5.

Question 38: Will you please provide copies of the two most recent audited basic financial statements, independent auditor's reports, and management letters?

Answer: Files attached.

Question 39: Will you please provide copies of the two most recent Forms 990 filed?

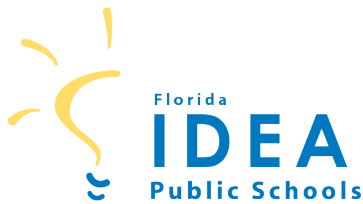
Answer: Files attached.

Question 40: Did the organization require additional auditing services outside the scope of the audit engagements during the last two years? If so, what was the nature of the additional services?

Answer: The organization did not require additional auditing services outside the scope of the audit engagements.

Question 41: Does the organization have a mandatory audit firm or audit firm partner rotation? If so, what is the requirement?

Answer: No, the organization does not have a mandatory audit firm partner rotation.



IDEA Florida
5050 E 10th Ave.
Tampa, FL 33619

Question 42: Are the prior year auditors included or excluded from the current RFP process?

Answer: We are considering all proposals, we aim to evaluate each option thoroughly to ensure the best fit for our organization's needs moving forward.

Question 43: What is the reason for a potential change in independent auditors?

Answer: Our contract and engagement have termed out and are outsourcing to find the most suitable firm for our organization.

Question 44: How many journal entries were proposed by the prior auditor in the two most recent audits, if any?

Answer: Due to management change we do not know how many journal entries were submitted in FY22. However, for FY23 we had one journal entry.

Question 45: What is the location for onsite fieldwork?

Answer: The location for onsite fieldwork would be in Weslaco RGV HQ.

ATTACHMENTS:

2021 Form 990 for IDEA Florida, Inc.

Duval 2023 Financial Statements

Florida 2023 Consolidated Financial Statements

Hillsborough 2023 Financial Statements



IDEA Bassett and IDEA River Bluff

A division of IDEA Florida, Inc.
(A component unit of the Duval County Public
School District)

Basic Financial Statements
and Additional Information
For the Year Ended June 30, 2023



FILE COPY

Form **990**

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No. 1545-0047

2021

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Do not enter social security numbers on this form as it may be made public.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

A For the 2021 calendar year, or tax year beginning **JUL 1, 2021** and ending **JUN 30, 2022**

B Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization IDEA Florida, Inc. Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite c/o IDEA Hope 5050 E. 10th Ave. City or town, state or province, country, and ZIP or foreign postal code Tampa, FL 33619 F Name and address of principal officer: Lizzette Reynolds same as C above	D Employer identification number 84-3519271 E Telephone number 956-332-6311 G Gross receipts \$ 28,549,811. H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. See instructions H(c) Group exemption number ▶
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
J Website: ▶ ideapublicschools.org/states/florida/		
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		
L Year of formation: 2019		M State of legal domicile: FL

Part I Summary

1	Briefly describe the organization's mission or most significant activities: IDEA Florida provides tuition-free education to college-bound students in Florida.		
2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
3	Number of voting members of the governing body (Part VI, line 1a)	3	4
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	4
5	Total number of individuals employed in calendar year 2021 (Part V, line 2a)	5	5
6	Total number of volunteers (estimate if necessary)	6	4
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0.
8	Contributions and grants (Part VIII, line 1h)	8,920,816.	28,549,811.
9	Program service revenue (Part VIII, line 2g)	0.	0.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0.	0.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0.	0.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	8,920,816.	28,549,811.
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	6,174,789.	16,743,298.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	2,515,648.	12,726,843.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	8,690,437.	29,470,141.
19	Revenue less expenses. Subtract line 18 from line 12	230,379.	-920,330.
20	Total assets (Part X, line 16)	6,472,132.	10,711,541.
21	Total liabilities (Part X, line 26)	6,242,703.	10,595,546.
22	Net assets or fund balances. Subtract line 21 from line 20	229,429.	115,995.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer <i>Electronically Filed</i> Lizzette Reynolds, Chair	Date _____		
Paid Preparer Use Only	Print/Type preparer's name Barbara Murphy	Preparer's signature <i>Barbara Murphy</i>	Date 05/12/23	Check if self-employed <input type="checkbox"/> PTIN P01386215
	Firm's name ▶ Blazek & Vetterling	Firm's EIN ▶ 76-0269860		
	Firm's address ▶ 2900 Wesleyan, Suite 200 Houston, TX 77027			Phone no. 713-439-5739

May the IRS discuss this return with the preparer shown above? See instructions Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

1 Briefly describe the organization's mission: IDEA Florida prepares students from underserved communities to be successful college students and responsible citizens by providing educational services to students. IDEA Florida serves students in grades K-2 & 6 and will grow to serve grades K-12 when fully scaled.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 22,826,687. including grants of \$) (Revenue \$) See Schedule O

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe on Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 22,826,687.

Part IV Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2	Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? See instructions	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Rev. Proc. 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10	Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable.		
11a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
11b	Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
11c	Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
11d	Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	X	
11e	Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
11f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>		X
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	X	
12b	Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	X	
14a	Did the organization maintain an office, employees, or agents outside of the United States?		X
14b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I. See instructions</i>		X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a	Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
20b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question number, Question text, and Yes/No response columns. Rows 22-38 cover various IRS requirements regarding grants, compensation, tax-exempt bonds, excess benefit transactions, controlled entities, and contributions.

Note: All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

X

Table with 3 columns: Question number, Question text, and Yes/No response columns. Rows 1a-1c cover Form 1096 reporting, Forms W-2G, and gaming winnings.

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

Table with columns for question number, question text, and Yes/No columns. Includes questions 2a through 17 regarding employee reporting, tax returns, gross income, foreign accounts, prohibited transactions, and charitable contributions.

Part VI Governance, Management, and Disclosure. For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a (4), 1b (4), 2 (X), 3 (X), 4 (X), 5 (X), 6 (X), 7a (X), 7b (X), 8a (X), 8b (X), 9 (X).

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a (X), 10b, 11a (X), 11b, 12a (X), 12b (X), 12c (X), 13 (X), 14 (X), 15a (X), 15b (X), 16a (X), 16b.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed None
18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. [] Own website [] Another's website [X] Upon request [] Other (explain on Schedule O)
19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records Brittany Perkins - 956-377-8000 2115 West Pike Blvd, Weslaco, TX 78596

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
 - List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
 - List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
 - List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
 - List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- See the instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Julene Robinson Executive Director - Tampa Bay	40.00 0.00				X			0.	238,776.	7,468.
(2) Adam Miller Executive Director - Tampa Bay	40.00 0.00				X			0.	221,991.	15,867.
(3) Simaran Bakshi VP of Schools - Jacksonville	40.00 0.00					X		0.	167,337.	13,486.
(4) Christa Thomas VP of Schools - Tampa Bay	40.00 0.00					X		0.	151,375.	10,507.
(5) Jose De Leon Executive Director - Jacksonville	40.00 0.00					X		0.	128,450.	10,730.
(6) Janet Crenshaw Director of Leader Development	40.00 0.00					X		0.	123,848.	9,456.
(7) Patricia Jackson Principal in Residence	40.00 0.00					X		0.	112,118.	10,220.
(8) Lizzette Reynolds Chair	5.00 0.00	X		X				0.	0.	0.
(9) Nick Rhodes Secretary	2.00 0.00	X		X				0.	0.	0.
(10) Christina Barker Director	1.00 0.00	X						0.	0.	0.
(11) Gary Chartrand Director	1.00 0.00	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Subtotal							0.	1,143,895.	77,734.	
c Total from continuation sheets to Part VII, Section A							0.	0.	0.	
d Total (add lines 1b and 1c)							0.	1,143,895.	77,734.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
IPS Enterprises, Inc. 2115 West Pike Blvd, Weslaco, TX 78596	Management services	11,249,585.
G3 Life Applications, Inc. 2000 E 12th Ave, Ste 5327, Tampa, FL 33675	After school care programs	321,964.
Relay Graduate School of Education 40 W 20th St, New York, NY 10011	Leadership training	107,500.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **3**

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

			(A)	(B)	(C)	(D)	
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	28,009,514.			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	540,297.			
	g	Noncash contributions included in lines 1a-1f	1g \$	2,136.			
	h	Total. Add lines 1a-1f		28,549,811.			
Program Service Revenue			Business Code				
	2 a						
	b						
	c						
	d						
	e						
	f	All other program service revenue					
g	Total. Add lines 2a-2f						
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)					
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6 a	Gross rents	(i) Real	6a			
			(ii) Personal	6b			
				6c			
	d	Net rental income or (loss)					
	7 a	Gross amount from sales of assets other than inventory	(i) Securities	7a			
			(ii) Other	7b			
				7c			
	d	Net gain or (loss)					
	8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18		8a			
			Less: direct expenses	8b			
			Net income or (loss) from fundraising events				
	9 a	Gross income from gaming activities. See Part IV, line 19		9a			
Less: direct expenses			9b				
Net income or (loss) from gaming activities							
10 a	Gross sales of inventory, less returns and allowances		10a				
		Less: cost of goods sold	10b				
		Net income or (loss) from sales of inventory					
Miscellaneous Revenue			Business Code				
	11 a						
	b						
	c						
	d	All other revenue					
	e	Total. Add lines 11a-11d					
12	Total revenue. See instructions		28,549,811.	0.	0.	0.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	619,405.	535,689.	83,716.	
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	12,671,150.	10,896,020.	1,775,130.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	482,773.	409,629.	73,144.	
9 Other employee benefits	2,146,296.	1,930,580.	215,716.	
10 Payroll taxes	823,674.	708,440.	115,234.	
11 Fees for services (nonemployees):				
a Management	320,698.		320,698.	
b Legal	86,693.	47,322.	39,371.	
c Accounting	2,800.		2,800.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	1,924,261.	241,519.	1,682,742.	
12 Advertising and promotion	1,337,018.	401,688.	935,330.	
13 Office expenses	2,184,305.	1,939,393.	244,912.	
14 Information technology	362,154.	362,134.	20.	
15 Royalties				
16 Occupancy	2,555,474.	1,972,614.	582,860.	
17 Travel	816,114.	360,757.	455,357.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	60,900.	60,900.		
20 Interest	24,000.		24,000.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	304,619.	288,221.	16,398.	
23 Insurance	358,938.	358,938.		
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a <u>Program/other supplies</u>	1,001,812.	931,773.	70,039.	
b <u>After school programs</u>	636,991.	636,991.		
c <u>Education materials</u>	634,750.	634,750.		
d <u>Repairs & maintenance</u>	106,502.	106,502.		
e All other expenses	8,814.	2,827.	5,987.	
25 Total functional expenses. Add lines 1 through 24e	29,470,141.	22,826,687.	6,643,454.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing	1,151,639.	1	581,126.
	2	Savings and temporary cash investments		2	
	3	Pledges and grants receivable, net	2,716,472.	3	684,082.
	4	Accounts receivable, net	2,438,962.	4	
	5	Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	14,209.	9	81,468.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 3,616,162.		
	b	Less: accumulated depreciation	10b 304,619.	0.	10c 3,311,543.
	11	Investments - publicly traded securities		11	
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11	150,850.	15	6,053,322.
16	Total assets. Add lines 1 through 15 (must equal line 33)	6,472,132.	16	10,711,541.	
Liabilities	17	Accounts payable and accrued expenses	1,701,848.	17	1,794,125.
	18	Grants payable		18	
	19	Deferred revenue	3,340,855.	19	1,488,000.
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23	Secured mortgages and notes payable to unrelated third parties	1,200,000.	23	1,200,000.
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	0.	25	6,113,421.
	26	Total liabilities. Add lines 17 through 25	6,242,703.	26	10,595,546.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.				
	27	Net assets without donor restrictions	224,152.	27	-903,418.
	28	Net assets with donor restrictions	5,277.	28	1,019,413.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.				
	29	Capital stock or trust principal, or current funds		29	
	30	Paid-in or capital surplus, or land, building, or equipment fund		30	
	31	Retained earnings, endowment, accumulated income, or other funds		31	
	32	Total net assets or fund balances	229,429.	32	115,995.
33	Total liabilities and net assets/fund balances	6,472,132.	33	10,711,541.	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	28,549,811.
2	Total expenses (must equal Part IX, column (A), line 25)	2	29,470,141.
3	Revenue less expenses. Subtract line 2 from line 1	3	-920,330.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	229,429.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	806,896.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	115,995.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	X	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits	X	

SCHEDULE A
(Form 990)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2021

Open to Public Inspection

Name of the organization IDEA Florida, Inc.	Employer identification number 84-3519271
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Part I Reason for Public Charity Status. (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____
- 10 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box on lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
- f Enter the number of supported organizations _____

g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")			1079786.	8920816.	28549811.	38550413.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3			1079786.	8920816.	28549811.	38550413.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						38550413.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(f) Total
7 Amounts from line 4			1079786.	8920816.	28549811.	38550413.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources			4,637.			4,637.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						38555050.

12 Gross receipts from related activities, etc. (see instructions) 12

13 **First 5 years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

14 Public support percentage for 2021 (line 6, column (f), divided by line 11, column (f)) 14 %

15 Public support percentage from 2020 Schedule A, Part II, line 14 15 %

16a **33 1/3% support test - 2021.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization

b 33 1/3% support test - 2020. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization

17a **10% -facts-and-circumstances test - 2021.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and **stop here.** Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization

b 10% -facts-and-circumstances test - 2020. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and **stop here.** Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2021 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2020 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2021 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2020 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2021. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2020. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described on lines 11b and 11c below, the governing body of a supported organization?		
b A family member of a person described on line 11a above?		
c A 35% controlled entity of a person described on line 11a or 11b above? <i>If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI.</i>		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i>		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.</i>		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i>		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>		
3 By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>		

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a governmental entity (see instructions).		
2 Activities Test. Answer lines 2a and 2b below.		
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>		
b Did the activities described on line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>		
3 Parent of Supported Organizations. Answer lines 3a and 3b below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>If "Yes" or "No" provide details in Part VI.</i>		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (*explain in Part VI*). See instructions.
 All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	

7 Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required - provide details in Part VI)	5
6	Other distributions (describe in Part VI). See instructions.	6
7	Total annual distributions. Add lines 1 through 6.	7
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	8
9	Distributable amount for 2021 from Section C, line 6	9
10	Line 8 amount divided by line 9 amount	10

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2021	(iii) Distributable Amount for 2021
1	Distributable amount for 2021 from Section C, line 6		
2	Underdistributions, if any, for years prior to 2021 (reasonable cause required - explain in Part VI). See instructions.		
3	Excess distributions carryover, if any, to 2021		
a	From 2016		
b	From 2017		
c	From 2018		
d	From 2019		
e	From 2020		
f	Total of lines 3a through 3e		
g	Applied to underdistributions of prior years		
h	Applied to 2021 distributable amount		
i	Carryover from 2016 not applied (see instructions)		
j	Remainder. Subtract lines 3g, 3h, and 3i from line 3f.		
4	Distributions for 2021 from Section D, line 7: \$		
a	Applied to underdistributions of prior years		
b	Applied to 2021 distributable amount		
c	Remainder. Subtract lines 4a and 4b from line 4.		
5	Remaining underdistributions for years prior to 2021, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.		
6	Remaining underdistributions for 2021. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.		
7	Excess distributions carryover to 2022. Add lines 3j and 4c.		
8	Breakdown of line 7:		
a	Excess from 2017		
b	Excess from 2018		
c	Excess from 2019		
d	Excess from 2020		
e	Excess from 2021		

Schedule B
(Form 990)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990 or Form 990-PF.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2021

Name of the organization

IDEA Florida, Inc.

Employer identification number

84-3519271

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000; or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990).

Name of organization IDEA Florida, Inc.	Employer identification number 84-3519271
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Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Florida Department of Education <hr/> 325 W Gaines St <hr/> Tallahassee, FL 32399	\$ 26,890,104.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	U.S. Department of Agriculture <hr/> 1400 Independence Ave SW <hr/> Washington, DC 20250	\$ 810,106.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization IDEA Florida, Inc.	Employer identification number 84-3519271
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Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____

Name of organization IDEA Florida, Inc.	Employer identification number 84-3519271
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Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this info. once.) ▶ \$ _____
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____		_____	
_____		_____	
_____		_____	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____		_____	
_____		_____	
_____		_____	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____		_____	
_____		_____	
_____		_____	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____		_____	
_____		_____	
_____		_____	

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2021

Open to Public Inspection

Name of the organization

IDEA Florida, Inc.

Employer identification number

84-3519271

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate value of contributions to (during year), 3 Aggregate value of grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Table with 2 columns: Description, Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year, 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?, 6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?, 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Table with 2 columns: Description, Amount. Rows include: 1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items. b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenue included on Form 990, Part VIII, line 1, (ii) Assets included in Form 990, Part X, 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items: a Revenue included on Form 990, Part VIII, line 1, b Assets included in Form 990, Part X

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange program
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment _____ %
- b Permanent endowment _____ %
- c Term endowment _____ %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) Unrelated organizations	3a(i)	
(ii) Related organizations	3a(ii)	
b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?	3b	

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		3,616,162.	304,619.	3,311,543.
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) ▶ 3,311,543.

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) Deposits	27,078.
(2) Right-of-use assets	6,026,244.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	6,053,322.

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Due to affiliate	248,143.
(3) Operating lease liability	5,865,278.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	6,113,421.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	28,549,811.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains (losses) on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d		2e	0.
3	Subtract line 2e from line 1		3	28,549,811.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	0.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)		5	28,549,811.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	29,470,141.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d		2e	0.
3	Subtract line 2e from line 1		3	29,470,141.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	0.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)		5	29,470,141.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

SCHEDULE E
(Form 990)

Department of the Treasury
Internal Revenue Service

Schools

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 13, or Form 990-EZ, Part VI, line 48.**
▶ **Attach to Form 990 or Form 990-EZ.**
▶ **Go to www.irs.gov/Form990 for the latest information.**

OMB No. 1545-0047

2021

Open to Public Inspection

Name of the organization

IDEA Florida, Inc.

Employer identification number

84-3519271

Part I

	YES	NO
1 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	X	
2 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	X	
3 Has the organization publicized its racially nondiscriminatory policy on its primary publicly accessible Internet homepage at all times during its taxable year in a manner reasonably expected to be noticed by visitors to the homepage, or through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe. If "No," please explain. If you need more space, use Part II	X	
<u>The nondiscriminatory policy is published on the school's website and solicitation advertisements.</u>		
4 Does the organization maintain the following?		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	X	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	X	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	X	
d Copies of all material used by the organization or on its behalf to solicit contributions?	X	
If you answered "No" to any of the above, please explain. If you need more space, use Part II.		
5 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?		X
b Admissions policies?		X
c Employment of faculty or administrative staff?		X
d Scholarships or other financial assistance?		X
e Educational policies?		X
f Use of facilities?		X
g Athletic programs?		X
h Other extracurricular activities?		X
If you answered "Yes" to any of the above, please explain. If you need more space, use Part II.		
6a Does the organization receive any financial aid or assistance from a governmental agency?	X	
b Has the organization's right to such aid ever been revoked or suspended?		X
If you answered "Yes" on either line 6a or line 6b, explain on Part II.		
7 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," explain on Part II	X	

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule E (Form 990) 2021

Part II **Supplemental Information.** Provide the explanations required by Part I, lines 3, 4d, 5h, 6b, and 7, as applicable. Also provide any other additional information.

Line 6 - Explanation of Government Financial Aid:

The organization is an open enrollment charter school, which receives substantial support from the Florida Department of Education as well as support from the U.S. Department of Agriculture and the U.S. Department of Education.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
 ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
 ▶ Attach to Form 990.
 ▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2021

Open to Public Inspection

Name of the organization

IDEA Florida, Inc.

Employer identification number

84-3519271

Part I Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. <input type="checkbox"/> First-class or charter travel <input type="checkbox"/> Travel for companions <input type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account <input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Health or social club dues or initiation fees <input type="checkbox"/> Personal services (such as maid, chauffeur, chef)		
b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?	2	
3 Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III. <input type="checkbox"/> Compensation committee <input type="checkbox"/> Independent compensation consultant <input type="checkbox"/> Form 990 of other organizations <input type="checkbox"/> Written employment contract <input type="checkbox"/> Compensation survey or study <input type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization: a Receive a severance payment or change-of-control payment?	4a	X
b Participate in or receive payment from a supplemental nonqualified retirement plan?	4b	X
c Participate in or receive payment from an equity-based compensation arrangement?	4c	X
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.		
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of: a The organization?	5a	X
b Any related organization?	5b	X
If "Yes" on line 5a or 5b, describe in Part III.		
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of: a The organization?	6a	X
b Any related organization?	6b	X
If "Yes" on line 6a or 6b, describe in Part III.		
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III	7	X
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	X
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2021

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Julene Robinson Executive Director - Tampa Bay	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	180,554.	57,889.	333.	7,468.	0.	246,244.	0.
(2) Adam Miller Executive Director - Tampa Bay	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	159,701.	61,957.	333.	6,493.	9,374.	237,858.	0.
(3) Simaran Bakshi VP of Schools - Jacksonville	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	131,379.	35,625.	333.	5,386.	8,100.	180,823.	0.
(4) Christa Thomas VP of Schools - Tampa Bay	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	134,272.	17,103.	0.	5,046.	5,461.	161,882.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Part I, Line 3:

IDEA Florida, Inc. (IDEA Florida) executed a management services agreement with IPS Enterprises, Inc. (IPS), a related tax-exempt organization that supports charter schools within the IDEA network, including IDEA Florida. IPS provides IDEA Florida with School Management Services, which include the provision of teachers, administrators, and other staff. Therefore, IPS employs and pays all staff except for the school principals which are employed directly by IDEA Florida. IPS bills IDEA Florida for contracted services and a management fee.

Compensation of the organization's Executive Director and VP of Schools positions is determined by IPS using compensation data from similar positions in other charter schools.

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or Form 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2021

Open to Public
Inspection

Name of the organization

IDEA Florida, Inc.

Employer identification number

84-3519271

Form 990, Part III, Line 4a, Program Service Accomplishments:

IDEA Public Schools believes each and every child can go to college.

Since 2000, IDEA Public Schools has grown from a small school with 150

students to a national network of tuition-free K-12 public charter

schools in the United States. The network currently serves over 80,000

college-bound students in 143 schools. Through small learning groups

and daily access to technology, every student learns at the level and

speed just right for them. Teachers bring subject matter expertise and

an unwavering commitment to set each student on a path to success.

Parents, teachers, and administrators work as a team to help each

student reach their full potential.

For the 2021-2022 academic year, IDEA Florida served 882 students

across two campuses in the Tampa Bay area. The schools opened with

grades K-2 & 6 and will grow to serve grades K-12 when fully scaled.

IDEA Florida opened two additional schools in the Jacksonville area for

the 2022-2023 academic year.

Form 990, Part V, Line 2a, Statements Regarding Other IRS Filings:

IDEA Florida, Inc. (IDEA Florida) executed a management services

agreement with IPS Enterprises, Inc. (IPS), a related tax-exempt

organization that supports charter schools within the IDEA network,

including IDEA Florida. IPS provides IDEA Florida with School

Management Services, which include the provision of teachers,

administrators, and other staff. Therefore, IPS employs and pays all

staff except for the school principals which are employed directly by

Name of the organization IDEA Florida, Inc.	Employer identification number 84-3519271
--	--

IDEA Florida. IPS bills IDEA Florida for contracted services and a management fee.

Form 990, Part VI, Section A, line 3:

IDEA Florida, Inc. (IDEA Florida) executed a management services agreement with IPS Enterprises, Inc. (IPS), a related tax-exempt organization that supports charter schools within the IDEA network, including IDEA Florida. IPS provides IDEA Florida with School Management Services, which include the provision of teachers, administrators, and other staff. IPS bills IDEA Florida for contracted services and a management fee. IPS employs and pays all staff except for the school principals which are employed directly by IDEA Florida. Key employees and highest compensated employees of IDEA Florida are compensated through this arrangement as follows:

Executive Director - Tampa Bay, Julene Robinson: \$246,244

Executive Director - Tampa Bay, Adam Miller: \$237,858

VP of Schools - Jacksonville, Simaran Bakshi: \$180,823

VP of Schools - Tampa Bay, Christa Thomas: \$161,882

Executive Director - Jacksonville, Jose De Leon: \$139,180

Director of Leader Development, Janet Crenshaw: \$133,304

Principal in Residence, Patricia Jackson: \$122,338

IPS paid additional staff a combined total of \$10,027,956 in compensation for services performed for IDEA Florida.

Form 990, Part VI, Section B, line 11b:

Form 990 is provided to the Board prior to filing with the IRS.

Form 990, Part VI, Section B, Line 12c:

The Board of IDEA Florida, Inc. monitors potential conflicts of interest.

Name of the organization IDEA Florida, Inc.	Employer identification number 84-3519271
--	--

Form 990, Part VI, Section B, Line 15:

The organization's Executive Directors are employed by IPS Enterprises, Inc. (IPS) under a management services agreement. Therefore, the organization does not determine the compensation of these individuals.

Form 990, Part VI, Section C, Line 19:

Upon request.

Form 990, Part IX:

IDEA Florida, Inc. (IDEA Florida) executed a management services agreement with IPS Enterprises, Inc. (IPS), a related tax-exempt organization that supports charter schools within the IDEA network, including IDEA Florida. IPS provides IDEA Florida with School Management Services, which include the provision of teachers, administrators, and other staff. Therefore, IPS employs and pays all staff except for the school principals which are employed directly by IDEA Florida. IPS bills IDEA Florida for contracted services and a management fee. Under this arrangement, compensation related expenses reported in Lines 5, 7, 8, 9, and 10 of Part IX, totaling \$16,743,298, were paid in part by IPS and in part by IDEA Florida:

IPS: \$16,259,167

IDEA Florida: \$484,131

A management fee of \$320,698, reported in Line 11a, was paid to IPS for the management services performed for IDEA Florida.

Form 990, Part XI, line 9, Changes in Net Assets:

Prior year audit adjustments

806,896.

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.**
▶ **Attach to Form 990.**

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2021

**Open to Public
Inspection**

Name of the organization: **IDEA Florida, Inc.** Employer identification number: **84-3519271**

Part I Identification of Disregarded Entities. Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
IPS Florida LLC - 88-3404181 2115 West Pike Blvd Weslaco, TX 78596	Support services	Texas	0.	0.	IDEA Florida, Inc.

Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
IPS Enterprises, Inc. - 84-4633153 2115 West Pike Blvd Weslaco, TX 78596	Management	Texas	501(c)(3)	Line 12a, I	IDEA Public Schools		X

Part III Identification of Related Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV Identification of Related Organizations Taxable as a Corporation or Trust. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)		X
c Gift, grant, or capital contribution from related organization(s)		X
d Loans or loan guarantees to or for related organization(s)		X
e Loans or loan guarantees by related organization(s)	X	
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)		X
k Lease of facilities, equipment, or other assets from related organization(s)	X	
l Performance of services or membership or fundraising solicitations for related organization(s)		X
m Performance of services or membership or fundraising solicitations by related organization(s)	X	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	X	
o Sharing of paid employees with related organization(s)	X	
p Reimbursement paid to related organization(s) for expenses	X	
q Reimbursement paid by related organization(s) for expenses		X
r Other transfer of cash or property to related organization(s)	X	
s Other transfer of cash or property from related organization(s)	X	

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

Part VI **Unrelated Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners sec. 501(c)(3) orgs.?		(f) Share of total income	(g) Share of end-of-year assets	(h) Dispropor- tionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R. See instructions.

Form 990, Schedule R, Part II:

IDEA Florida, Inc. (IDEA Florida) executed a management services agreement with IPS Enterprises, Inc. (IPS), a related tax-exempt organization that supports charter schools within the IDEA network, including IDEA Florida. IPS provides IDEA Florida with School Management Services, which include the provision of teachers, administrators, and other staff. Therefore, IPS employs and pays all staff except for the school principals which are employed directly by IDEA Florida. IPS bills IDEA Florida for contracted services and a management fee.

IDEA Bassett and IDEA River Bluff

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
IDEA Bassett and IDEA River Bluff

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 IDEA Bassett and IDEA River Bluff (the "Schools"), divisions of IDEA Florida, Inc., as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Schools' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Schools, as of June 30, 2023, 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 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 Schools 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.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Schools are intended to present the financial position and change in financial position of only that portion of the governmental activities and each major fund of IDEA Florida, Inc. that is attributable to the transactions of the Schools. They do not purport to, and do not, present fairly the financial position of IDEA Florida, Inc. as of June 30, 2023 and the changes in its financial position and budgetary comparisons, where applicable, for the year ended June 30, 2023 in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

CPAs + Trusted Advisors

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Schools' 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 Schools' ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison for the General Fund and Special Revenue Fund on pages 4 through 7 and 23 through 24, respectively, 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 28, 2023, on our consideration of the Schools' 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 Schools' 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 Schools' internal control over financial reporting and compliance.

KEEFE McCULLOUGH

Fort Lauderdale, Florida
September 28, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of IDEA Bassett's and IDEA River Bluff's (the "Schools") financial performance provides an overview of the Schools' financial activities for the year ended June 30, 2023. Normally, comparative information is presented for Management's Discussion and Analysis but since this is the initial year of the Schools' operation and no financial statements for the Schools' financial statements were previously prepared, no comparative data has been presented. Please read this section in conjunction with the Schools' financial statements, which immediately follow this discussion.

Financial Highlights

The following are the highlights of financial activity for the year ended June 30, 2023:

- The Schools' total liabilities exceeded its assets at June 30, 2023 by \$ 1,608,217 (net deficit).
- The Schools' total revenues were \$ 20,214,777 primarily consisting of \$ 17,592,701 from general revenues including FTE revenues and state money from the Department of Education and \$ 2,618,602 from operating grants, capital grants, and contributions. The Schools' expenses for the year were \$ 21,849,500. Net position for the year decreased by \$ 1,634,723.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Schools' basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

Government-wide financial statements:

The government-wide financial statements, which consist of the following two statements, are designed to provide readers with a broad overview of the Schools' finances, in a manner similar to a private-sector business:

- The statement of net position presents information on all the Schools' assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Schools are improving or deteriorating.
- The statement of activities presents information showing how the Schools' net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

The government-wide financial statements can be found on pages 8 and 9 of this report.

Fund financial statements:

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Schools only have one category of funds - governmental funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the year. Such information may be useful in evaluating the Schools' near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Schools' near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The Schools maintain several individual governmental funds. The General Fund, Special Revenue Fund and Capital Projects Fund are considered to be the Schools' major funds.

A budgetary comparison statement has been provided for the General Fund and Special Revenue Fund to demonstrate compliance with the budgets.

The governmental fund financial statements can be found on pages 10 through 13 of this report.

Notes to basic financial statements:

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 14 through 22 of this report.

Other information:

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Schools' General Fund and Special Revenue Fund adopted budgets to actual results. Required supplementary information can be found on pages 23 and 24 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of financial position.

**IDEA Bassett and IDEA River Bluff
Management's Discussion and Analysis
June 30, 2023**

Government-Wide Financial Analysis (continued)

The following table reflects the condensed government-wide statements of net position as of June 30, 2023:

IDEA Bassett and IDEA River Bluff Net Position (Deficit)		2023
Current Assets	\$	4,896,224
Noncurrent Assets		9,977,952
Total assets		14,874,176
Current Liabilities		5,802,201
Noncurrent Liabilities		10,680,192
Total liabilities		16,482,393
Net Position (deficit):		
Net investment in capital assets		1,230,930
Unrestricted		(2,839,147)
Total net position (deficit)	\$	(1,608,217)

A portion of the Schools' net position reflect its investment in capital assets, less any related outstanding debt used to acquire those assets. The Schools use these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the Schools' investment in its capital assets is reported net of related debt (if any), it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Resources that are subject to external restrictions on how they may be used are classified as restricted assets. As of June 30, 2023, the Schools had no restricted assets.

As reflected below, the net position is showing a decrease of \$ 1,634,723 for the year ended June 30, 2023 as summarized in the following table:

IDEA Bassett and IDEA River Bluff Changes in Net Position		2023
Revenues:		
General revenues	\$	17,596,175
Program revenues		2,618,602
Total revenues		20,214,777
Expenses:		
Instruction		6,895,965
Instructional support services		11,367,540
Operation of non-instructional services		3,585,995
Total expenses		21,849,500
Change in net position	\$	(1,634,723)

Financial Analysis of the Schools' Funds

As noted earlier, the Schools use fund accounting to maintain control over resources that have been segregated for specific activities or objectives. The focus of the Schools' governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Schools' financing requirements. In particular, unreserved fund balance, if any, may serve as a useful measure of the Schools' net resources available for spending at the end of the fiscal year.

General Fund Budgetary Highlights

The 2022-2023 budget was amended at the end of the fiscal year to update anticipated revenues and expenditures.

Capital Assets and Debt Administration

Capital assets: The Schools' investment in capital assets as of June 30, 2023 was \$ 9,977,952, net of accumulated depreciation and amortization. This investment in capital assets is composed of a right of use building and equipment, construction in progress, furniture and equipment, and vehicles. A more detailed analysis is provided in Note 6 to the financial statements.

Long-term debt: At June 30, 2023, the Schools had outstanding debt of \$ 5,388,037. A more detailed analysis is provided in Notes 7 and 8 to the financial statements.

Economic Factors for 2023-2024

Total funding for capital outlay is expected to increase slightly in the next year, largely offset by reduced ESSER. Given student enrollment increases from 737 to 1418 in 2023-2024 due to rising grade levels, the overall effect will be a significant increase in total FEFP revenues.

Requests for Information

This financial report is designed to provide a general overview of IDEA Bassett's and IDEA River Bluff's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to IDEA Florida, Inc. 9321 W. Sam Houston Parkway South, Houston, TX 77099.

BASIC FINANCIAL STATEMENTS

**IDEA Bassett and IDEA River Bluff
Statement of Net Position (Deficit)
June 30, 2023**

Current Assets:

Cash	\$ 3,716,207
Due from government agencies	913,198
Due from management company	<u>266,819</u>
Total current assets	<u>4,896,224</u>

Noncurrent Assets:

Capital assets, net of accumulated depreciation and amortization	<u>9,977,952</u>
Total noncurrent assets	<u>9,977,952</u>
Total assets	<u>14,874,176</u>

Current Liabilities:

Accounts payable	1,540,092
Accrued liabilities	807,147
Unearned revenues	95
Debt	638,037
Leases	<u>2,816,830</u>
Total current liabilities	<u>5,802,201</u>

Noncurrent Liabilities:

Line of credit	4,750,000
Leases	<u>5,930,192</u>
Total noncurrent liabilities	<u>10,680,192</u>
Total liabilities	<u>16,482,393</u>

Net Position (Deficit):

Net investment in capital assets	1,230,930
Unrestricted (deficit)	<u>(2,839,147)</u>
Total net position (deficit)	<u>\$ (1,608,217)</u>

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

**IDEA Bassett and IDEA River Bluff
Statement of Activities
For the Year Ended June 30, 2023**

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Governmental</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Activities Net Revenues (Expenses) and Change in Net Position</u>
Functions/Programs:					
Governmental activities:					
Regular instruction	\$ 6,895,965	\$ -	\$ 1,638,279	\$ -	\$ (5,257,686)
Student support services	827,737	-	-	-	(827,737)
Instruction related technology	294,022	-	-	-	(294,022)
Staff training	3,305	-	-	-	(3,305)
General and administrative services	6,397,659	-	-	-	(6,397,659)
Plant operations and maintenance	3,844,817	-	-	374,044	(3,470,773)
Transportation	1,351,317	-	-	-	(1,351,317)
Fiscal services	299,777	-	-	-	(299,777)
Community services	28,474	-	-	-	(28,474)
Food services	1,208,601	-	606,279	-	(602,322)
Central services	4,320	-	-	-	(4,320)
Debt service	183,874	-	-	-	(183,874)
Interest expense	509,632	-	-	-	(509,632)
Total governmental activities	<u>\$ 21,849,500</u>	<u>\$ -</u>	<u>\$ 2,244,558</u>	<u>\$ 374,044</u>	<u>(19,230,898)</u>
General revenues:					
FTE nonspecific revenues and Schools of Hope Funding					17,592,701
Miscellaneous revenues					<u>3,474</u>
Total general revenues					<u>17,596,175</u>
Change in net position					(1,634,723)
Net position, July 1, 2022					<u>26,506</u>
Net position (Deficit), June 30, 2023					<u>\$ (1,608,217)</u>

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

**IDEA Bassett and IDEA River Bluff
Balance Sheet - Governmental Funds
June 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Assets:				
Cash	\$ 3,716,207	\$ -	\$ -	\$ 3,716,207
Due from government agencies	913,198	-	-	913,198
Due from management company	<u>266,819</u>	<u>-</u>	<u>-</u>	<u>266,819</u>
Total assets	<u>\$ 4,896,224</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,896,224</u>
Liabilities:				
Accounts payable	\$ 1,540,092	\$ -	\$ -	\$ 1,540,092
Accrued liabilities	807,147	-	-	807,147
Unearned revenue	<u>95</u>	<u>-</u>	<u>-</u>	<u>95</u>
Total liabilities	<u>2,347,334</u>	<u>-</u>	<u>-</u>	<u>2,347,334</u>
Fund Balances:				
Unassigned	<u>2,548,890</u>	<u>-</u>	<u>-</u>	<u>2,548,890</u>
Total fund balances	<u>2,548,890</u>	<u>-</u>	<u>-</u>	<u>2,548,890</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 4,896,224</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,896,224</u>

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

**IDEA Bassett and IDEA River Bluff
 Reconciliation of the Balance Sheet - Governmental Funds
 to the Statement of Net Position (Deficit)
 June 30, 2023**

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

Governmental fund balances: \$ 2,548,890

Amounts reported for governmental activities in the
 statement of net position are different because:

Capital assets used in governmental activities
 are not financial resources and therefore are
 not reported in the governmental funds.

Cost of capital assets	\$	12,886,652	
Accumulated depreciation and amortization		<u>(2,908,700)</u>	9,977,952

Liabilities not payable with current available resources
 are not reported as fund liabilities in the governmental
 fund statements. All liabilities both current and
 long-term, are reported in the government-wide
 statements.

Debt			(5,388,037)
Leases			<u>(8,747,022)</u>

Net Position (Deficit) of Governmental Activities \$ (1,608,217)

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

**IDEA Bassett and IDEA River Bluff
Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Revenues:				
State sources	\$ 17,592,701	\$ -	\$ 374,044	\$ 17,966,745
Federal sources	-	2,244,558	-	2,244,558
Local sources	3,474	-	-	3,474
Total revenues	<u>17,596,175</u>	<u>2,244,558</u>	<u>374,044</u>	<u>20,214,777</u>
Expenditures:				
Current:				
Regular Instruction	6,569,679	326,286	-	6,895,965
Student support services	609,363	218,374	-	827,737
Instruction related technology	241,669	52,353	-	294,022
Staff training	3,305	-	-	3,305
General and administrative services	6,220,395	130,055	-	6,350,450
Plant operations and maintenance	968,585	69,873	374,044	1,412,502
Transportation	502,553	505,844	-	1,008,397
Fiscal services	299,777	-	-	299,777
Community services	28,474	-	-	28,474
Food services	264,784	941,773	-	1,206,557
Central services	4,320	-	-	4,320
Professional services	183,874	-	-	183,874
Capital outlay	10,955,270	-	-	10,955,270
Debt service:				
Principal payments on debt	561,963	-	-	561,963
Principal payments on leases	2,029,910	-	-	2,029,910
Interest	509,632	-	-	509,632
Total expenditures	<u>29,953,553</u>	<u>2,244,558</u>	<u>374,044</u>	<u>32,572,155</u>
Excess (deficiency) of revenues over expenditures	(12,357,378)	-	-	(12,357,378)
Other Financing Sources:				
Debt proceeds	4,750,000	-	-	4,750,000
Lease proceeds	10,726,102	-	-	10,726,102
Total other financing sources	15,476,102	-	-	15,476,102
Net changes in fund balances	3,118,724	-	-	3,118,724
Fund Balances (Deficit), July 1, 2022	<u>(569,834)</u>	<u>-</u>	<u>-</u>	<u>(569,834)</u>
Fund Balances, June 30, 2023	<u>\$ 2,548,890</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,548,890</u>

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

**IDEA Bassett and IDEA River Bluff
 Reconciliation of the Statement of Revenues, Expenditures and
 Changes in Fund Balances - Governmental Funds
 to the Statement of Activities
 For the Year Ended June 30, 2023**

Net Change in Fund Balances - Governmental Funds \$ 3,118,724

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures; in the statement of activities these costs are allocated over their estimated useful lives as a provision for depreciation and amortization.

Expenditures for capital assets	\$	10,955,270	
Less: provision for depreciation and amortization		<u>(2,824,488)</u>	8,130,782

Debt proceeds and other financing sources provide current financial resources of governmental funds, while the repayment of the related debt principal consumes those financial resources. These transactions, however, have no effect on net position in the current period

Issuance of debt	\$	(4,750,000)	
Issuance of leases		(10,726,102)	
Principal payments on debt		561,963	
Principal payments on leases		<u>2,029,910</u>	<u>(12,884,229)</u>

Change in Net Position (Deficit) on the Statement of Activities \$ (1,634,723)

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

Note 1 - Organization and Operations

IDEA Bassett and IDEA River Bluff (collectively, the "Schools") are divisions of IDEA Florida, Inc. (the "Organization"). The Schools commenced operations in August 2022 and offer classes for pre-kindergarten through 8th grade students in Duval County, Florida. An average of approximately 690 students were enrolled in classes for the Schools year ended in June 2023.

The basic financial statements of the Schools present only the balances, activity and disclosures related to the Schools. They do not purport to, and do not, present fairly the financial position of IDEA Florida, Inc. as of June 30, 2023, and the changes in its financial position or budgetary comparisons, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Note 2 - Summary of Significant Accounting Policies

Reporting entity: The Schools operate under a charter granted by the sponsoring Schools' district, the Schools' Board of Duval County, Florida (the "Schools' Board"). The charters are effective until July 30, 2027. At the end of the term of the charter, the Schools' Board may choose not to renew the charters under grounds specified in the charter in which case the Schools' Board is required to notify the Schools in writing at least ninety days prior to the charter's expiration. During the term of the charter, the Schools' Board may also terminate the charter if good cause is shown.

Component units: The Schools may also be financially accountable if an organization is fiscally dependent on the Schools regardless of whether the organization has a separately elected governing board, a governing board appointed by another government, or a jointly approved board. In addition, component units can be other organizations for which the nature and significance of their relationship with the Schools are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. As a result of evaluating the above criteria, management has determined that no component units exist for which the Schools are financially accountable which would require inclusion in the Schools' financial statements.

Basis of presentation: Based on the guidance presented in the American Institute of Certified Public Accountants Audit and Accounting Guide – Not-for-Profit Organizations and provisions of Section 228.056(9), Florida Statutes, the Schools are presented as a governmental organization for financial statement reporting purposes.

Government-wide financial statements: Government-wide financial statements, including the statement of net position and the statement of activities, present information about the Schools as a whole.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the Schools' governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Schools.

This government-wide focus is more on the ability to sustain the Schools as an entity and the change in the Schools' net position resulting from the current year's activities.

Note 2 - Summary of Significant Accounting Policies (continued)

Fund financial statements: Fund financial statements report detailed information about the Schools in the governmental funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The Schools report the following major governmental funds:

- **General Fund** – This fund is used to account for all operating activities of the Schools except for those required to be accounted for in another fund.
- **Special Revenue Fund** – This fund is used to account for federal grants that are legally restricted to expenditures for particular purposes.
- **Capital Projects Fund** – This fund is used to account for state capital outlay funding that is legally restricted to expenditures for particular purposes.

Net position: Net position is classified in three categories. The general meaning of each is as follows:

- Net investment in capital assets - represents the difference between the cost of capital assets, less accumulated depreciation and amortization reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets (if any).
- Restricted net position - consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - indicates that portion of net position that will need to be funded by future operations.

Fund balance: The Schools have implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance classifications to report on the nature and extent to which the Schools are bound to have constraints on the specific purposes for which amounts in those funds can be spent.

The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance – consists of amounts that are not in spendable form and of net position that are legally or contractually required to be maintained intact.
- Restricted fund balance – consists of amounts with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.

Note 2 - Summary of Significant Accounting Policies (continued)

- Committed fund balance – consists of amounts that can be used for specific purposes pursuant to constraints imposed by the government itself, using its highest level of decision making authority.
- Assigned fund balance – consists of amounts that are constrained by the government's intended use of resources but are neither restricted or committed.
- Unassigned – consists of net resources in excess of what can be properly classified in one of the above categories.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the Schools consider restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the Schools consider amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Schools' governing body or its delegated official or body has provided otherwise in its commitment or assignment actions. The details of the fund balances are included in the Balance Sheet – Governmental Funds.

Measurement focus and basis of accounting: The basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. Governmental funds use the current financial resources measurement focus and the government-wide statement uses the economic resources measurement focus.

Governmental activity in the government-wide financial statements is presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental fund financial statements are presented on the modified accrual basis of accounting under which revenue is recognized in the accounting period in which it becomes susceptible to accrual (i.e., when it becomes both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the current period is defined as sixty days.

Cash and cash equivalents: Cash and cash equivalents are defined as demand deposits, money market accounts, and short-term investments with original maturities of three months or less from the date of acquisition.

Prepaid items: Certain payments to vendors reflect costs applicable to future accounting period and are recorded as prepaid items.

Note 2 - Summary of Significant Accounting Policies (continued)

Capital assets: Capital assets purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the Schools as assets with a cost of \$ 1,000 or more and a useful life of over one year. Donated capital assets are valued at their estimated fair market value as of the date received. Additions, improvements, and other expenditures that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related capital assets. Other costs for repairs and maintenance are expensed as incurred.

Depreciation and amortization on all assets is provided on the straight-line basis over the capital assets estimated useful lives as follows:

Building – right of use	5 years
Furniture and equipment	5 years
Vehicles	5 years

Right of use asset: The Schools have recorded a right of use lease asset as a result of implementing GASB 87. The right of use asset is 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 of use asset is amortized on a straight-line basis over the life of the related lease.

Compensated absences: The Schools’ policy allows employees to carry over unused vacation time during the year. Unused sick leave benefits are not paid upon separation from service. No liability for compensated absences was recorded for the year ending June 30, 2023 because management of the Schools has considered the amount to be immaterial.

Unearned revenue: Unearned revenue arises when the Schools receive inflows of resources that do not meet the criteria for revenue recognition. At June 30, 2023, the Schools had unearned revenue of \$ 95, which represented referendum funds not yet earned.

Deferred outflows/inflows of resources: In addition to assets, the statement of net 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(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Schools do not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net 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(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Schools have not recorded any deferred inflows as of June 30, 2023.

Revenue recognition: Student funding is provided by the State of Florida through the District and the Florida State Department of Education. Such funding is recorded as entitlement revenue in the government-wide financial statements and state source revenue in the fund financial statements. This funding is received on a pro rata basis over a twelve-month period and is adjusted for changes in full-time equivalent (FTE) student population.

Grant and contract revenue: Grant and contract revenue is recognized when the allowable costs, as defined by the individual grant or contract, are incurred.

Note 2 - Summary of Significant Accounting Policies (continued)

Use of estimates: The preparation of financial statements in accordance 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 expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Income taxes: The Schools are a division of a nonprofit corporation that 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.

Date of management review: Subsequent events were evaluated by management through September 28, 2023, which is the date the financial statements were available for issuance.

Note 3 - Cash and Cash Equivalents

The Schools use a pooled cash method of accounting as part of the IDEA Florida, Inc. (the "Organization"). At June 30, 2023, the carrying amount of the deposits and cash on hand totaled \$ 3,716,207 with a pooled bank balance of \$ 9,174,422, which includes the balances of the Organization.

State statutes require, and it is the Schools' policy, that all deposits be made into, and be held by, financial institutions designated by the Treasurer of the State of Florida as "qualified public depositories" as defined by Chapter 280 of the Florida Statutes. This Statute requires that every qualified public depository institution maintain eligible collateral to secure the public entity's funds. The minimum collateral to be pledged by an institution, the collateral eligible for pledge, and the reporting requirements of the qualified public depositor to the Treasurer is defined by statute. Collateral is pooled in a multiple qualified public depository institution pool with the ability to assess members of the pool should need arise. The Schools' deposits are held in a qualified public depository and are covered by the collateral pool because the Schools has identified itself as a public entity.

Note 4 - Budgets

The Schools formally adopted budgets for the General and Special Revenue Funds by function for the year ended June 30, 2023. The budgets have been prepared in accordance with accounting principles generally accepted in the United States of America. A comparison of actual results of operations to the budgeted amounts for the General Fund and Special Revenue Fund are presented as required supplementary information.

For the year ended June 30, 2023, expenditures exceeded appropriations in the General Fund by approximately \$ 1.2 million. These over expenditures were mainly caused by the Schools not budgeting for the capital outlay expenditures, which were mostly offset by lease issuances as well as cost savings in operations.

IDEA Bassett and IDEA River Bluff
Notes to Basic Financial Statements
June 30, 2023

Note 5 - Due from Government Agencies

Due from government agencies at June 30, 2023 consists primarily of amounts due from the District for capital outlay and from the Department of Education for Elementary and Secondary Emergency Assistance Grants (ESSER).

Note 6 - Capital Assets

A summary of changes in governmental capital assets is as follows:

	Balance at July 1, 2022	Additions	Retirements	Balance at June 30, 2023
Capital assets not being depreciated/amortized:				
Construction in progress	\$ <u>29,621</u>	\$ <u>122,744</u>	\$ <u>-</u>	\$ <u>152,365</u>
Total capital assets not being depreciated/amortized	<u>29,621</u>	<u>122,744</u>	<u>-</u>	<u>152,365</u>
Capital assets being depreciated/amortized:				
Intangible right of use:				
Building	99,185	10,439,725	(99,185)	10,439,725
Office equipment	-	286,377	-	286,377
Furniture and equipment	-	205,609	-	205,609
Vehicles	<u>1,802,576</u>	<u>-</u>	<u>-</u>	<u>1,802,576</u>
Total capital assets being depreciated/amortized	<u>1,901,761</u>	<u>10,931,711</u>	<u>(99,185)</u>	<u>12,734,287</u>
Accumulated depreciation/amortization:				
Intangible right of use:				
Building	48,356	2,456,269	(94,852)	2,409,773
Office equipment	-	70,800	-	70,800
Furniture and equipment	-	31,756	-	31,756
Vehicles	<u>35,856</u>	<u>360,515</u>	<u>-</u>	<u>396,371</u>
Total accumulated depreciation/amortization	<u>84,212</u>	<u>2,919,340</u>	<u>(94,852)</u>	<u>2,908,700</u>
Net capital assets	\$ <u><u>1,847,170</u></u>	\$ <u><u>8,135,115</u></u>	\$ <u><u>(4,333)</u></u>	\$ <u><u>9,977,952</u></u>

The provision for depreciation and amortization for the year ended June 30, 2023 amounted to \$ 2,919,340. The Schools allocated 2% of the depreciation to general and admin, 12% to transportation, and 86% to the operation of the facility.

As part of the Schools' charter contract, all capital assets purchased with public funds will automatically revert to the District upon the non-renewal or termination of this contract.

IDEA Bassett and IDEA River Bluff
Notes to Basic Financial Statements
June 30, 2023

Note 7 - Line of Credit

In 2023, the Schools entered into a \$ 10 million line of credit agreement with Charter Asset Management to provide working capital to Idea Florida, Inc. The line has a maturity of August 31, 2024, and each advance will bear an interest rate equal to the Prime Rate plus 3.20%. As of June 30, 2023, the line of credit had an outstanding balance of \$ 4.75 million. The line of credit also contains various financial covenants of which the Organization is in compliance.

Note 8 - Debt

Debt activity as of June 30, 2023, consists of the following:

	Balance at July 1, 2022	Additions	Retirements	Balance at June 30, 2023	Due Within One Year
Line of credit	\$ -	\$ 4,750,000	\$ -	\$ 4,750,000	\$ -
CFNF Note payable	<u>1,200,000</u>	<u>-</u>	<u>561,963</u>	<u>638,037</u>	<u>638,037</u>
	<u>\$ 1,200,000</u>	<u>\$ 4,750,000</u>	<u>\$ 561,963</u>	<u>\$ 5,388,037</u>	<u>\$ 638,037</u>

CFNF Note Payable: Previously, the Schools entered into a loan agreement for \$ 1,200,000 to provide funding to open the schools located in Jacksonville, Florida. The note bears an interest rate of 2.00% per annum and will mature on April 30, 2024. Monthly interest only payments of \$ 2,000 were due through September 1, 2022, at which time monthly payments of \$ 58,196 began and continue through maturity.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 638,037	\$ 6,356	\$ 644,393
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 638,037</u>	<u>\$ 6,356</u>	<u>\$ 644,393</u>

Note 9 - Leases

During the year, the Schools occupied their locations activating their facility leases effective through June 30, 2026. In addition, they entered into several other equipment leases for operations. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the implementation date of July 1, 2022. The discount rate used to recognize the intangible right of use asset and the lease liability was 5.00%. Payments are due monthly of approximately \$ 264,500 for 2024.

IDEA Bassett and IDEA River Bluff
Notes to Basic Financial Statements
June 30, 2023

Note 9 - Leases (continued)

The following is a schedule of the Schools' future base rent payments as of June 30, 2023:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 2,816,830	\$ 356,772	\$ 3,173,602
2025	2,920,173	215,342	3,135,515
2026	3,010,019	68,447	3,078,466
Thereafter	-	-	-
	<u>\$ 8,747,022</u>	<u>\$ 640,561</u>	<u>\$ 9,387,583</u>

The lease activity of the year ended June 30, 2023 are as follows:

	Balance at July 1, 2022	Additions	Retirements	Balance at June 30, 2023	Amount Due Within One Year
Leases:					
Building	\$ 50,830	\$ 10,439,725	\$ 1,959,110	\$ 8,531,445	\$ 2,735,426
Equipment	-	286,377	70,800	215,577	81,404
Leases - building and equipment	<u>\$ 50,830</u>	<u>\$ 10,726,102</u>	<u>\$ 2,029,910</u>	<u>\$ 8,747,022</u>	<u>\$ 2,816,830</u>

Note 10 - Contingencies and Commitments

Grant agreements: The Schools, as a department of the Organization, received financial assistance from Federal and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and may be subject to audit by the grantor agencies. In accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), the Organization is required to conduct "single audits" when either the threshold for federal awards or state financial assistance exceeds \$ 750,000. The federal threshold is exceeded for the Organization, and as a result, the Organization is in the process of completing this requirement.

Management Agreement: The Organization entered into a management services agreement with IPS Enterprises, Inc. ("IPS") effective January 1, 2020 and ending June 30, 2026. The agreement is automatically renewed concurrently with the renewal of any charter schools contract entered into by the Organization. The agreement also applies to any new charter schools performance-based agreements entered into by the Organization.

The agreement provides the Organization with the authority to manage, administer, oversee and supervise all the operations and activities of the charter schools. For the services rendered, IPS will charge 15% of all revenues received by the Schools, exclusive of those received from the "Schools of Hope Program". No management fees were charged to the Schools for the year ended June 30, 2023. In addition, the Schools have a balance due from the IPS of approximately \$ 266,700 representing temporary amounts due for various transactions consummated on the Schools' behalf.

Note 11 - Capital Appropriations Funding

The Florida Department of Education has approved a Charter School Capital Outlay (CSCO) award for the Schools. In each year that funds are appropriated by the State for charter school capital outlay purposes, those funds are allocated among eligible charter schools. The funds for the Schools' allocation are transferred to the Schools once a CSCO Plan has been provided to and approved by the sponsoring district. The Schools' CSCO Award totaled \$ 374,044 for the 2022/2023 school year, which has been recognized as revenue in the accompanying basic financial statements. If the CSCO funds are used to acquire tangible property assets, the School Board has a reversionary interest in those assets. In the even of nonrenewal, termination or breach of the charter school agreement, ownership of the assets would automatically revert to the School Board. The Schools have elected to use these funds to pay for a portion of the operation of plant expenses.

Note 12 - Risk Financing

The Schools are exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets and natural disasters. The Schools have obtained property insurance from commercial companies including, but not limited to, general liability and errors and omissions insurance. There have been no claims in excess of insurance coverage limits during the current year.

REQUIRED SUPPLEMENTARY INFORMATION

**IDEA Basset and IDEA River Bluff
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
State sources	\$ 22,667,278	\$ 18,778,164	\$ 17,592,701	\$ (1,185,463)
Local sources	-	2,956	3,474	518
Total revenues	<u>22,667,278</u>	<u>18,781,120</u>	<u>17,596,175</u>	<u>(1,184,945)</u>
Expenditures:				
Current:				
Regular instruction	10,999,355	8,955,603	6,569,679	2,385,924
Student support services	856,244	1,147,990	609,363	538,627
Instruction related technology	408,090	524,668	241,669	282,999
Staff training	24,306	33,523	3,305	30,218
General and administrative services	6,912,835	8,457,628	6,220,395	2,237,233
Plant operations and maintenance	2,949,049	4,186,088	968,585	3,217,503
Transportation services	1,282,899	1,872,983	502,553	1,370,430
Fiscal services	81,508	287,183	299,777	(12,594)
Community services	39,394	43,237	28,474	14,763
Food services	1,564,772	1,533,996	264,784	1,269,212
Central services	1,500	5,320	4,320	1,000
Professional services	-	-	183,874	(183,874)
Capital outlay	-	-	10,955,270	(10,955,270)
Debt service:				
Principal payments	2,385,854	1,692,411	2,591,873	(899,462)
Interest	-	-	509,632	(509,632)
Total expenditures	<u>27,505,806</u>	<u>28,740,630</u>	<u>29,953,553</u>	<u>(1,212,923)</u>
Excess (deficiency) of revenues over expenditures	(4,838,528)	(9,959,510)	(12,357,378)	(2,397,868)
Other Financing Sources:				
Debt proceeds	-	-	4,750,000	4,750,000
Lease proceeds	-	-	10,726,102	10,726,102
Net change in fund balance	<u>\$ (4,838,528)</u>	<u>\$ (9,959,510)</u>	<u>\$ 3,118,724</u>	<u>\$ 13,078,234</u>

**IDEA Basset and IDEA River Bluff
 Budgetary Comparison Schedule - Special Revenue Fund
 For the Year Ended June 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
National School Lunch and Breakfast Programs	\$ 4,562,604	\$ 1,205,230	\$ 606,279	\$ (598,951)
ESSER	1,469,527	3,196,787	1,199,152	(1,997,635)
Other federal grants	-	758,260	439,127	(319,133)
	<u>6,032,131</u>	<u>5,160,277</u>	<u>2,244,558</u>	<u>(2,915,719)</u>
Expenditures:				
Regular Instruction	-	-	326,286	(326,286)
Student support services	-	-	218,374	(218,374)
Instruction related technology	-	-	52,353	(52,353)
General and administrative	-	831,510	130,055	701,455
Plant operations and maintenance	-	-	69,873	(69,873)
Transportation	-	-	505,844	(505,844)
Food services	88,751	3,219	941,773	(938,554)
	<u>88,751</u>	<u>834,729</u>	<u>2,244,558</u>	<u>(1,409,829)</u>
Total expenditures	<u>88,751</u>	<u>834,729</u>	<u>2,244,558</u>	<u>(1,409,829)</u>
Net change in fund balance	<u>\$ 5,943,380</u>	<u>\$ 4,325,548</u>	<u>\$ -</u>	<u>\$ (4,325,548)</u>

OTHER AUDITOR'S REPORTS



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*

To the Board of Directors
IDEA Bassett and IDEA River Bluff

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 IDEA Bassett and IDEA River Bluff (collectively, the "Schools"), divisions of IDEA Florida, Inc., as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Schools' basic financial statements, and have issued our report thereon dated September 28, 2023.

Report on Internal Control Over Financial Reporting

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

Reporting on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Schools' 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 Schools' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Schools' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEEFE McCULLOUGH

Fort Lauderdale, Florida
September 28, 2023

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS

To the Board of Directors
IDEA Bassett and IDEA River Bluff

Report on the Financial Statements

We have audited the financial statements of IDEA Bassett and IDEA River Bluff (collectively the "Schools"), divisions of IDEA Florida, Inc., as of and for the year ended June 30, 2023, and have issued our report thereon dated September 28, 2023.

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 28, 2023, 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. Since this is the initial year of operations, there were no 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 Schools' code assigned by the Florida Department of Education be disclosed in this management letter. The official titles and School codes assigned by the Florida Department of Education of the Schools, respectively, are IDEA Bassett and IDEA River Bluff and 165931 and 165951.

CPAs + Trusted Advisors

Financial Condition and Management

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, requires us to apply appropriate procedures and communicate whether or not the Schools have 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 Schools 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 Schools. It is management's responsibility to monitor the Schools' financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any 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 Schools maintain on their website the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the Schools maintained on their website the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

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

Purpose of this Letter

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

KEEFE McCULLOUGH

Fort Lauderdale, Florida
September 28, 2023

IDEA Florida, Inc.

Financial Statements
For the Year Ended June 30, 2023



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
IDEA Florida, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of IDEA Florida, Inc. (a non-profit organization) (the "Organization"), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses and cash flows for the year 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 Organization as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Governmental 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 Organization 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 opinion.

Emphasis of Matter

As discussed further in Note 11 to the financial statements, the Organization was the sole member of an LLC, IPS Florida, LLC, which was formed in May 2022 and subsequently transferred to another not-for-profit entity. None of the activities of the LLC have been included in these financial statements. Our opinion is not modified with respect to that matter.

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 Organization'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 *Governmental 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 *Governmental 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 Organization'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 Organization'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the financial statements.

IDEA Florida, Inc.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 27, 2023, on our consideration of the Organization’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 Organization’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 Organization’s internal control over financial reporting and compliance.

KEEFE McCULLOUGH

Fort Lauderdale, Florida
October 27, 2023

FINANCIAL STATEMENTS



IDEA Florida, Inc.
Statement of Financial Position
June 30, 2023

Current Assets:

Cash and cash equivalents	\$ 9,027,060
Grants and awards receivable	<u>1,869,655</u>
Total current assets	<u>10,896,715</u>

Noncurrent Assets

Due from management company	5,028,744
Property and equipment, net	2,887,108
Right of use, net	19,296,469
Deposits	<u>128,821</u>
Total noncurrent assets	<u>27,341,142</u>

Total assets	<u>\$ 38,237,857</u>
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Current Liabilities:

Accounts payable	\$ 4,485,541
Accrued liabilities	1,612,766
Deferred revenue and refundable advances	1,960,166
Current portion of operating lease liability	6,289,195
Debt - due in one year	<u>638,037</u>
Total current liabilities	<u>14,985,705</u>

Noncurrent Liabilities:

Operating lease liability, net of current portion	13,370,311
Debt - due in in more than one year	<u>9,500,000</u>
Total noncurrent liabilities	<u>22,870,311</u>

Total liabilities	<u>37,856,016</u>
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Net Assets (Deficit):

Without Donor Restrictions	(1,142,813)
With donor restrictions	<u>1,524,654</u>

Total net assets	<u>381,841</u>
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Total liabilities and net assets	<u>\$ 38,237,857</u>
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The accompanying notes to financial statements are an integral part of these statements.

IDEA Florida, Inc.
Statements of Activities
For the Year Ended June 30, 2023

Net Assets Without Donor Restrictions:

Operating revenue and public support:	
Government grants and awards	\$ 50,545,048
Contributions	528,000
Net assets released from restriction	150,720
Other	<u>30,557</u>
 Total operating revenues, public support and net assets released from restrictions	 <u>51,254,325</u>

Expenses:

Program services:	
Education	42,792,064
Supporting services:	
Management and general	<u>8,701,656</u>
 Total expenses	 <u>51,493,720</u>
 Change in net assets without donor restrictions	 <u>(239,395)</u>

Net Assets With Donor Restrictions:

Contributions and awards	655,961
Net assets released from restrictions	<u>(150,720)</u>
 Change in net assets with donor restrictions	 <u>505,241</u>
 Change in net assets	 265,846

Net Assets, July 1, 2022	<u>115,995</u>
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Net Assets, June 30, 2023	\$ <u><u>381,841</u></u>
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The accompanying notes to financial statements are an integral part of these statements.

IDEA Florida, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2023

	<u>Education</u>	<u>Management and General</u>	<u>Total</u>
Contracted services	\$ 27,673,431	\$ 5,277,605	\$ 32,951,036
Rentals	5,898,611	598,910	6,497,521
Office expenses and other	3,247,935	473,977	3,721,912
Program services and supplies	1,962,173	64,525	2,026,698
Interest and other fiscal charges	-	1,142,522	1,142,522
Insurance	1,042,048	-	1,042,048
Salaries	883,355	-	883,355
Depreciation	694,420	58,371	752,791
Taxes - other	-	716,594	716,594
Utilities	546,131	-	546,131
Travel	263,810	122,993	386,803
Repairs and maintenance	282,206	-	282,206
Legal and professional services	79,558	163,367	242,925
Telecommunications	24,716	62,510	87,226
Employee benefits	81,524	-	81,524
Payroll taxes	52,491	-	52,491
Employee retirement	34,955	-	34,955
Professional development	24,700	-	24,700
Information and Tech	-	18,386	18,386
Dues and subscriptions	-	1,896	1,896
	<u> </u>	<u> </u>	<u> </u>
Total expenses	\$ <u>42,792,064</u>	\$ <u>8,701,656</u>	\$ <u>51,493,720</u>

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

IDEA Florida, Inc.
Statement of Cash Flows
For the Year Ended June 30, 2023

Cash Flows from Operating Activities:	
Change in net assets	\$ 265,846
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Provision for depreciation	752,791
Amortization of operating lease right-of-use asset	5,887,351
(Increase) decrease in assets:	
Grants and awards receivable	(1,185,573)
Prepaid expenses	81,468
Deposits	(101,743)
Due from management company	(5,028,744)
(Increase) decrease in liabilities:	
Accounts payable	3,407,012
Accrued liabilities	897,170
Due to management company	(248,143)
Deferred revenue	472,166
Operating lease liability	<u>(5,363,349)</u>
Net cash provided by (used in) operating activities	<u>(163,748)</u>
Cash Flows from Investing Activities:	
Purchase of property and equipment	<u>(328,355)</u>
Net cash used in investing activities	<u>(328,355)</u>
Cash Flows from Financing Activities:	
Proceeds from debt	9,500,000
Principal payments on debt	<u>(561,963)</u>
Net cash used in financing activities	<u>8,938,037</u>
Net increase in cash, cash equivalents and restricted cash	8,445,934
Cash and Cash Equivalents, July 1, 2022	<u>581,126</u>
Cash and Cash Equivalents, June 30, 2023	<u>\$ 9,027,060</u>

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

Note 1 - Organization and Operations

IDEA Florida, Inc., (“Organization”) is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 228.056, Florida Statutes. The Organization was established in 2019 and commenced operations in 2021 establishing charter schools in Tampa and Jacksonville.

The Organization receives funding from the State of Florida and from the School Boards of Hillsborough County and Duval County, Florida (collectively the “School Boards”) based on student population. The Organization may also receive other revenues, including grants, contributions, food service revenues, and community service revenues.

Note 2 - Summary of Significant Accounting Policies

Basis of accounting: Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported on the financial statements. The financial statements of the Organization are prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

Basis of presentation: Financial statement presentation follows the recommendation of the Financial Accounting Standards Board in its Accounting Standards Update (FASB ASU) 2016-14 *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Under FASB ASU 2020-07, the Reporting Organization 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. As of June 30, 2023, the Organization had assets with donor restrictions (Note 8).

Net assets: Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- *Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- *Net Assets With Donor Restrictions* - Net assets subject to donor (or certain grantor) imposed restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor or grantor. Other restrictions are perpetual in nature, where the donor or grantor stipulates that resources be maintained in perpetuity. Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Note 2 - Summary of Significant Accounting Policies (continued)

All contributions are considered available for general use, unless specifically restricted by the donor or subject to other legal restrictions. All restricted contributions received and expended are for the operations of the Schools.

Reporting Organization: The Organization's Schools operate under charters granted by their sponsoring School Board. The charters normally run for a five year period.

Charters may be renewed by mutual written agreement between the individual School and the School Board. 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 School in writing at least ninety 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.

Cash and cash equivalents: The Organization considers all demand accounts and money market funds which are not subject to withdrawal restrictions to be cash and cash equivalents. The Organization routinely maintains cash balances at financial institutions which exceed federally insured amounts. The Organization has not experienced losses in such accounts and does not believe it is exposed to any significant credit risk.

State statutes require, and it is the Schools' policy, that all deposits be made into, and be held by, financial institutions designated by the Treasurer of the State of Florida as qualified public depositories as defined by Chapter 280 of the Florida Statutes. This statute requires that every qualified public depository institution maintain eligible collateral to secure the public Organization's funds. The minimum collateral to be pledged by an institution, the collateral eligible for pledge, and reporting requirements of the qualified public depositor to the treasurer is defined by the statute. Collateral is pooled in a multiple qualified public depository institution pool with the ability to assess members of the pool should the need arise. The Schools' deposits are held in a qualified public depository. They are covered by the collateral pool as the Schools have identified themselves as public entities at June 30, 2023.

Restricted cash and cash equivalents: At June 30, 2023, the Organization maintains cash balances that are restricted for designated donor purposes and included in cash and cash equivalents on the accompanying statement of financial position.

Promises to give: The Organization records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques using risk-adjusted discount rates. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities.

Prepaid expenses: Certain payments reflect costs applicable to services for a future accounting period and are recorded as prepaid expenses in the accompanying financial statements.

Property and equipment: Property and equipment purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined as assets with an initial cost of at least \$ 5,000 and a useful life of over one year. Donated property and equipment assets are valued at the estimated fair market value as of the date received. Additions, improvements, and other major renewals that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related assets. Other costs incurred for repairs and maintenance are charged to expense as incurred.

Note 2 - Summary of Significant Accounting Policies (continued)

If donors stipulate the period of time during which the assets must be used, the contributions are recorded as support with donor restrictions, and released as restrictions expire. In the absence of such stipulations, contributions of property and equipment and gifts of cash restricted for the acquisition of property and equipment, are recorded as support without donor restrictions when the assets are placed in service.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives as follows:

Computer software	3 years
Furniture and equipment	5-10 years
Vehicles	5 years

Right of use assets: The Organization has recorded right of use lease assets as a result of implementing the Financial Accounting Standards Board, Accounting Standards Update 2016-02, *Leases (Topic 842)*. The right of 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 of use assets are amortized on a straight-line basis over the life of the related lease.

Revenue and revenue recognition: The Organization recognizes contributions when cash, securities, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met or explicitly waived.

A portion of the Organization's revenue is derived from cost-reimbursement federal and state contracts, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses, is recognized when such expenditures are incurred in compliance with specific contract provisions.

Amounts received prior to meeting certain conditions, including measurable performance or other barrier, and/or incurring qualifying expenditures in compliance with the specific grant or contract are reported as a liability, refundable advances, in the statement of financial position.

Student funding is provided by the State of Florida through the School Boards. This funding is received on a pro rata basis over a twelve-month period and is adjusted for changes in full-time equivalent (FTE) student population.

Deferred revenue: Revenues received in advance from other income that are considered exchange transactions are deferred to the applicable period.

Functional allocation of expenses: The costs of providing the programs and activities of the Organization have been summarized on a functional basis in the accompanying statement of functional expenses. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited

Note 2 - Summary of Significant Accounting Policies (continued)

Use of estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of financial statements and revenues and expenses recognized during the reporting period. Actual results could differ from those estimates.

Date of management's review: Subsequent events have been evaluated through October 27, 2023, which is the date the financial statements were issued.

Note 3 - Liquidity and Availability of Financial Assets

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Financial Assets:	
Cash and cash equivalents	\$ 9,027,060
Due from other agencies	<u>1,869,655</u>
Financial assets at year-end	10,896,715
Less those unavailable for general expenditures within one year, due to:	
Contractual or donor imposed restrictions	<u>1,524,654</u>
Financial assets available within one year to meet cash needs for general expenditures within on year	<u><u>\$ 9,372,061</u></u>

Note 4 – Property, Equipment and Right of Use Assets

Property and equipment consist of the following at June 30, 2023:

Intangible right of use buildings	\$ 26,261,772
Construction in progress	152,365
Furniture and equipment	253,712
Vehicles	<u>3,538,438</u>
	30,206,287
Less accumulated depreciation/amortization	<u>(8,022,710)</u>
Net property and equipment and right of use assets	<u><u>\$ 22,183,577</u></u>

Note 4 – Property, Equipment and Right of Use Assets (continued)

If certain governmental funding is used to acquire tangible property assets, the School Board has a reversionary interest in those assets. In the event of nonrenewal, termination, or breach of the charter school agreement, ownership of the assets would automatically revert to the School Board.

Note 5 – Line of Credit Debt

In 2023, the Organization entered into a \$ 10 million line of credit agreement with Charter Asset Management to provide working capital. The line has a maturity of August 31, 2024, and each advance will bear an interest rate equal to the Prime Rate plus 3.20%. As of June 30, 2023, the line of credit had an outstanding balance of \$ 9.5 million. The line of credit also contains various financial covenants of which the Organization is in compliance.

Note 6 - Debt

Previously, the Organization entered into an agreement to borrow \$ 1,200,000 to provide for startup costs to establish two of the Organization’s campuses in Jacksonville, Florida. The loan incurs interest at 2% and requires monthly interest only payments through August 2022 where the monthly payment increases to a principal and interest payment of approximately \$ 58,200 until the loan is due in full May 2024.

The annual debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 638,037	\$ 22,000	\$ 660,037
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>
Total	\$ <u><u>638,037</u></u>	\$ <u><u>22,000</u></u>	\$ <u><u>660,037</u></u>

Note 7 – Leases

The Organization entered into several operating leases during the year primarily for their schools’ facility operations. The leases are effective through June 30, 2026. The lease agreements qualify as other than short-term leases under Financial Accounting Standards Board, Accounting Standards Update 2016-02, *Leases (Topic 842)* and, therefore, have been recorded at the present value of the future minimum lease payments. The discount rate used to recognize the intangible right of use asset and the lease liability was 5.17%. Payments are due monthly of approximately \$ 592,000 for 2023 and at slightly lower amounts through to the expiration of the leases.

Note 7 – Leases (continued)

Future lease payment obligations are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 6,289,195	\$ 817,126	\$ 7,106,321
2025	6,533,067	495,669	7,028,736
2026	6,837,244	158,708	6,995,952
Thereafter	-	-	-
Total	\$ <u>19,659,506</u>	\$ <u>1,471,503</u>	\$ <u>21,131,009</u>

Note 8 – Net Assets with Donor Restrictions

Net assets with donor restrictions consist of cash and are available for the following:

Start up operations - Lakeland	\$ 1,487,500
Educational expenses	<u>37,154</u>
	<u>\$ 1,524,654</u>

Additionally, net assets were released from restrictions by incurring expenses as follows:

Satisfaction of purpose restrictions:	
Start up operations and establishment - Lakeland	\$ 112,500
Other educational expenses	<u>38,220</u>
	<u>\$ 150,720</u>

Note 9 – Management Services Agreement

The Organization entered into a management services agreement with IPS Enterprises, Inc. (“IPS”) effective January 1, 2020 and ending June 30, 2026. The agreement is automatically renewed concurrently with the renewal of any charter school contract entered into by the Organization. The agreement also applies to any new charter school performance-based agreements entered into by the Organization.

The agreement provides the Organization with the authority to manage, administer, oversee and supervise all the operations and activities of the charter schools. For the services rendered, IPS will charge 15% of all revenues received by the Organization, exclusive of those received from the “School of Hope Program”. The management fee for the year ended June 30, 2023 was \$ 2,141,061.

In connection with various transactions involving the operations of the schools, IPS typically advances monies, receives monies and consummates other transaction on behalf of the Organization. As a result of these various activities, the Organization is due approximately \$ 5,029,000.

Note 10 - Income Taxes

The Organization is a nonprofit corporation that 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.

Note 11 – Emphasis of Matter

The Organization was the sole member of an LLC, IPS Florida, LLC, which was formed in May 2022 and subsequently transferred to another entity, IPS Enterprises, Inc. The LLC was initially formed under the Organization until the intended not-for-profit entity had been properly established. None of the activities of the LLC have been included in these financial statements.

Note 12 - Supplemental Cash Flow Information

Summarized cash flow information is as follows:

Cash paid during the year for - Interest expense	\$ <u>1,142,522</u>
Other Noncash Investing Activities and Financing Activities:	
Acquisition of Property and Equipment - Cost of property and equipment including right of use leases	\$ 19,485,932
Less: financed property and equipment	<u>(19,157,577)</u>
Cash paid for property and equipment	\$ <u>328,355</u>
Issuance of debt and right of use liabilities- New debt issued including lease liabilities for right of use assets	\$ 28,657,577
Less: debt used for property and equipment including right of use leases	<u>(19,157,577)</u>
Cash debt proceeds	\$ <u>9,500,000</u>

SUPPLEMENTARY INFORMATION



IDEA Florida, Inc.
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

<u>Federal Agency/Federal Program</u>	<u>Assistance Listing Number</u>	<u>Contract/Grant Number</u>	<u>Expenditures</u>	<u>Transfers to Subrecipients</u>
Federal Agency Name:				
Indirect Programs:				
U.S. Department of Education -				
Passed through Florida Department of Education -				
Elementary and Secondary Emergency Relief Fund (ESSER) II	** 84.425D	99H-1211E-1CR01	\$ 1,562,085	\$ -
Elementary and Secondary Emergency Relief Fund (ESSER) III	** 84.425U	99H-1211A-2C001	<u>1,489,061</u>	-
Subtotal - ESSER			3,051,146	
Title I Grants to local Educational Agencies	84.010A	99H-2123B-3CB01	926,807	-
Title III Grants to local Educational Agencies	84.365A	99H-1023B-3C001	19,343	-
IDEA Part B, K-12 Entitlement (Special Education Cluster)	84.027A	99H-2633B-3CB01	<u>130,858</u>	-
U.S. Department of Education Total			<u>4,128,154</u>	<u>-</u>
U.S. Department of Agriculture -				
Passed through Florida Department of Agriculture				
Supply Chain Assistance Funding	10.555	-	-	-
National School Lunch Program	10.555	-	1,379,984	-
School Breakfast Program	10.553	-	597,955	-
Supper Revenue	10.553	-	<u>246,787</u>	-
U.S. Department of Agriculture and Child Nutrition Cluster Total			<u>2,224,726</u>	-
Total Expenditures of Federal Awards			<u>\$ 6,352,880</u>	<u>\$ -</u>

** Denotes COVID-19 funding

See notes to schedule if expenditures of federal awards.

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the Federal grant activity of the Organization for the year ended June 30, 2023. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations, it is not intended to and does not present the financial position, change in net assets, or cash flows of the Organization.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, as well as other applicable provisions of contracts and grant agreements, wherein certain types of expenditures are not allowable or are limited as to reimbursements, as applicable.

Note 3 – Indirect Cost Rate

The Organization did not elect to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4 – Contingency

The grant and contract revenue amounts received are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor/contract agencies would become a liability of the Organization. In the opinion of management, all grant and contract expenditures are in compliance with the terms of the agreements and applicable Federal and state laws and other applicable regulations.

INTERNAL CONTROLS AND COMPLIANCE

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*

To the Board of Directors
IDEA Florida, 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 IDEA Florida, Inc. (the "Organization") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023 and the related statements of activities, 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 October 27, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization'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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 Organization'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 Organization'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEEFE McCULLOUGH

Fort Lauderdale, Florida
October 27, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
IDEA Florida, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited IDEA Florida, Inc.'s (the "Organization") (a nonprofit organization) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2023. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance.

IDEA Florida, Inc.

Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

KEEFE McCULLOUGH

Fort Lauderdale, Florida
October 27, 2023

IDEA Florida, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2023

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:

Unmodified Opinion

Internal control over financial reporting:

Material weakness(es) identified?

_____ yes X no

Significant deficiency(ies) identified?

_____ yes X none reported

Noncompliance material to financial statements noted?

_____ yes X no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?

_____ yes X no

Significant deficiency(ies) identified?

_____ yes X none reported

Type of auditor's report issued on compliance for major federal program:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

_____ yes X no

Identification of major federal programs:

Assistance

Listing No.

Federal Program

84.425 Elementary and Secondary Emergency Relief Fund

84.010 Title I Grants to local Educational Agencies

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

_____ yes X no

SECTION II - FINANCIAL STATEMENTS FINDINGS

None Reported.

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None Reported.

SECTION IV - PRIOR YEAR AUDIT FINDINGS

None Reported.

IDEA Hope and IDEA Victory

A division of IDEA Florida, Inc.
(A component unit of the Hillsborough County
Public School District)

Basic Financial Statements
and Additional Information
For the Year Ended June 30, 2023



IDEA Hope and IDEA Victory

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
IDEA Hope and IDEA Victory

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 IDEA Hope and IDEA Victory (the "Schools"), divisions of IDEA Florida, Inc., as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Schools' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Schools, as of June 30, 2023, 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 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 Schools 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.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Schools are intended to present the financial position and change in financial position of only that portion of the governmental activities and each major fund of IDEA Florida, Inc. that is attributable to the transactions of the Schools. They do not purport to, and do not, present fairly the financial position of IDEA Florida, Inc. as of June 30, 2023 and the changes in its financial position and budgetary comparisons, where applicable, for the year ended June 30, 2023 in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

CPAs + Trusted Advisors

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Schools' 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 Schools' ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison for the General Fund and Special Revenue Fund on pages 4 through 7 and 22 through 23, respectively, 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 28, 2023, on our consideration of the Schools' 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 Schools' 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 Schools' internal control over financial reporting and compliance.

KEEFE McCULLOUGH

Fort Lauderdale, Florida
September 28, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of IDEA Hope's and IDEA Victory's (the "Schools") financial performance provides an overview of the Schools' financial activities for the year ended June 30, 2023 with certain comparative information for 2022. Please read this section in conjunction with the Schools' financial statements, which immediately follow this discussion.

Financial Highlights

The following are the highlights of financial activity for the year ended June 30, 2023:

- The Schools' total assets exceeded its liabilities at June 30, 2023 by \$ 504,601 (net position), compared to a deficit of \$ (871,622) for the year ended June 30, 2022.
- The Schools' total revenues were \$ 30,905,900 primarily consisting of \$ 25,980,897 from general revenues including FTE revenues and state money from the Department of Education and \$ 4,925,003 from operating grants, capital grants, and contributions. The Schools' expenses for the year were \$ 29,529,677. Net position for the year increased by \$ 1,376,223.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Schools' basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

Government-wide financial statements:

The government-wide financial statements, which consist of the following two statements, are designed to provide readers with a broad overview of the Schools' finances, in a manner similar to a private-sector business:

- The statement of net position presents information on all the Schools' assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Schools are improving or deteriorating.
- The statement of activities presents information showing how the Schools' net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

The government-wide financial statements can be found on pages 8 and 9 of this report.

Fund financial statements:

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Schools only have one category of funds - governmental funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the year. Such information may be useful in evaluating the Schools' near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Schools' near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The Schools maintain several individual governmental funds. The General Fund, Special Revenue Fund and Capital Projects Fund are considered to be the Schools' major funds.

A budgetary comparison statement has been provided for the General Fund and Special Revenue Fund to demonstrate compliance with the budgets.

The governmental fund financial statements can be found on pages 10 through 13 of this report.

Notes to basic financial statements:

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 14 through 21 of this report.

Other information:

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Schools' General Fund and Special Revenue Fund adopted budgets to actual results. Required supplementary information can be found on pages 22 and 23 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of financial position.

**IDEA Hope and IDEA Victory
Management's Discussion and Analysis
June 30, 2023**

Government-Wide Financial Analysis (continued)

The following table reflects the condensed government-wide statements of net position:

IDEA Hope and IDEA Victory Net Position (Deficit)		
	June 30, 2023	June 30, 2022
Current Assets	\$ 9,563,052	\$ 281,635
Noncurrent Assets	<u>12,210,475</u>	<u>7,496,467</u>
Total assets	<u>21,773,527</u>	<u>7,778,102</u>
Current Liabilities	9,078,807	5,790,403
Noncurrent Liabilities	<u>12,190,119</u>	<u>2,859,321</u>
Total liabilities	<u>21,268,926</u>	<u>8,649,724</u>
Net Position (deficit):		
Net investment in capital assets	1,293,141	1,676,169
Unrestricted	<u>(788,540)</u>	<u>(2,547,791)</u>
Total net position	<u>\$ 504,601</u>	<u>\$ (871,622)</u>

A portion of the Schools' net position reflect its investment in capital assets, less any related outstanding debt used to acquire those assets. The Schools use these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the Schools' investment in its capital assets is reported net of related debt (if any), it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Resources that are subject to external restrictions on how they may be used are classified as restricted assets. As of June 30, 2023, the Schools had no restricted assets.

As reflected below, the net position is showing an increase of \$ 1,376,223 for the year ended June 30, 2023 as summarized in the following table:

IDEA Hope and IDEA Victory Changes in Net Position		
	June 30, 2023	June 30, 2022
Revenues:		
General revenues	\$ 25,980,897	\$ 18,500,940
Program revenues	<u>4,925,003</u>	<u>2,484,033</u>
Total revenues	<u>30,905,900</u>	<u>20,984,973</u>
Expenses:		
Instruction	8,912,226	6,736,722
Instructional support services	15,862,383	13,180,098
Operation of non-instructional services	<u>4,755,068</u>	<u>3,106,666</u>
Total expenses	<u>29,529,677</u>	<u>23,023,486</u>
Change in net position	<u>\$ 1,376,223</u>	<u>\$ (2,038,513)</u>

Financial Analysis of the Schools' Funds

As noted earlier, the Schools use fund accounting to maintain control over resources that have been segregated for specific activities or objectives. The focus of the Schools' governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Schools' financing requirements. In particular, unreserved fund balance, if any, may serve as a useful measure of the Schools' net resources available for spending at the end of the fiscal year.

General Fund Budgetary Highlights

The 2022-2023 budget was amended at the end of the fiscal year to update anticipated revenues and expenditures.

Capital Assets and Debt Administration

Capital assets: The Schools' investment in capital assets as of June 30, 2023 was \$ 12,205,625, net of accumulated depreciation and amortization. This investment in capital assets is composed of a right of use building, furniture and equipment and vehicles. A more detailed analysis is provided in Note 6 to the financial statements.

Long-term debt: At June 30, 2023, the Schools had outstanding debt of \$ 4,750,000. A more detailed analysis is provided in Note 7 to the financial statements.

Economic Factors for 2023-2024

Total funding for capital outlay is expected to increase slightly in the next year, along with a new local tax largely offset by reduced ESSER and philanthropy, in addition to increases in regular FEFP revenues on a per student basis. Given student enrollment to increase from 1,540 to 1,831 in 2023-2024 due to rising grade levels, the overall effect will be a significant increase in total FEFP revenues.

Requests for Information

This financial report is designed to provide a general overview of IDEA Hope and IDEA Victory' finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to IDEA Florida, Inc. 9321 W. Sam Houston Parkway South, Houston, TX 77099.

BASIC FINANCIAL STATEMENTS

IDEA Hope and IDEA Victory
Statement of Net Position (Deficit)
June 30, 2023

Current Assets:

Cash	\$ 3,715,435
Due from government agencies	951,085
Due from management company	4,762,925
Other receivables	4,372
Prepaid items	<u>129,235</u>
Total current assets	<u>9,563,052</u>

Noncurrent Assets:

Capital assets, net of accumulated depreciation and amortization	12,205,625
Deposits	<u>4,850</u>
Total noncurrent assets	<u>12,210,475</u>
Total assets	<u>21,773,527</u>

Current Liabilities:

Accounts payable	2,834,102
Accrued liabilities	812,269
Unearned revenues	1,960,071
Leases	<u>3,472,365</u>
Total current liabilities	<u>9,078,807</u>

Noncurrent Liabilities:

Line of credit	4,750,000
Leases	<u>7,440,119</u>
Total noncurrent liabilities	12,190,119
Total liabilities	<u>21,268,926</u>

Net Position (Deficit):

Net investment in capital assets	1,293,141
Unrestricted (deficit)	<u>(788,540)</u>
Total net position	<u>\$ 504,601</u>

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

**IDEA Hope and IDEA Victory
Statement of Activities
For the Year Ended June 30, 2023**

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Governmental Activities Net Revenues (Expenses) and Change in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Functions/Programs:					
Governmental activities:					
Regular instruction	\$ 8,912,226	\$ -	\$ 637,882	\$ -	\$ (8,274,344)
Student support services	730,470	-	-	-	(730,470)
Instruction related technology	130,184	-	-	-	(130,184)
Staff training	54,155	-	-	-	(54,155)
General and administrative services	9,149,804	-	1,851,993	-	(7,297,811)
Plant operations and maintenance	5,797,770	-	-	845,558	(4,952,212)
Transportation	2,017,914	-	-	-	(2,017,914)
Fiscal services	205,839	-	-	-	(205,839)
Community services	15,245	-	-	-	(15,245)
Food services	1,741,139	-	1,589,570	-	(151,569)
Central services	42,041	-	-	-	(42,041)
Debt service	100,000	-	-	-	(100,000)
Interest expense	632,890	-	-	-	(632,890)
Total governmental activities	\$ <u>29,529,677</u>	\$ <u>-</u>	\$ <u>4,079,445</u>	\$ <u>845,558</u>	<u>(24,604,674)</u>
General revenues:					
FTE nonspecific revenues and Schools of Hope Funding					25,418,958
Miscellaneous revenues					<u>561,939</u>
Total general revenues					<u>25,980,897</u>
Change in net position					1,376,223
Net position (Deficit), July 1, 2022, as restated (Note 12)					<u>(871,622)</u>
Net position, June 30, 2023					\$ <u><u>504,601</u></u>

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

**IDEA Hope and IDEA Victory
Balance Sheet - Governmental Funds
June 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Assets:				
Cash	\$ 3,715,435	\$ -	\$ -	\$ 3,715,435
Due from government agencies	951,085	-	-	951,085
Due from management company	4,762,925	-	-	4,762,925
Other receivables	4,372	-	-	4,372
Prepaid items	129,235	-	-	129,235
Deposits	<u>4,850</u>	<u>-</u>	<u>-</u>	<u>4,850</u>
Total assets	<u>\$ 9,567,902</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,567,902</u>
Liabilities:				
Accounts payable	\$ 2,834,102	\$ -	\$ -	\$ 2,834,102
Accrued liabilities	812,269	-	-	812,269
Unearned revenue	<u>1,960,071</u>	<u>-</u>	<u>-</u>	<u>1,960,071</u>
Total liabilities	<u>5,606,442</u>	<u>-</u>	<u>-</u>	<u>5,606,442</u>
Fund Balances:				
Nonspendable for prepaid items and deposits	134,085	-	-	134,085
Unassigned	<u>3,827,375</u>	<u>-</u>	<u>-</u>	<u>3,827,375</u>
Total fund balances	<u>3,961,460</u>	<u>-</u>	<u>-</u>	<u>3,961,460</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 9,567,902</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,567,902</u>

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

**IDEA Hope and IDEA Victory
 Reconciliation of the Balance Sheet - Governmental Funds
 to the Statement of Net Position (Deficit)
 June 30, 2023**

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

Governmental fund balances: \$ 3,961,460

Amounts reported for governmental activities in the
 statement of net position are different because:

Capital assets used in governmental activities
 are not financial resources and therefore are
 not reported in the governmental funds.

Cost of capital assets	\$	17,319,635	
Accumulated depreciation and amortization		<u>(5,114,010)</u>	12,205,625

Liabilities not payable with current available resources
 are not reported as fund liabilities in the governmental
 fund statements. All liabilities both current and
 long-term, are reported in the government-wide
 statements.

Debt		(4,750,000)	
Leases		<u>(10,912,484)</u>	

Net Position of Governmental Activities \$ 504,601

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

**IDEA Hope and IDEA Victory
Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Revenues:				
State sources	\$ 25,418,958	\$ -	\$ 845,558	\$ 26,264,516
Federal sources	-	4,079,445	-	4,079,445
Local sources	561,939	-	-	561,939
Total revenues	<u>25,980,897</u>	<u>4,079,445</u>	<u>845,558</u>	<u>30,905,900</u>
Expenditures:				
Current:				
Regular Instruction	8,449,719	462,507	-	8,912,226
Student support services	642,126	88,344	-	730,470
Instruction related technology	130,184	-	-	130,184
Staff training	54,155	-	-	54,155
General and administrative services	8,659,660	481,026	-	9,140,686
Plant operations and maintenance	1,200,702	393,544	845,558	2,439,804
Transportation	755,647	924,211	-	1,679,858
Fiscal services	205,839	-	-	205,839
Community services	15,245	-	-	15,245
Food services	-	1,729,813	-	1,729,813
Central services	42,041	-	-	42,041
Professional services	100,000	-	-	100,000
Capital outlay	8,431,474	-	-	8,431,474
Debt service:				
Principal payments on leases	3,333,439	-	-	3,333,439
Interest	632,890	-	-	632,890
Total expenditures	<u>32,653,121</u>	<u>4,079,445</u>	<u>845,558</u>	<u>37,578,124</u>
Excess (deficiency) of revenues over expenditures	(6,672,224)	-	-	(6,672,224)
Other Financing Sources:				
Debt proceeds	4,750,000	-	-	4,750,000
Lease proceeds	8,431,475	-	-	8,431,475
Total other financing sources	13,181,475	-	-	13,181,475
Net changes in fund balances	6,509,251	-	-	6,509,251
Fund Balances (Deficit), July 1, 2022	<u>(2,547,791)</u>	<u>-</u>	<u>-</u>	<u>(2,547,791)</u>
Fund Balances, June 30, 2023	<u>\$ 3,961,460</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,961,460</u>

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

**IDEA Hope and IDEA Victory
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2023**

Net Change in Fund Balances - Governmental Funds \$ 6,509,251

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures; in the statement of activities these costs are allocated over their estimated useful lives as a provision for depreciation and amortization.

Expenditures for capital assets	\$ 8,431,474	
Less: provision for depreciation and amortization	<u>(3,716,466)</u>	4,715,008

Debt proceeds and other financing sources provide current financial resources of governmental funds while the repayment of the related debt principal consumes those financial resources.

Issuance of debt	\$ (4,750,000)	
Issuance of leases	(8,431,475)	
Principal payments on leases	<u>3,333,439</u>	<u>(9,848,036)</u>

Change in Net Position on the Statement of Activities \$ 1,376,223

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

Note 1 - Organization and Operations

IDEA Hope and IDEA Victory (collectively, the “Schools”), are divisions of IDEA Florida, Inc. (the “Organization”). The Schools commenced operations in July 2021 and offer classes for pre-kindergarten through 8th grade students in Hillsborough County, Florida. An average of approximately 1,600 students were enrolled in classes for the Schools year ended in June 2023.

The basic financial statements of the Schools present only the balances, activity and disclosures related to the Schools. They do not purport to, and do not, present fairly the financial position of IDEA Florida, Inc. as of June 30, 2023, and the changes in its financial position or budgetary comparisons, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Note 2 - Summary of Significant Accounting Policies

Reporting entity: The Schools operate under a charter granted by the sponsoring Schools’ district, the Schools’ Board of Hillsborough County, Florida (the “Schools’ Board”). The charters are effective until June 30, 2026. At the end of the term of the charter, the Schools’ Board may choose not to renew the charters under grounds specified in the charter in which case the Schools’ Board is required to notify the Schools in writing at least ninety days prior to the charter's expiration. During the term of the charter, the Schools’ Board may also terminate the charter if good cause is shown.

Component units: The Schools may also be financially accountable if an organization is fiscally dependent on the Schools regardless of whether the organization has a separately elected governing board, a governing board appointed by another government, or a jointly approved board. In addition, component units can be other organizations for which the nature and significance of their relationship with the Schools are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. As a result of evaluating the above criteria, management has determined that no component units exist for which the Schools are financially accountable which would require inclusion in the Schools’ financial statements.

Basis of presentation: Based on the guidance presented in the American Institute of Certified Public Accountants Audit and Accounting Guide – Not-for-Profit Organizations and provisions of Section 228.056(9), Florida Statutes, the Schools are presented as a governmental organization for financial statement reporting purposes.

Government-wide financial statements: Government-wide financial statements, including the statement of net position and the statement of activities, present information about the Schools as a whole.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the Schools’ governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Schools.

This government-wide focus is more on the ability to sustain the Schools as an entity and the change in the Schools’ net position resulting from the current year’s activities.

Note 2 - Summary of Significant Accounting Policies (continued)

Fund financial statements: Fund financial statements report detailed information about the Schools in the governmental funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The Schools report the following major governmental funds:

- **General Fund** – This fund is used to account for all operating activities of the Schools except for those required to be accounted for in another fund.
- **Special Revenue Fund** – This fund is used to account for federal grants that are legally restricted to expenditures for particular purposes.
- **Capital Projects Fund** – This fund is used to account for state capital outlay funding that is legally restricted to expenditures for particular purposes.

Net position: Net position is classified in three categories. The general meaning of each is as follows:

- Net investment in capital assets - represents the difference between the cost of capital assets, less accumulated depreciation and amortization reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets (if any).
- Restricted net position - consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - indicates that portion of net position that will need to be funded by future operations.

Fund balance: The Schools have implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance classifications to report on the nature and extent to which the Schools are bound to have constraints on the specific purposes for which amounts in those funds can be spent.

The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance – consists of amounts that are not in spendable form and of net position that are legally or contractually required to be maintained intact.
- Restricted fund balance – consists of amounts with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.

Note 2 - Summary of Significant Accounting Policies (continued)

- Committed fund balance – consists of amounts that can be used for specific purposes pursuant to constraints imposed by the government itself, using its highest level of decision making authority.
- Assigned fund balance – consists of amounts that are constrained by the government’s intended use of resources but are neither restricted or committed.
- Unassigned – consists of net resources in excess of what can be properly classified in one of the above categories.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the Schools consider restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the Schools consider amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Schools’ governing body or its delegated official or body has provided otherwise in its commitment or assignment actions. The details of the fund balances are included in the Balance Sheet – Governmental Funds.

Measurement focus and basis of accounting: The basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. Governmental funds use the current financial resources measurement focus and the government-wide statement uses the economic resources measurement focus.

Governmental activity in the government-wide financial statements is presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental fund financial statements are presented on the modified accrual basis of accounting under which revenue is recognized in the accounting period in which it becomes susceptible to accrual (i.e., when it becomes both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the current period is defined as sixty days.

Cash and cash equivalents: Cash and cash equivalents are defined as demand deposits, money market accounts, and short-term investments with original maturities of three months or less from the date of acquisition.

Prepaid items: Certain payments to vendors reflect costs applicable to future accounting period and are recorded as prepaid items.

Note 2 - Summary of Significant Accounting Policies (continued)

Capital assets: Capital assets purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the Schools as assets with a cost of \$ 1,000 or more and a useful life of over one year. Donated capital assets are valued at their estimated fair market value as of the date received. Additions, improvements, and other expenditures that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related capital assets. Other costs for repairs and maintenance are expensed as incurred.

Depreciation and amortization on all assets is provided on the straight-line basis over the capital assets' estimated useful lives or lease term, whichever is shorter, as follows:

Building – right of use	5 years
Furniture and equipment	5 years
Vehicles	5 years

Right of use asset: The Schools have recorded a right of use lease asset as a result of implementing GASB 87. The right of use asset is 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 of use asset is amortized on a straight-line basis over the life of the related lease.

Compensated absences: The Schools' policy allows employees to carry over unused vacation time during the year. Unused sick leave benefits are not paid upon separation from service. No liability for compensated absences was recorded for the year ending June 30, 2023 because management of the Schools considered the amount to be immaterial.

Unearned revenue: Unearned revenue arises when the Schools receive inflows of resources that do not meet the criteria for revenue recognition. At June 30, 2023, the Schools had unearned revenue of \$ 1,960,071, which represented referendum funds not yet earned.

Deferred outflows/inflows of resources: In addition to assets, the statement of net 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(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Schools do not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net 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(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Schools have not recorded any deferred inflows as of June 30, 2023.

Revenue recognition: Student funding is provided by the State of Florida through the District and the Florida State Department of Education. Such funding is recorded as entitlement revenue in the government-wide financial statements and state source revenue in the fund financial statements. This funding is received on a pro rata basis over a twelve-month period and is adjusted for changes in full-time equivalent (FTE) student population.

Grant and contract revenue: Grant and contract revenue is recognized when the allowable costs, as defined by the individual grant or contract, are incurred.

Note 2 - Summary of Significant Accounting Policies (continued)

Use of estimates: The preparation of financial statements in accordance 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 expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Income taxes: The Schools are a division of a nonprofit corporation that 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.

Date of management review: Subsequent events were evaluated by management through September 28, 2023, which is the date the financial statements were available for issuance.

Note 3 - Cash and Cash Equivalents

The Schools use a pooled cash method of accounting as part of IDEA Florida, Inc. (the "Organization"). At June 30, 2023, the carrying amount of the deposits and cash on hand totaled \$ 3,715,435, with a pooled bank balance of \$ 9,174,422, which includes the balances of the Organization.

State statutes require, and it is the Schools' policy, that all deposits be made into, and be held by, financial institutions designated by the Treasurer of the State of Florida as "qualified public depositories" as defined by Chapter 280 of the Florida Statutes. This Statute requires that every qualified public depository institution maintain eligible collateral to secure the public entity's funds. The minimum collateral to be pledged by an institution, the collateral eligible for pledge, and the reporting requirements of the qualified public depositor to the Treasurer is defined by statute. Collateral is pooled in a multiple qualified public depository institution pool with the ability to assess members of the pool should need arise. The Schools' deposits are held in a qualified public depository and are covered by the collateral pool because the Schools has identified itself as a public entity.

Note 4 - Budgets

The Schools formally adopted budgets for the General and Special Revenue Funds by function for the year ended June 30, 2023. The budgets have been prepared in accordance with accounting principles generally accepted in the United States of America. A comparison of actual results of operations to the budgeted amounts for the General Fund and Special Revenue Fund are presented as required supplementary information.

For the year ended June 30, 2023, certain expenditures exceeded appropriations in the General Fund and Special Revenue Fund. These over expenditures were mainly caused by the Schools not budgeting for capital expenditures and certain special revenue activity.

IDEA Hope and IDEA Victory
Notes to Basic Financial Statements
June 30, 2023

Note 5 - Due from Government Agencies

Due from government agencies at June 30, 2023 consists primarily of amounts due from the District for capital outlay and from the Department of Education for Elementary and Secondary Emergency Assistance Grants (ESSER).

Note 6 - Capital Assets

A summary of changes in governmental capital assets is as follows:

	Balance at July 1, 2022	Additions	Retirements	Balance at June 30, 2023
Capital assets being depreciated/ amortized:				
Intangible right of use:				
Building	\$ 6,988,880	\$ 8,245,229	\$ -	\$ 15,234,109
Office equipment	115,316	186,245	-	301,561
Furniture and equipment	48,103	-	-	48,103
Vehicles	<u>1,735,862</u>	<u>-</u>	<u>-</u>	<u>1,735,862</u>
Total capital assets being depreciated/amortized	<u>8,888,161</u>	<u>8,431,474</u>	<u>-</u>	<u>17,319,635</u>
Accumulated depreciation/ amortization:				
Intangible right of use:				
Building	1,093,228	3,272,005	-	4,365,233
Office equipment	35,553	83,944	-	119,497
Furniture and equipment	11,662	13,344	-	25,006
Vehicles	<u>257,101</u>	<u>347,173</u>	<u>-</u>	<u>604,274</u>
Total accumulated depreciation/amortization	<u>1,397,544</u>	<u>3,716,466</u>	<u>-</u>	<u>5,114,010</u>
Net capital assets	<u>\$ 7,490,617</u>	<u>\$ 4,715,008</u>	<u>\$ -</u>	<u>\$ 12,205,625</u>

The provision for depreciation and amortization for the year ended June 30, 2023 amounted to \$ 3,716,466. The Schools allocated 10% of the depreciation to transportation and 90% to the operation of the facility.

As part of the Schools' charter contract, all capital assets purchased with public funds will automatically revert to the District upon the non-renewal or termination of this contract.

Note 7 - Line of Credit

In 2023, the Schools entered into a \$ 10 million line of credit agreement with Charter Asset Management to provide working capital to Idea Florida, Inc. The line has a maturity of August 31, 2024, and each advance will bear an interest rate equal to the Prime Rate plus 3.20%. As of June 30, 2023, the line of credit had an outstanding balance of \$ 4.75 million. The line of credit also contains various financial covenants of which the Organization is in compliance.

IDEA Hope and IDEA Victory
Notes to Basic Financial Statements
June 30, 2023

Note 8 - Leases

The Schools have entered into facility leases through June 30, 2026. In addition, they entered into several other equipment leases for operations. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the implementation date of July 1, 2021 and subsequently as new leases are entered into. The discount rate used to recognize the intangible right of use asset and the lease liability was 5.17%. Payments are due monthly of approximately \$ 327,800 for 2024.

The following is a schedule of the Schools' future base rent payments as of June 30, 2023:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 3,472,365	\$ 460,354	\$ 3,932,719
2025	3,612,894	280,327	3,893,221
2026	3,827,225	90,261	3,917,486
Thereafter	-	-	-
	<u>\$ 10,912,484</u>	<u>\$ 830,942</u>	<u>\$ 11,743,426</u>

The lease activity of the year ended June 30, 2023 are as follows:

	Balance at July 1, 2022	Additions	Retirements	Balance at June 30, 2023	Amount Due Within One Year
Leases:					
Building	\$ 5,734,685	\$ 8,245,230	\$ 3,249,493	\$ 10,730,422	\$ 3,381,987
Equipment	<u>79,763</u>	<u>186,245</u>	<u>83,946</u>	<u>182,062</u>	<u>90,378</u>
Leases - building and equipment	<u>\$ 5,814,448</u>	<u>\$ 8,431,475</u>	<u>\$ 3,333,439</u>	<u>\$ 10,912,484</u>	<u>\$ 3,472,365</u>

Note 9 - Contingencies and Commitments

Grant agreements: The Schools, as a department of the Organization, received financial assistance from Federal and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and may be subject to audit by the grantor agencies. In accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), the Organization is required to conduct "single audits" when either the threshold for federal awards or state financial assistance exceeds \$ 750,000. The federal threshold is exceeded for the Organization, and as a result, the Organization is in the process of completing this requirement.

Management Agreement: The Organization entered into a management services agreement with IPS Enterprises, Inc. ("IPS") effective January 1, 2020 and ending June 30, 2026. The agreement is automatically renewed concurrently with the renewal of any charter schools contract entered into by the Organization. The agreement also applies to any new charter schools performance-based agreements entered into by the Organization.

Note 9 - Contingencies and Commitments (continued)

The agreement provides the Organization with the authority to manage, administer, oversee and supervise all the operations and activities of the charter schools. For the services rendered, IPS will charge 15% of all revenues received by the Schools, exclusive of those received from the “Schools of Hope Program”. The management fee for the year ended June 30, 2023 was approximately \$ 2,028,600. In addition, the Schools have a balance due IPS of approximately \$ 5,124,200 representing temporary amounts due for various transactions consummated on the Schools’ behalf.

Note 10 - Capital Appropriations Funding

The Florida Department of Education has approved a Charter School Capital Outlay (CSCO) award for the Schools. In each year that funds are appropriated by the State for charter school capital outlay purposes, those funds are allocated among eligible charter schools. The funds for the Schools’ allocation are transferred to the Schools once a CSCO Plan has been provided to and approved by the sponsoring district. The Schools’ CSCO Award totaled \$ 676,891 for the 2022/2023 school year, which has been recognized as revenue in the accompanying basic financial statements. If the CSCO funds are used to acquire tangible property assets, the School Board has a reversionary interest in those assets. In the even of nonrenewal, termination or breach of the charter school agreement, ownership of the assets would automatically revert to the School Board. The Schools have elected to use these funds to pay for a portion of the operation of plant expenses.

Note 11 - Risk Financing

The Schools are exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets and natural disasters. The Schools have obtained property insurance from commercial companies including, but not limited to, general liability and errors and omissions insurance. There have been no claims in excess of insurance coverage limits during the current year.

Note 12 - Prior Period Adjustment and Restatement

During 2023, the Schools realized a grant belonging to a different division of the Organization was recorded in the accounting records of the Schools. These changes were incorporated in the Schools’ 2023 financial statements and had the following effect on the beginning net position and fund balance of the governmental activities and government funds, respectively:

Net position, June 30 2022	\$ 133,187
Adjustments:	
Grant receivable	<u>(1,004,809)</u>
Restated net position, June 30, 2022	<u>\$ (871,622)</u>

REQUIRED SUPPLEMENTARY INFORMATION



**IDEA Hope and IDEA Victory
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
State sources	\$ 29,848,394	\$ 28,497,822	\$ 25,418,958	\$ (3,078,864)
Local sources	<u>1,659,999</u>	<u>1,953,197</u>	<u>561,939</u>	<u>(1,391,258)</u>
Total revenues	<u>31,508,393</u>	<u>30,451,019</u>	<u>25,980,897</u>	<u>(4,470,122)</u>
Expenditures:				
Current:				
Regular instruction	15,387,721	12,891,527	8,449,719	4,441,808
Student support services	1,279,789	1,153,558	642,126	511,432
Instruction related technology	196,779	7,804	130,184	(122,380)
Staff training	81,827	162,117	54,155	107,962
General and administrative services	8,003,285	9,265,624	8,659,660	605,964
Plant operations and maintenance	2,254,028	2,496,668	1,200,702	1,295,966
Transportation services	2,593,658	2,481,450	755,647	1,725,803
Fiscal services	60,855	208,578	205,839	2,739
Community services	29,263	45,613	15,245	30,368
Food services	1,484,328	2,026,299	-	2,026,299
Central services	23,700	24,600	42,041	(17,441)
Professional services	-	-	100,000	(100,000)
Capital outlay	-	-	8,431,474	(8,431,474)
Debt service:				
Principal payments	3,875,253	3,875,253	3,333,439	541,814
Interest	<u>-</u>	<u>-</u>	<u>632,890</u>	<u>(632,890)</u>
Total expenditures	<u>35,270,486</u>	<u>34,639,091</u>	<u>32,653,121</u>	<u>1,985,970</u>
Excess (deficiency) of revenues over expenditures	(3,762,093)	(4,188,072)	(6,672,224)	(2,484,152)
Other Financing Sources:				
Debt proceeds	-	-	4,750,000	4,750,000
Lease proceeds	<u>-</u>	<u>-</u>	<u>8,431,475</u>	<u>8,431,475</u>
Net change in fund balance	<u>\$ (3,762,093)</u>	<u>\$ (4,188,072)</u>	<u>\$ 6,509,251</u>	<u>\$ 10,697,323</u>

**IDEA Hope and IDEA Victory
 Budgetary Comparison Schedule - Special Revenue Fund
 For the Year Ended June 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
National School Lunch and Breakfast Programs	\$ 4,707,046	\$ 1,831,494	\$ 1,589,570	\$ (241,924)
ESSER	1,924,312	3,107,163	1,851,993	(1,255,170)
Other federal grants	<u>2,999,998</u>	<u>1,656,047</u>	<u>637,882</u>	<u>(1,018,165)</u>
Total revenues	<u>9,631,356</u>	<u>6,594,704</u>	<u>4,079,445</u>	<u>(2,515,259)</u>
Expenditures:				
Regular instruction	-	-	462,507	(462,507)
Student support services	-	-	88,344	(88,344)
General and administrative	-	831,510	481,026	350,484
Plant operations and maintenance	-	-	393,544	(393,544)
Transportation	-	-	924,211	(924,211)
Food services	<u>3,439,790</u>	<u>(194,358)</u>	<u>1,729,813</u>	<u>(1,924,171)</u>
Total expenditures	<u>3,439,790</u>	<u>637,152</u>	<u>4,079,445</u>	<u>(3,442,293)</u>
Net change in fund balance	<u>\$ 6,191,566</u>	<u>\$ 5,957,552</u>	<u>\$ -</u>	<u>\$ (5,957,552)</u>

OTHER AUDITOR'S REPORTS

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*

To the Board of Directors
IDEA Hope and IDEA Victory

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 IDEA Hope and IDEA Victory (collectively, the "Schools"), divisions of IDEA Florida, Inc., as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Schools' basic financial statements, and have issued our report thereon dated September 28, 2023.

Report on Internal Control Over Financial Reporting

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

Reporting on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Schools' 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 Schools' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Schools' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEEFE McCULLOUGH

Fort Lauderdale, Florida
September 28, 2023

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS

To the Board of Directors
IDEA Hope and IDEA Victory

Report on the Financial Statements

We have audited the financial statements of IDEA Hope and IDEA Victory (collectively the "Schools"), divisions of IDEA Florida, Inc., as of and for the year ended June 30, 2023, and have issued our report thereon dated September 28, 2023.

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 28, 2023, 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 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 Schools' code assigned by the Florida Department of Education be disclosed in this management letter. The official titles and School codes assigned by the Florida Department of Education of the Schools, respectively, are IDEA Hope and IDEA Victory and 297840 and 297835.

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Financial Condition and Management

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, requires us to apply appropriate procedures and communicate whether or not the Schools have 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 Schools 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 Schools. It is management's responsibility to monitor the Schools' financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any 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 Schools maintain on their website the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the Schools maintained on their website the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

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

Purpose of this Letter

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

KEEFE McCULLOUGH

Fort Lauderdale, Florida
September 28, 2023