



Miami Tech at Mater Innovation Academy  
W/L# 5417

(A charter school under  
Mater Academy, Inc.)

Miami, Florida

Financial Statements and  
Independent Auditors' Report  
June 30, 2025

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Miami Tech at Mater Innovation Academy  
(A charter school under Mater Academy, Inc.)  
W/L# 5417

25 NE 2<sup>nd</sup> St  
Miami, FL 33132

2024-2025

Board of Directors

Cesar Christian Crousillat, Board Chair, Director  
Idalia Suarez, Secretary, Director  
Shannie Sadesky, Vice Chair, Director  
Maria Beatriz Nuñez, Director  
Yasmeen Hasan, Director  
Maurene Sotero Balmaseda, Director, Student Alumni Representative

School Administration

Douglas Rodriguez, Principal

Other Non-voting Corporate Officers

Roberto Blanch, President

Kim Guilarte, Chief Operating Officer



## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Miami Tech at Mater Innovation Academy  
Miami, Florida

### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and each major fund of Miami Tech at Mater Innovation Academy (the “School”), a charter school under Mater Academy, Inc., as of, and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School’s basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Miami Tech at Mater Innovation Academy as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinions***

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

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

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

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

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### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

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

### ***Emphasis of a Matter – Presentation***

As described in Note 1, the accompanying financial statements referred to above present only the financial position and change in financial position of Miami Tech at Mater Innovation Academy that is attributable to the transactions of the School and is not intended to be a complete presentation of Mater Academy, Inc. These financial statements do not purport to, and do not, present fairly the financial position of Mater Academy, Inc., as of June 30, 2025, and its changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Emphasis of a Matter – Change in Accounting Principle***

As described in Note 12 to the financial statements, effective July 1, 2024, the School adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis and budgetary comparison information on pages 5 through 9 and 30 to 31 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2025, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School’s internal control over financial reporting and compliance.



Coral Gables, Florida  
September 15, 2025

CERTIFIED PUBLIC ACCOUNTANTS

**Management’s Discussion and Analysis**  
Miami Tech at Mater Innovation Academy  
(A Charter School Under Mater Academy, Inc.)  
June 30, 2025

The corporate officers of Mater Academy, Inc., have prepared this narrative overview and analysis of the School’s financial activities for the fiscal year ended June 30, 2025.

**Financial Highlights**

1. The net position of the School at June 30, 2025 was \$537,926.
2. At year-end, the School had current assets on hand of \$1,115,253.
3. The net position of the School increased by \$23,233 during the year.
4. The unassigned fund balance at year end was \$1,091,947.

**Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the School’s basic financial statements. The School’s financial statements for the year ended June 30, 2025, are presented in accordance with GASB Codification Section 2200. The financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the School’s finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the School’s assets, deferred outflows of resources, liabilities and deferred inflows of resources. The difference between the four is reported as *Net Position*. Over time increases or decreases in net position may serve as an indicator of whether the financial position of the School is improving or deteriorating.

The *Statement of Activities* presents information on how the School’s net position changed during the fiscal year. All changes in net position are reported when the underlying event occurs without regard to the timing of related cash flows. Accordingly, 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 can be found on pages 10-11 of this report.

Fund Financial Statements

A “fund” is a collection of related accounts grouped to maintain control over resources that have been segregated for specific activities, projects, or objectives. The School like other state and local governments uses fund accounting to ensure and report compliance with finance-related legal requirements.

All of the funds of the School are governmental funds. *Governmental Funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental Fund financial statements, however, focus on *near-term* inflows and outflows of spendable resources, as well as on the balances of spendable resources which are available at the end of the fiscal year. Such information may be used to evaluate a government’s requirements for near-term financing.

The Board of the School adopts an annual appropriated budget for its major governmental funds. A budgetary comparison statement has been provided for the major governmental funds to demonstrate compliance with the School’s budget.

The basic governmental fund financial statements can be found on pages 12 - 15 of this report.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 16 – 29 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a charter school’s financial position. In the case of the School, the net position was \$537,926 at the close of the fiscal year. A summary of the School’s net position as of June 30, 2025 and 2024 is as follows:

	2025	(As restated) 2024
Cash	\$ 78,696	\$ 99,611
Investments	20,000	120,000
Due from other agencies	1,016,557	2,262
Due from other divisions of Mater Academy, Inc.	-	5,496
Deposit receivable	8,750	8,750
Capital assets and right-of-use capital assets, net	<u>2,923,964</u>	<u>2,565,712</u>
<b>Total Assets</b>	<u>4,047,967</u>	<u>2,801,831</u>
<b>Deferred outflows of resources</b>	-	-
Accounts payable and accrued liabilities	-	175,142
Salaries and wages payable	23,306	6,894
Compensated absences	67,288	13,152
Lease liability	199,447	291,950
Due to Mater Academy, Inc.	<u>3,220,000</u>	<u>1,800,000</u>
<b>Total Liabilities</b>	<u>3,510,041</u>	<u>2,287,138</u>
<b>Deferred inflows of resources</b>	-	-
<b>Net Position:</b>		
Net investment in capital assets	(495,483)	2,273,762
Unrestricted	<u>1,033,409</u>	<u>(1,759,069)</u>
<b>Total Net Position</b>	<u>\$ 537,926</u>	<u>\$ 514,693</u>

At the end of both fiscal years, the School is able to report positive balances in total net position.

A summary and analysis of the School's revenues and expenses for the years ended June 30, 2025 and 2024 is as follows:

	<u>2025</u>	<u>(As restated) 2024</u>
<b>REVENUES</b>		
Program Revenues		
Operating Grants and Contributions	\$ 735,970	\$ 927,208
Capital Grants and Contributions	40,294	13,122
Charges for Services	-	2,102
General Revenues		
Local Sources	868,641	426,827
Other Revenues	59,468	15,431
<b>Total Revenues</b>	<u>\$ 1,704,373</u>	<u>\$ 1,384,690</u>
<b>EXPENSES</b>		
Governmental Activities:		
Instruction	\$ 623,072	\$ 415,959
Instructional staff training services	1,385	9,068
School Board	17,937	66,819
General administration	-	2,128
School administration	461,087	121,337
Fiscal services	5,700	2,692
Food services	59,938	3,216
Central services	28,068	17,121
Pupil transportation services	-	190
Operation of plant	407,480	188,248
Maintenance of plant	63,976	12,500
Debt service	12,497	30,719
<b>Total Expenses</b>	<u>1,681,140</u>	<u>869,997</u>
Increase in Net Position	23,233	514,693
Net Position at Beginning of Year	<u>514,693</u>	<u>-</u>
Net Position at End of Year	<u>\$ 537,926</u>	<u>\$ 514,693</u>

This is the School's second year of operations. The School's revenue and expenses increased by \$319,683 and \$811,143, respectively. The School had an increase in its net position of \$23,233 for the current year.

### **Capital Improvement Requirement**

The School maintains a continuous capital improvements program to enhance facilities and update fixtures and equipment as required.

### **Lease of Facility**

The School leases a facility located at 25 NE 2<sup>nd</sup> Ave, 5<sup>th</sup> Floor, Miami, FL 33132.

## **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND**

As noted earlier, the School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### **Governmental Funds**

The focus of the School's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the School's financing requirements. In particular, the *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Most of the School's operations are funded in the General Fund. The majority of the General Fund revenues are distributed to the School by the District through the Florida Education Finance Program (FEFP), which uses formulas to distribute state funds and an amount of local property taxes (i.e., required local effort) established each year by the Florida Legislature.

At the end of the fiscal year, the School's governmental general fund reported ending fund balance of \$1,091,947. The fund balance unassigned and available for spending at the School's discretion was of \$1,091,947. These funds will be available for the School's future ongoing operations.

### **Capital Assets**

The School's investment in capital assets (including right of use assets) as of June 30, 2025, amounts to \$2,923,964 (net of accumulated depreciation and amortization). This investment in capital assets includes construction in progress, improvements, and furniture, fixtures and equipment. The School has outstanding debt of \$3,419,447 associated to its capital assets and working capital.

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

## Governmental Fund Budget Analysis and Highlights

Prior to the start of the School’s fiscal year, the Board of the School adopted an annual budget. A budgetary comparison statement has been provided for the governmental funds to demonstrate compliance with the School’s budget.

REVENUES	Governmental Funds		
	Original Budget	Final Budget	Actual
Program Revenues			
State capital outlay funding	\$ 24,440	\$ 40,068	\$ 40,294
Federal sources	521,170	698,195	735,970
General Revenues			
State and local sources	730,413	834,965	868,641
Charges for services and other revenues	8,050	8,304	9,468
Total Revenues	<u>\$ 1,284,073</u>	<u>\$ 1,581,532</u>	<u>\$ 1,654,373</u>
CURRENT EXPENDITURES			
Instruction	\$ 375,031	\$ 412,548	\$ 358,139
Instructional staff training services	4,580	8,100	1,385
School Board	18,454	33,800	17,937
School administration	413,261	411,302	394,314
Fiscal services	4,117	5,700	5,700
Food services	27,500	74,135	59,938
Central services	11,117	28,700	28,068
Operation of plant	84,196	271,379	267,698
Maintenance of plant	29,000	66,000	63,976
Total Current Expenditures	<u>\$ 967,256</u>	<u>\$ 1,311,664</u>	<u>\$ 1,197,155</u>

Most variances occurred as a result of the Budget adopted being more conservative than actual results for the year.

### Requests for Information

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

Miami Tech at Mater Innovation Academy  
(A charter school under Mater Academy, Inc.)  
Statement of Net Position  
June 30, 2025

	Primary Government
<b><u>Assets</u></b>	<b><u>Governmental Activities</u></b>
Current assets:	
Cash	\$ 78,696
Investments	20,000
Due from other agencies, net	1,016,557
Total Current Assets	<u>1,115,253</u>
Deposit receivable	8,750
Capital assets, net:	
Capital assets, depreciable	3,209,932
Less: accumulated depreciation	(472,424)
Right-of-use lease asset	435,064
Less: accumulated amortization	(248,608)
Total Capital Assets, net	<u>2,923,964</u>
Total Assets	<u>4,047,967</u>
<b><u>Deferred Outflows of Resources</u></b>	<u>-</u>
<b><u>Liabilities</u></b>	
Current liabilities:	
Salaries and wages payable	23,306
Compensated absences, current	40,373
Lease liability, current	97,236
Total Current Liabilities	<u>160,915</u>
Compensated absences	26,915
Lease liability	102,211
Due to Mater Academy, Inc.	3,220,000
Total Liabilities	<u>3,510,041</u>
<b><u>Deferred Inflows of Resources</u></b>	<u>-</u>
<b><u>Net Position</u></b>	
Net investment in capital assets	(495,483)
Unrestricted	1,033,409
Total Net Position	<u>\$ 537,926</u>

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

Miami Tech at Mater Innovation Academy  
(A charter school under Mater Academy, Inc.)  
Statement of Activities  
For the year ended June 30, 2025

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	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<b>Primary Government</b>					
Instruction	\$ 623,072	\$ -	\$ 719,981	\$ -	\$ 96,909
Instructional staff training services	1,385	-	-	-	(1,385)
School Board	17,937	-	-	-	(17,937)
School administration	461,087	-	583	-	(460,504)
Fiscal services	5,700	-	-	-	(5,700)
Food services	59,938	-	15,406	-	(44,532)
Central services	28,068	-	-	-	(28,068)
Operation of plant	407,480	-	-	40,294	(367,186)
Maintenance of plant	63,976	-	-	-	(63,976)
Debt service	12,497	-	-	-	(12,497)
<b>Total activities</b>	<u>\$1,681,140</u>	<u>\$ -</u>	<u>\$ 735,970</u>	<u>\$ 40,294</u>	<u>\$ (904,876)</u>

General revenues:	
State and local sources	868,641
Recoverable grant	50,000
Investment and other revenues	9,468
	<hr/>
Change in net position	23,233
Net position, beginning, as restated	514,693
Net position, ending	<u>\$ 537,926</u>

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

Miami Tech at Mater Innovation Academy  
(A charter school under Mater Academy, Inc.)  
Balance Sheet - Governmental Funds  
June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
<b><u>Assets</u></b>				
Cash	\$ 78,696	\$ -	\$ -	\$ 78,696
Investments	20,000	-	-	20,000
Due from other government agencies	299,251	714,147	3,159	1,016,557
Due from fund	717,306	-	-	717,306
Total Assets	<u>1,115,253</u>	<u>714,147</u>	<u>3,159</u>	<u>1,832,559</u>
<b><u>Deferred Outflows of Resources</u></b>				
	-	-	-	-
<b><u>Liabilities</u></b>				
Salaries and wages payable	23,306	-	-	23,306
Due to fund	-	714,147	3,159	717,306
Total Liabilities	<u>23,306</u>	<u>714,147</u>	<u>3,159</u>	<u>740,612</u>
<b><u>Deferred Inflows of Resources</u></b>				
	-	-	-	-
<b><u>Fund balance</u></b>				
Unassigned	1,091,947	-	-	1,091,947
	<u>1,091,947</u>	<u>-</u>	<u>-</u>	<u>1,091,947</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 1,115,253</u>	<u>\$ 714,147</u>	<u>\$ 3,159</u>	<u>\$ 1,832,559</u>

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

Miami Tech at Mater Innovation Academy  
 (A charter school under Mater Academy, Inc.)  
 Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position  
 June 30, 2025

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Total Fund Balance - Governmental Funds \$ 1,091,947

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

Depreciable and non-depreciable capital assets net of accumulated depreciation and amortization used in governmental activities are not financial resources and therefore are not reported in the fund.

Capital assets, depreciable	3,209,932	
Less: accumulated depreciation	(472,424)	
Right-of-use lease asset	435,064	
Less: accumulated amortization	<u>(248,608)</u>	2,923,964

Long term receivables and deposits in governmental activities are not financial resources and therefore are not reported in the governmental funds. 8,750

Long-term liabilities in governmental activities are not due and payable in the current period and therefore, are not reported in the governmental funds.

Compensated absences	(67,288)	
Lease liability	<u>(3,419,447)</u>	<u>(3,486,735)</u>

Total Net Position - Governmental Activities \$ 537,926

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

Miami Tech at Mater Innovation Academy  
(A charter school under Mater Academy, Inc.)  
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds  
For the year ended June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
<b>Revenues:</b>				
State capital outlay funding	\$ -	\$ -	\$ 22,552	\$ 22,552
Local sources	58,644	-	17,742	76,386
State passed through local	809,997	-	-	809,997
Federal sources	-	735,970	-	735,970
Charges for services and other revenue	9,468	-	-	9,468
<b>Total Revenues</b>	<b>878,109</b>	<b>735,970</b>	<b>40,294</b>	<b>1,654,373</b>
<b>Expenditures:</b>				
<b>Current</b>				
Instruction	250,594	107,545	-	358,139
Instructional staff training services	1,385	-	-	1,385
School Board	17,937	-	-	17,937
General administration	-	-	-	-
School administration	393,731	583	-	394,314
Fiscal services	5,700	-	-	5,700
Food services	-	59,938	-	59,938
Central services	28,068	-	-	28,068
Pupil transportation services	-	-	-	-
Operation of plant	267,698	-	-	267,698
Maintenance of plant	63,976	-	-	63,976
<b>Capital Outlay:</b>				
Other capital outlay	163,168	612,436	-	775,604
<b>Debt Service:</b>				
Redemption of principal	-	-	92,503	92,503
Interest expense	-	-	12,497	12,497
<b>Total Expenditures</b>	<b>1,192,257</b>	<b>780,502</b>	<b>105,000</b>	<b>2,077,759</b>
Excess (deficit) of revenues over expenditures	(314,148)	(44,532)	(64,706)	(423,386)
<b>Other financing sources (uses)</b>				
Transfers in (out)	(109,238)	44,532	64,706	-
Advances from Mater Academy, Inc.	1,470,000	-	-	1,470,000
Net change in fund balance	1,046,614	-	-	1,046,614
Fund Balance at beginning of year	45,333	-	-	45,333
Fund Balance at end of year	\$ 1,091,947	\$ -	\$ -	\$ 1,091,947

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

Miami Tech at Mater Innovation Academy  
(A charter school under Mater Academy, Inc.)  
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance  
of Governmental Funds to the Statement of Activities  
For the year ended June 30, 2025

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Net Change in Fund Balance - Governmental Funds \$ 1,046,614

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital outlay	775,604	
Asset retirement	(4,010)	
Depreciation and amortization expense	<u>(413,342)</u>	358,252

Additions in long term liabilities provide current financial resources to governmental funds, but increases in long term liabilities in the statement of net position. Reductions in long term liabilities is an expenditure in the governmental funds, but the repayment reduces long term liabilities in the statement of net position. In the current period, these amounts are:

Change in accrued compensated absences	(54,136)	
Increases in long term liabilities	(1,470,000)	
Decreases in long term liabilities	<u>142,503</u>	<u>(1,381,633)</u>

Change in Net Position of Governmental Activities \$ 23,233

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

## **Note 1 – Summary of Significant Accounting Policies**

### Reporting Entity

Miami Tech at Mater Innovation Academy (the "School"), is a charter school in Miami-Dade county. The School's charter is held by Mater Academy, Inc., a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act. The governing body of the School is the board of directors of Mater Academy, Inc., which is composed of six members and also governs other charter schools. The board of directors has determined that no component units exists that would require inclusion in the School's financial statements.

The general operating authority of the School is contained in Section 1002.333, Florida Statutes. The School obtained approval from the School Board of Miami-Dade County for its School of Hope Performance Base Agreement which designates the School as a School of Hope under Mater Academy Inc., (Hope Operator). The School of Hope Performance Base Agreement is designed to assist schools in serving students from one or more persistently low-performing schools located in opportunity zones. Mater Academy Inc., was awarded a Replication Grant from the United States Department of Education in 2020, which made it eligible to be a Hope Operator. The current agreement expires on June 30, 2028, and it can be renewed in accordance with law. The agreement can also be terminated before its date of expiration for reasons set forth in the charter and Section 1002.333 of the Florida Statutes

The School is located in Miami, Florida for students from ninth through eleventh grade. These financial statements are from inception through June 30, 2025, when on average 36 students were enrolled for the school year. This is the School's second year of operations.

### Basis of Presentation

The School's accounting policies conform to accounting principles generally accepted in the United States applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Accordingly, the basic financial statements include both the government-wide and fund financial statements.

### Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The School does not have any items that qualify for reporting in this category.

## **Note 1 – Summary of Significant Accounting Policies (continued)**

### Government-wide and Fund Financial Statements

#### *Government-wide Financial Statements*

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

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services, such as food service and student activity fees; (2) operating grants such as the National School Lunch Program, Federal grants, and other state allocations; and (3) capital grants specific to capital outlay. In addition, revenues not classified as program revenues are shown as general revenues, which include Florida Education Finance Program (FEFP) revenues, and other state and local sources.

#### Fund Financial Statements

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

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

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

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

### Measurement Focus and Basis of Accounting

The financial statements of the School are prepared in accordance with generally accepted accounting principles (GAAP). The School's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) *Codification of Accounting and Financial Reporting Guidance*.

The government-wide statements report using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The School recognizes assets of non-exchange transactions in the period when the underlying transaction occurs, when an enforceable legal claim has arisen, or when all eligibility requirements are met. Revenues are recognized, on the modified accrual basis, when they are measurable and available.

### **Note 1 – Summary of Significant Accounting Policies (continued)**

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

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. “Measurable” means the amount of the transaction can be determined. “Available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Florida Education Finance Program (FEFP) revenues are recognized when received. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Charges for services and fees are recognized when cash is collected as amounts are not measurable.

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

#### Budgets and Budgetary Accounting

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

#### Cash and Investments

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

The School has not adopted a formal deposit and investment policy that limits the School’s allowable deposits or investments and address specific types of risk; however the School invests excess deposit funds in a government money market mutual fund. The School follows the provisions of GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and External Investment Pools, GASB Statement No. 72, *Fair Value Measurement and Application*, and other related standards which establish accounting and financial reporting standards for all investments (see Note 2). Money market investment that have maturities of one year or less from the date of acquisition are reported at amortized cost rather than fair value. Amortized cost closely approximates fair value.

**Note 1 – Summary of Significant Accounting Policies (continued)**

Inter-fund Transfers

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

Due from Other Governments or Agencies

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

Prepaid Expenses

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

Capital Assets

The School’s property, plant and equipment with useful lives of more than one year are stated at historical cost and comprehensively reported in the statement of net position in the government-wide financial statements. Donated capital assets are recorded at their estimated fair market value on the date donated. The School generally capitalizes assets with cost of \$1,000 or more. Building improvements, additions and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

The right of use assets are initially measure 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.

Estimated useful lives, in years, for capital assets are as follows:

Furniture, fixtures and equipment	5 Years
Improvements	30 Years
Right of use asset (building)	34 Years

Long-Term Debt and Liabilities

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

**Note 1 – Summary of Significant Accounting Policies (continued)**

Compensated Absences

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

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

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

Revenue Sources

Revenues for current operations are received primarily from the State through the District pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School will report the number of full-time equivalent (FTE) students and related data to the District. Under the provisions of Section 1011.62, Florida Statutes, the District reports the number of the full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the FEFP.

Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods. After review and verification of FTE reports and supporting documentation, the FDOE may adjust subsequent fiscal period allocations of FEFP funding for prior year errors disclosed by its review as well as to prevent statewide allocations from exceeding the amount authorized by the Legislature. Normally, such adjustments are treated as reductions of revenue in the year the adjustment is made. In addition, the School receives a portion of the local operating millage revenues levied by the District (Secure our Future Referendum).

**Note 1 – Summary of Significant Accounting Policies (continued)**

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

The School also receives School of Hope awards directly from the Florida Department of Education, pursuant to Section 1002.333(6) of the Florida Statutes.

Finally, the School also receives Federal awards for the enhancement of various educational programs. The School is its own local education agency (LEA) for the purpose of receiving federal funds. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred. Any excess amounts are recorded as deferred revenues until expended. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

Net Position and Fund Balance Classification

*Government-wide financial statements*

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

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

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

*Fund financial statements*

GASB Codification Section 1800.142, *Fund Balance Reporting and Governmental Fund Type Definitions*, defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

- a) Nonspendable - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Consists of fund balance associated with prepaid expenses. All nonspendable fund balances at year end pertain to not in spendable form assets.

**Note 1 – Summary of Significant Accounting Policies (continued)**

- b) Restricted - this classification includes fund balance category amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. There are no restricted fund balances at year end.
- c) Committed - fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School's Board of Directors. There are no committed fund balances at year end.
- d) Assigned - fund balance classification that is intended to be used by the School's management for specific purposes but do not meet the criteria to be classified as restricted or committed. There are no assigned fund balances at year end.
- e) Unassigned - portion of the fund balance that has not been restricted, committed or assigned for a specific purpose. This is the residual classification for the School's general fund.

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

Income Taxes

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

Use of Estimates

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

Subsequent Events

In accordance with GASB Codification Section 2250.106, the School has evaluated subsequent events and transactions for potential recognition or disclosure through September 15, 2025, which is the date the financial statements were available to be issued.

New Accounting Standard Adopted

Effective July 1, 2024, the School adopted Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement was applied retroactively. See Note 12.

### **Note 1 – Summary of Significant Accounting Policies (continued)**

Effective July 1, 2024, the School adopted Governmental Accounting Standards Board (GASB) Statement No. 102, *Certain Risk Disclosures*. The objective of this statement is to provide financial statement users with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The adoption of this statement did not have a material impact on the School's financial statements. This statement was applied prospectively.

#### Pronouncements Issued But Not Yet Effective

The GASB issued GASB Statement No. 103, *Financial Reporting Model Improvements*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

The GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

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

### **Note 2 – Cash and Investments**

#### Deposits

The School maintains its cash in one financial institution.

Deposits at FDIC-insured institutions are insured up to \$250,000 per depositor, per financial institution. The School is a charter school under Mater Academy, Inc., which also operates various other charter schools. All bank accounts are opened under the account ownership of Mater Academy, Inc., therefore, bank balances at times may potentially be in excess of FDIC coverage. As of June 30, 2025, bank balances in potential excess of FDIC coverage was approximately \$4,300.

#### Investments

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

At June 30, 2025, the School had \$20,000 invested in a governmental money market mutual fund that is exempt from GASB 72 fair value hierarchy disclosures. The governmental money market mutual fund values its portfolio securities at amortized cost which approximates fair value. The government money market mutual fund primarily invests in cash, high quality, short-term U.S. government securities and/or repurchase agreements that are collateralized fully by government securities that have been valued by the fund as Level 2. As of June 30, 2025, maturities of the fund's portfolio holdings are approximately 67% within 30 days.

**Note 2 – Cash and Investments (continued)**

Credit Risk

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

*Custodial credit risk* is the risk that in the event of a failure of a depository financial institution or counterparty that is in possession of investment or collateral securities, the School will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the School will not be able to recover the value of investments or collateral securities that are in the possession of an outside party. At June 30, 2025, all of the School’s investments in government money market mutual funds were held in a separate account and designated as assets of the School.

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

**Note 3 – Capital Assets**

The following schedule provides a summary of changes in capital assets as of year end June 30, 2025:

	Balance 07/01/24	Additions	Retirements / Reclassifications	Balance 06/30/25
<b>Capital Assets, non depreciable:</b>				
Construction in progress	\$ 1,461,602	\$ 54,765	\$ (1,516,367)	\$ -
<b>Capital Assets, depreciable:</b>				
Improvements	55,438	-	1,512,357	1,567,795
Furniture and equipment	921,298	720,839	-	1,642,137
Total Capital Assets	\$ 2,438,338	\$ 775,604	\$ (4,010)	\$ 3,209,932
Less Accumulated Depreciation:				
Improvements	(924)	(58,446)	-	(59,370)
Furniture and equipment	(151,386)	(261,668)	-	(413,054)
Total Accumulated Depreciation	(152,310)	(320,114)	-	(472,424)
Total Capital Assets, being depreciated, net	\$ 2,286,028	\$ 455,490	\$ (4,010)	\$ 2,737,508
<b>Lease Assets:</b>				
Right-of-use lease asset (building)	\$ 435,064	\$ -	\$ -	\$ 435,064
Less accumulated amortization	(155,380)	(93,228)	-	(248,608)
Total Lease Assets being amortized, net	279,684	(93,228)	-	186,456
<b>Capital Assets, net</b>	<b>\$ 2,565,712</b>	<b>\$ 362,262</b>	<b>\$ (4,010)</b>	<b>\$ 2,923,964</b>

**Note 3 – Capital Assets (continued)**

For the fiscal year ended June 30, 2025, depreciation and amortization expense is allocated in the Statement of Activities by function as follows:

	<u>Depreciation</u>	<u>Amortization</u>
Instruction	\$ 266,925	\$ -
School administration	12,821	-
Operation of plant	40,368	93,228
Total Expense	<u>\$ 320,114</u>	<u>\$ 93,228</u>

**Note 4 – Due from Other Agencies**

The following is due from other agencies as of June 30, 2025:

<u>Funding Source</u>	<u>Governmental Fund</u>	<u>Balance</u>
CMO Grant	Special Revenue	\$ 684,011
School of Hope	General Revenue	299,251
Title I	Special Revenue	30,136
Capital Outlay	Capital Projects Fund	3,159
Total Due from Other Agencies		<u>\$ 1,016,557</u>

**Note 5 – Education Service and Support Provider**

Academica Dade, LLC, an education service and support provider, offers and administrative services to the School including, but not limited to, facility design, staffing recommendations, human resource coordination, regulatory compliance, legal and corporate upkeep, maintenance of the books and records, bookkeeping, budgeting and financial reporting and virtual education services. The agreement calls for a fee on per student basis.

The agreement is with Mater Academy, Inc., through June 30, 2028, and unless terminated by the board will have an option to renew for an additional five year period. During the year ended June 30, 2025, the School incurred \$17,100 in fees.

**Note 6 – Transactions With Other Divisions of Mater Academy, Inc.**

For 2025, the School's facility was shared with Mater Brickell Academy Middle and Mater Brickell Academy High (charter schools under Mater Academy, Inc.). Management allocates a proportionate share of leases, salaries, lunch receipts, food and supplies, and other expenses to each school individually based on student enrollment and usage of facilities and staff to these schools.

For 2025, the School paid a combined usage fee of approximately \$41,000 to Mater Brickell Academy Middle and Mater Brickell Academy High.

**Note 6 – Transactions With Other Divisions of Mater Academy, Inc. (continued)**

The School received long-term, non-interest bearing advances from the corporate account of Mater Academy, Inc. The following schedule provides a summary of changes in long-term advances for the year:

	Balance 07/01/24	Increases	Decreases	Balance 06/30/25
Mater Academy, Inc.	\$ 1,800,000	\$ 1,470,000	\$ (50,000)	\$ 3,220,000
Total Due To	<u>\$ 1,800,000</u>	<u>\$ 1,470,000</u>	<u>\$ (50,000)</u>	<u>\$ 3,220,000</u>

Recoverable Grant

During the year, a portion of the due to Mater Academy, Inc. was reclassified as recoverable grant of \$50,000. Repayment of this recoverable grant is contingent on the School subsequently meeting certain financial conditions. The maximum amount the School may be required to pay in the future, should the School meet the requirements for repayment is \$50,000.

Program Fees

Mater Academy, Inc., charges all its affiliated schools an assessment for shared corporate costs and accreditation expenses. The School paid Mater Academy, Inc., \$9,620 in connection with these charges during the year.

**Note 7 – Commitments, Contingencies and Concentrations**

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

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

On November 6, 2018, and November 8, 2022, the voters of Miami-Dade approved and renewed, respectively, the Secure Our Future Referendum to raise/maintain teacher compensation and improve school safety and security. The Miami-Dade County School District shares a portion with charter schools. The current renewal is set to expire on June 30, 2027. For the year ended June 30, 2025, the Schools total referendum revenues were approximately \$59,000 or 2% of total revenues.

**Note 7 – Commitments, Contingencies and Concentrations (continued)**

Pursuant to the Charter School contract with the School District, the District withholds an administrative fee up to 2% of the qualifying revenues of the School. For the year ended June 30, 2025, administrative fees withheld by the School District totaled \$5,801.

**Note 8 – Long-Term Liabilities**

Mater Academy Inc., entered into a limited license agreement for the use of 19,263 sq. ft. of rentable space with The District Board of Trustees of Miami Dade College. The agreement expires on June 30, 2027, with no current option to renew. The agreement calls for minimum monthly license fee of \$8,750 and shall be adjusted upward to reflect any increase in the number of students enrolled for the next school year.

The School follows GASB Statement No. 87 *Leases*, and as a result recorded a lease right of use asset and lease liability in these financial statements. At the time of the initial measurement, there was no interest rate specified in the original license agreement. The School has used an average effective interest for several borrowings of Mater Academy, Inc. The average borrowing rate was 5% which was used to discount the annual lease payments to recognize the intangible right to use this asset and the lease liability.

For the year ended June 30, 2025, interest expense totaled \$12,497 as it relates to its lease agreements. For the year ended June 30, 2025, variable and other payments of \$33,266 in connection with the lease agreement not previously included in the measurement of the lease liability were recorded in rent expense.

The following schedule provides a summary of changes in lease liability during the year:

	Balance 07/01/24	Increases	Decreases	Balance 06/30/25
Lease liability	\$ 291,950	\$ -	\$ (92,503)	\$ 199,447
	<u>\$ 291,950</u>	<u>\$ -</u>	<u>\$ (92,503)</u>	<u>\$ 199,447</u>

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

Year	Principal	Interest	Total
2026	\$ 97,236	\$ 7,764	\$ 105,000
2027	102,211	2,789	105,000
	<u>\$ 199,447</u>	<u>\$ 10,553</u>	<u>\$ 210,000</u>

**Note 9 - Interfund Transfers and Balances**

Interfund transfers in governmental funds as of June 30, 2025, consist of the following:

	<u>General Fund</u>	Special Revenue <u>Fund</u>	Capital Projects <u>Fund</u>
To fund lunch deficit	\$ (44,532)	\$ 44,532	\$ -
To fund debt service payments	(64,706)	-	64,706
Total Transfers, net	<u>\$ (109,238)</u>	<u>\$ 44,532</u>	<u>\$ 64,706</u>

Due from/(Due to) fund balances are as follows:

Due to General Fund from Capital Projects Fund for capital outlay	\$ 3,159	\$ -	\$ (3,159)
Due to General Fund from Special Revenue Fund for Federal Funds	714,147	(714,147)	-
Total Due from/(Due to)	<u>\$ 717,306</u>	<u>\$ (714,147)</u>	<u>\$ (3,159)</u>

**Note 10 – Risk Management**

The School is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; administrative errors and omissions; personal injury; workers compensation and natural disasters for which the School carries commercial insurance. Settlement amounts did not exceed insurance coverage in the past two fiscal years. In addition, there were no reductions in insurance coverage from those in the prior year.

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

**Note 11 – Defined Contribution Retirement Plan**

The School’s personnel, which are leased through ADP TotalSource Group, Inc., are eligible to participate in a defined contribution 401(k) plan sponsored by the leasing company, covering employees who meet certain age and tenure requirements. Under the ADP TotalSource Retirement Savings Plan (the “Plan”), the School provides a contribution up to 4% of the employee’s compensation. The School contributed to the Plan \$9,266 for the year ended June 30, 2025. The School does not exercise any control or fiduciary responsibility over the Plans’ assets, which are administered by Voya Financial.

**Note 12 – Restatements of Beginning Balances and Compensated Absences**

For the year ended June 30, 2025, the School implemented GASB Statement No. 101, Compensated Absences. Compensated absences payable consists of leave benefits, paid time off, that employees earned based on services already rendered. Compensated absences are recognized as a liability when the leave accumulates, is attributable to past service, and it is more likely than not that the leave will be used or paid.

For the implementation, the beginning net position has been restated, as follows:

	Fiscal Year June 30, 2024 <u>Original</u>	GASB Statement No. 101	Fiscal June 30, 2024 <u>(Restated)</u>
Net position (deficit), beginning	\$ -		\$ -
Change in net position	<u>527,845</u>	<u>(13,152)</u>	<u>514,693</u>
Net position (deficit), ending	<u>\$ 527,845</u>		<u>\$ 514,693</u>

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

	<u>7/1/2024</u>	<u>Increases *</u>	<u>Decreases</u>	<u>6/30/2025</u>	<u>Due within One Year</u>
Compensated absences	<u>\$ 13,152</u>	<u>\$ 54,136</u>	<u>\$ -</u>	<u>\$ 67,288</u>	<u>\$ 40,373</u>
	<u>\$ 13,152</u>	<u>\$ 54,136</u>	<u>\$ -</u>	<u>\$ 67,288</u>	<u>\$ 40,373</u>

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

REQUIRED SUPPLEMENTARY INFORMATION

Miami Tech at Mater Innovation Academy  
(A charter school under Mater Academy, Inc.)  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
For the year ended June 30, 2025

	General Fund		
	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
State passed through local	\$ 692,739	\$ 777,004	\$ 809,997
Local sources	37,674	57,961	58,644
Charges for services and other revenue	8,050	8,304	9,468
Total Revenues	<u>738,463</u>	<u>843,269</u>	<u>878,109</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Instruction	355,031	302,903	250,594
Instructional staff training services	3,410	6,550	1,385
School Board	18,454	33,800	17,937
School administration	413,261	411,302	393,731
Fiscal services	4,117	5,700	5,700
Central services	11,117	28,700	28,068
Operation of plant	84,196	271,379	267,698
Maintenance of plant	29,000	66,000	63,976
Total Current Expenditures	<u>918,586</u>	<u>1,126,334</u>	<u>1,029,089</u>
Excess of Revenues Over Current Expenditures	<u>(180,123)</u>	<u>(283,065)</u>	<u>(150,980)</u>
<b>Capital Outlay</b>			
Other Capital Outlay	-	165,059	163,168
Total Expenditures	<u>918,586</u>	<u>1,291,393</u>	<u>1,192,257</u>
Deficit of Revenues Over Expenditures	(180,123)	(448,124)	(314,148)
<b>Other financing sources (uses):</b>			
Transfers in (out)	403,773	(172,166)	(109,238)
Advances from Mater Academy, Inc.	-	1,470,000	1,470,000
Net change in fund balance	223,650	849,710	1,046,614
Fund Balance at beginning of year	<u>45,333</u>	<u>45,333</u>	<u>45,333</u>
Fund Balance at end of year	<u>\$ 268,983</u>	<u>\$ 895,043</u>	<u>\$ 1,091,947</u>

Notes to Budgetary Comparison Schedule

An annual budget is adopted on the modified accrual basis of accounting, consistent with generally accepted accounting principles. Amendments to the budget can only be made with the approval of the Board of Directors.

Miami Tech at Mater Innovation Academy  
(A charter school under Mater Academy, Inc.)  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
For the year ended June 30, 2025

	Special Revenue Fund		
	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Federal sources	\$ 521,170	\$ 698,195	\$ 735,970
Total Revenues	<u>521,170</u>	<u>698,195</u>	<u>735,970</u>
<b>EXPENDITURES</b>			
Current:			
Instruction	20,000	109,645	107,545
Instructional staff training services	1,170	1,550	583
Food services	<u>27,500</u>	<u>74,135</u>	<u>59,938</u>
Total Current Expenditures	<u>48,670</u>	<u>185,330</u>	<u>168,066</u>
Excess (deficit) of Revenues Over Current Expenditures	<u>472,500</u>	<u>512,865</u>	<u>567,904</u>
Capital Outlay			
Other Capital Outlay	-	615,597	612,436
Total Capital Outlay	<u>-</u>	<u>615,597</u>	<u>612,436</u>
Total Expenditures	<u>48,670</u>	<u>800,927</u>	<u>780,502</u>
Excess (Deficit) of Revenues Over Expenditures	472,500	(102,732)	(44,532)
Other financing sources (uses)			
Transfers in (out)	<u>(472,500)</u>	<u>102,732</u>	<u>44,532</u>
Net change in fund balance	-	-	-
Fund Balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Notes to Budgetary Comparison Schedule

An annual budget is adopted on the modified accrual basis of accounting, consistent with generally accepted accounting principles. Amendments to the budget can only be made with the approval of the Board of Directors.



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

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Board of Directors of  
Miami Tech at Mater Innovation Academy  
Miami, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Miami Tech at Mater Innovation Academy (the "School"), as of, and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon dated September 15, 2025.

### **Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control 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.

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**Report on Compliance and Other Matters**

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

We issued a separate management letter pursuant to Chapter 10.850, Rules of the Auditor General dated September 15, 2025.

**Purpose of This Report**

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

Handwritten signature in blue ink that reads "HLB Gravier, CPA".

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
September 15, 2025



## MANAGEMENT LETTER

Board of Directors of  
Miami Tech at Mater Innovation Academy  
Miami, Florida

### **Report on the Financial Statements**

We have audited the financial statements of Miami Tech at Mater Innovation Academy as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated September 15, 2025.

### **Auditor's Responsibility**

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

### **Other Reporting Requirements**

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports and schedules, which are dated September 15, 2025, should be considered in conjunction with this management letter.

### **Prior Audit Findings**

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no findings or recommendations in the preceding audit report.

### **Official Title**

Section 10.854.(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity is Miami Tech at Mater Innovation Academy, 5417.

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**Financial Condition and Management**

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

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

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

**Transparency**

Sections 10.854(1)(e)7 and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether Miami Tech at Mater Innovation Academy maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that Miami Tech at Mater Innovation Academy maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

**Additional Matters**

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

**Purpose of this Letter**

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



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
September 15, 2025