

RCMA MULBERRY COMMUNITY ACADEMY
(A PROGRAM OF REDLANDS CHRISTIAN
MIGRANT ASSOCIATION, INC.)

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

JUNE 30, 2024

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INTRODUCTION SECTION



402 West Main Street
Immokalee, FL 34142
(800) 282-6540
rcma.org

Letter of Transmittal

September 24, 2024

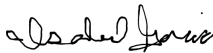
To the Board of Directors of
RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.

The accompanying report consists of management's representation concerning the finances of Redlands Christian Migrant Association Mulberry Community Academy, a program of Redlands Christian Migrant Association, Inc. (RCMA) (a not-for-profit), hereafter referred to as the School. We, the management of the School, assume full responsibility for the completeness and reliability of all the information presented herein.

Redlands Christian Migrant Association, Inc. (RCMA) (the Organization) was incorporated as a not-for-profit organization under the laws of the State of Florida in 1965, for the purpose of operating child care centers, including services to children with disabilities and early childhood education centers for the children of migrant and seasonal farm workers whose families' total income does not exceed an amount over the poverty levels. In 1999, the board of directors and administration of RCMA approved a plan to open a charter school since this was in line with the Organization's mission. The Organization obtained approval and opened its charter schools for the 2023 – 2024 school year under a charter of the sponsoring school district, the School Board of Polk County (the District). In 2023, the current charter was given a five (5) year contract. In 2023, the contract was approved by the District for five (5) years ending in 2028, in which the school will operate as a single institution under the new name RCMA Mulberry Community Academy.

Generally Accepted Accounting Principles in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). Such MD&A is included herein on pages 6 -13 and such analysis as well as the presentation of this report would not have been possible without the efficient and dedicated services of the entire staff of RCMA's fiscal department.

Respectfully submitted,

DocuSigned by:

DB5324E2C1AD49A...
Isabel Garcia,
Executive Director

Established in 1965, RCMA is an equal opportunity employer funded in part by:



THEIR DREAMS. OUR FOCUS.



RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)

Board of Directors

President

Ms. Linda A. Miles

Vice-Presidents

Ms. Barbara Mainster Rollason

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Mr. Jaime Weisinger

Mr. Joaquin Perez

Mr. Michael T. Bayer

Ms. Sandra Hightower

Secretary

Mr. Richard Pringle

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Mr. Larry Salustro

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Mr. Aedan J. Dowling

Mr. Al J. Hinson

Mr. Ansberto Vallejo

Ms. Mirta Negrini

Ms. Sonia Tighe

Ms. Wilma Robles de Melendez, PhD

FINANCIAL SECTION



GARCIA SANTA MARIA
DE ARMAS TRUJILLO
CPAs + ADVISORS

PAUL A. GARCIA, CPA/CFF,CVA

ERIC E. SANTA MARÍA, CPA/ABV/CFF, CAA

PEDRO M. DE ARMAS, CPA

ALEX M. TRUJILLO, CPA

PRINCIPAL

ILIANA M. LARCADA, CFE

MONIQUE BUSTAMANTE, CPA

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

FLORIDA INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

NATIONAL ASSOCIATION OF
CERTIFIED VALUATION ANALYSTS

COLLABORATIVE FAMILY
LAW INSTITUTE

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.

Report on the Audit of the Financial Statement

Opinions

We have audited the financial statements of the governmental activities and each major fund of RCMA Mulberry Community Academy (the School), a program of Redlands Christian Migrant Association, Inc. (RCMA) (a not-for-profit organization), a charter school sponsored by the School Board of Polk County, Florida, as of and for the year ended June 30, 2024, 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 the School, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof 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 standard applicable to financial audits contained in *Government Auditing Standards* (GAS), 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 School, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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 GAAS and GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, 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 RCMA Mulberry Community Academy that is attributable to the transactions of the School and is not intended to be a complete presentation of Redlands Christian Migrant Association, Inc. These financial statements do not purport to, and do not, present fairly the financial position of Redlands Christian Migrant Association, Inc. as of June 30, 2024 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 6-12) and budgetary comparison information on (page 33) 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 Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section (Pages 1-2) but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report (pages 29-30) dated September 24, 2024 on our consideration of RCMA Mulberry Community Academy's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

García Santa María De Armas Trujillo, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 24, 2024

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
School Profile and Management's Discussion and Analysis

To the Board of Directors of
RCMA Mulberry Community Academy, a program of
Redlands Christian Migrant Association, Inc. (RCMA)

A school profile and management's discussion and analysis of the results of operations follow:

1. **Name and Address of the School:**
RCMA Mulberry Community Academy
4438 Academy Drive
Mulberry, FL 33860
2. **RCMA's Director of Charter Schools:**
Juana Brown
3. **School Director:**
Dani Higgins
4. **Total Students:** 73

Other Information

- Free and reduced lunch rate: 100%
- Attendance rate: 93%
- Hispanic: 94%
- African American: 6%
- Caucasian: 0%
- Mixed: 0%
- English Speakers of Other Languages (ESOL): 78%
- Exceptional Student Education (including gifted students): 4%

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
School Profile and Management's Discussion and Analysis

School Programs

RCMA's vision is to be recognized as a national role model in preparing rural, low-income children for leadership in an increasingly diverse and complex world. This vision is realized through three community charter academies. Two academies are located in Collier and Hillsborough Counties, named after the communities they serve: Immokalee Community Academy and Wimauma Community Academy. In August 2023, RCMA opened its newest school, Mulberry Community Academy (MCA), located in the rural farmworker community of Mulberry in Polk County. MCA's mission is to close the opportunity gap for students and their families. The school operates in a newly renovated temporary facility alongside RCMA's Migrant Head Start Center.

MCA is RCMA's first charter school to open as a School of Hope, receiving this designation from the Florida State Board of Education. RCMA became the fifth charter school operator in Florida to achieve this distinction. Schools of Hope is an innovative program from the Department of Education that provides a path for high-performing charter operators to serve underserved students through results-driven educational programs.

The RCMA model of education provides a continuum of support for students from early childhood through school age. MCA's program started with kindergarten and first-grade students, prioritizing enrollment for under-resourced families. The model addresses academic and other disparities by expanding access to educational opportunities. The school offers a secure and engaging environment that honors each student's cultural and linguistic background through a community school model that integrates academics, enrichment, and wraparound services. To address the academic challenges faced by students in these under-resourced rural communities, the school implements a rigorous dual-language curriculum, emphasizing biliteracy, bilingualism, and bicultural experiences. MCA will expand by one grade each year until it reaches full enrollment as a K-8 school.

The RCMA instructional model is rooted in an asset-based approach to teaching and learning. Students enter school with unrealized potential, and with a growth mindset, each has the capacity to succeed given the proper support. To this end, MCA leverages resources such as instructional aides to provide small-group, individualized support as needed. The program uses digital tools for student learning and progress monitoring, aiming to ensure that all students are making academic progress. The instructional program includes five key components:

1. **Relationships** at the core of student-teacher and peer interactions.
2. **Increased capacity for individualized attention**, with a 10:1 student-teacher ratio.
3. **Research-based practices** to enhance depth of learning and differentiate instruction.
4. **Ongoing professional development** to support instructional capacity and deepen the effectiveness of the professional learning community.
5. **Parent partnerships** that foster home-school collaboration and strengthen parents' ability to support their children as their first teachers.

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
School Profile and Management's Discussion and Analysis

Families and Community Partners

A cornerstone of the program is building trusting relationships with our parent partners, soliciting their expertise and feedback, and engaging them through opportunities for their own growth. The school builds on RCMA's Early Childhood Model, engaging parents as partners and advocates involved in school decision-making and leadership. This is fundamental to RCMA's mission and history. From the moment families join the RCMA school community, parents have a voice and a "seat at the table." This involvement occurs through participation in the School Advisory Committee (SAC), attendance at parent university workshops, and opportunities to volunteer in school activities, such as MCA's yearly celebrations.

In addition to parents, community and national partners play a crucial role. Their ongoing commitment to closing opportunity gaps has helped the school meet challenges by providing reading tutors, sponsoring the award-winning chess club, and offering resources to support both students and families. A recent partner, No Kid Hungry, provided summer meals for the students in the community to address food scarcity with nutritious meals.

Several community partners, including the Charter School Growth Fund, Lipman Farms, and Publix, have supported MCA's programs and teacher capacity-building efforts. Additionally, several community partners have committed funding to construct a facility that will house 370 kindergarten through eighth-grade students once completed.

Assessment and Accountability

MCA's goal is for every student to perform at the highest academic levels, ensuring a successful pathway to college, careers, and lifelong opportunities for success. The program prioritizes literacy in both Spanish and English, along with foundational skills in math and other content areas through an integrated curriculum. Growth and proficiency are monitored through Renaissance Learning's STAR assessment, administered three times a year. These assessments help benchmark, monitor, and evaluate student growth and proficiency on grade-level skills. Additionally, as a dual-language program, MCA students are assessed in both languages through curriculum-based assessments to monitor learning and benchmark growth in both Spanish and English.

Financial Highlights

1. The assets of the School exceeded its liabilities at June 30, 2024 by \$163,701 (net position).
2. At year-end, the School had current assets on hand of \$758,635.
3. The net position of the School increased by \$163,701 during the year.

Overview of the Financial Statement

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's financial statements for the year ended June 30, 2024 are presented under 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.

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
School Profile and Management's Discussion and Analysis

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 the School's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The difference between the two is reported as *net position*. Over time increases or decreases in net assets 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, revenue 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 13 – 14 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 general fund. A budgetary comparison statement has been provided for the general fund as part of supplementary information to demonstrate compliance with the School's budget.

The basic governmental fund financial statements can be found on pages 15– 18 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 19 – 28 of this report.

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
School Profile and Management's Discussion and Analysis

Management Analysis of Operations and Financial Condition

Government-Wide Financial Analysis

The year ended June 30, 2024 was the School's first year of operations. As such, prior year information is not presented for comparison.

Assets and Deferred Outflows		
Current assets		
1110	Cash	\$ 4,597
1130	Accounts receivable	754,038
	Total current assets	<u>758,635</u>
1300	Property and equipment	<u>159,595</u>
	Total assets	<u>918,230</u>
	Deferred outflows of resources	<u>970</u>
	Total Assets and Deferred Outflows	<u><u>\$ 919,200</u></u>
Liabilities, Deferred Inflows and Net Position		
Liabilities		
2120	Accounts payable and accrued expenses	\$ 622,824
2110	Accrued payroll	76,915
	Total current liabilities	<u>699,739</u>
	Deferred inflows of resources	<u>55,760</u>
Net position		
2770	Invested in capital assets	159,595
2790	Unrestricted	<u>4,106</u>
	Total net position	<u>163,701</u>
	Total Liabilities, Deferred Inflows and Net Position	<u><u>\$ 919,200</u></u>

The School's net positions after it's first year of operations totaled \$163,701.

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
School Profile and Management's Discussion and Analysis

Management Analysis of Operations and Financial Condition (continued)

Government-Wide Financial Analysis

The year ended June 30, 2024 was the School's first year of operations. As such, prior year information is not presented for comparison.

The School's revenue and expenditures may be summarized as follows:

	(Rounded)
Revenue	
Federal through state school lunch reimbursement	\$ 91,700
Title I, Title 2, Title 3, Title 4 & Migrant revenue	22,400
School Board of Polk County – FTE	629,200
– Transportation	17,900
– Lead teacher	1,200
Schools of Hope program	775,500
Other contributions	431,100
Total revenue	<u>1,969,000</u>
Expenditures	
Instruction	792,000
Guidance services	4,100
Pupil personnel services	32,200
Instruction and curriculum development services	7,600
Instructional staff training	26,100
School administration	115,700
Facility acquisition and construction – rental property	80,000
Fiscal services	79,100
Central services	258,500
Food services	125,700
Pupil transportation services	35,100
Operation of plant	149,700
Maintenance of plant	37,800
Community services	51,000
Depreciation	10,700
Total expenditures	<u>1,805,300</u>
Changes in net position	<u><u>\$ 163,700</u></u>

In the School's first year of operations, revenues exceeded expenses by approximately \$163,700 due to unrestricted contributions.

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
School Profile and Management's Discussion and Analysis

Management Analysis of Operations and Financial Condition (continued)

\Government-Wide Financial Analysis (continued)

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, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the fiscal year, the School's governmental fund reported a fund balance of \$4,106.

Governmental Fund Budget Analysis and Highlights

Prior to the start of the School's fiscal year, the Board adopts an annual budget. The budgeted fund balance was \$40,280 more than the actual. Refer to page 33 for the Statement of Governmental Funds Revenue, Expenditures and Changes in Fund Balances – Budget and Actual – Governmental Funds.

Capital Assets

The School's investment in capital assets as of June 30, 2024 amounts to \$159,595 (net of accumulated depreciation of \$10,730). This investment in capital assets includes program and office equipment as well as transportation vehicles.

Request for Information

The financial report is designed to provide the reader with a general overview of the School's finances, as well as demonstrate accountability for funds the School receives. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to Juana Brown at 4441 Academy Drive, Mulberry, FL 33860.

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
Statement of Net Position
June 30, 2024

Assets and Deferred Outflows		
Current assets		
1110	Cash	\$ 4,597
1130	Accounts receivable	754,038
	Total current assets	<u>758,635</u>
1300	Property and equipment	<u>159,595</u>
	Total assets	<u>918,230</u>
	Deferred outflows of resources	<u>970</u>
	Total Assets and Deferred Outflows	<u>\$ 919,200</u>
Liabilities, Deferred Inflows and Net Position		
Current liabilities		
2120	Accounts payable and accrued expenses	\$ 622,824
2110	Accrued payroll	76,915
	Total current liabilities	<u>699,739</u>
	Deferred inflows of resources	<u>55,760</u>
Net Position		
2770	Invested in capital assets	159,595
2790	Unrestricted	4,106
	Total net position	<u>163,701</u>
	Total Liabilities, Deferred Inflows and Net Position	<u>\$ 919,200</u>

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

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
Statement of Activities
For the Year Ended June 30, 2024

		Program Revenue		Net (Expenses) Revenue and Changes in Net Assets
	Expenses	Special Revenue	Capital Projects	Government
Governmental activities				
Instruction	\$ 791,958	\$ 366,207	\$ -	\$ (425,751)
Guidance services	4,062	-	-	(4,062)
Pupil personnel services	32,168	580	-	(31,588)
Instruction development services	7,580	-	-	(7,580)
Instructional staff training	26,075	16,158	-	(9,917)
School administration	115,725	1,480	-	(114,245)
Facility acquisition and construction – rental property	80,000	-	-	(80,000)
Fiscal services	79,130	2,339	-	(76,791)
Food services	125,748	88,007	-	(37,741)
Central services	258,466	258,466	-	-
Operation of plant	149,675	1,316	-	(148,359)
Pupil transportation services	35,139	-	-	(35,139)
Maintenance of plant	37,770	-	-	(37,770)
Community services	50,999	154,953	-	103,954
Depreciation expense	10,730	-	-	(10,730)
Total governmental activities	\$ 1,805,225	\$ 889,506	\$ -	\$ (915,719)
General revenue				
FTE and contributions not restricted to specific purposes				1,079,420
Changes in net assets				163,701
Net position – beginning				-
Net position – ending				\$ 163,701

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

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
Governmental Funds Balance Sheet
June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Combined Totals Governmental Funds
Assets				
1110 Cash	\$ 4,597	\$ -	\$ -	\$ 4,597
1130 Accounts receivable	304,145	449,893	-	754,038
Total assets	<u>308,742</u>	<u>449,893</u>	<u>-</u>	<u>758,635</u>
Deferred outflows of resources	<u>970</u>	<u>-</u>	<u>-</u>	<u>970</u>
Total assets and deferred outflows	<u>\$ 309,712</u>	<u>\$ 449,893</u>	<u>\$ -</u>	<u>\$ 759,605</u>
Liabilities and fund balances				
Liabilities				
2120 Accounts payable and accrued expenses	\$ 135,190	\$ 487,634	\$ -	622,824
2110 Accrued payroll	76,915	-	-	76,915
Total liabilities	<u>212,105</u>	<u>487,634</u>	<u>-</u>	<u>699,739</u>
Deferred inflows of resources	55,760	-	-	55,760
Fund balances				
2760 Unassigned	41,847	(37,741)	-	4,106
Total Fund balances	<u>41,847</u>	<u>(37,741)</u>	<u>-</u>	<u>4,106</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 309,712</u>	<u>\$ 449,893</u>	<u>\$ -</u>	<u>\$ 759,605</u>

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

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
Reconciliation of the Governmental Funds Balance Sheet to
The Statement of Net Position
June 30, 2024

Total fund balances – governmental funds balance sheet	\$ 4,106
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 as assets in governmental funds. The cost of assets is \$170,325 and the accumulated depreciation is \$10,730.	159,595
Total net position – statement of net position	<u><u>\$ 163,701</u></u>

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

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
Statement of Governmental Funds Revenue, Expenditures and
Changes in Fund Balances
For the Year Ended June 30, 2024

		General Fund	Special Revenue Fund	Capital Projects Fund	Combined Totals Governmental Funds
Revenue					
3261.000	Federal through state school lunch reimbursement	\$ -	\$ 91,662	\$ -	\$ 91,662
3240.000	Title 1, Title 2, Title 3, Title 4 & Migrant revenue	-	22,351	-	22,351
3310.000	School Board of Polk County – FTE	629,219	-	-	629,219
	– Transportation	17,862	-	-	17,862
	– Lead Teacher	1,200	-	-	1,200
3310.000	State revenue – Schools of Hope	-	775,493	-	775,493
3400.000	Local sources – other contributions	431,139	-	-	431,139
	Total revenue	<u>1,079,420</u>	<u>889,506</u>	<u>-</u>	<u>1,968,926</u>
Expenditures					
5100.100	Instruction – salaries	311,711	149,165	-	460,876
5100.200	Instruction – employee benefits	78,590	8,793	-	87,383
5100.300	Instruction – purchased services	825	-	-	825
5100.500	Instruction – materials and supplies	23,354	97,819	-	121,173
5100.641	Instruction – capitalized equipment	6,793	28,068	-	34,861
5100.642	Instruction – non-capitalized equipment	39,339	82,362	-	121,701
6120.100	Guidance services – salaries	(301)	-	-	(301)
6120.200	Guidance services – employee benefits	4,363	-	-	4,363
6100.300	Pupil personnel services – purchased services	1,840	580	-	2,420
6100.700	Pupil personnel services – other services	29,748	-	-	29,748
6300.100	Instruction and curriculum development services – salaries	4,156	-	-	4,156
6300.200	Instruction and curriculum development services – employee benefits	3,424	-	-	3,424
6400.300	Instructional staff training – purchased services	9,917	16,158	-	26,075
7300.100	School administration – salaries	43,593	-	-	43,593
7300.200	School administration – employee benefits	4,750	-	-	4,750
7300.300	School administration – purchased services	59,645	1,480	-	61,125
7300.500	School administration – materials and supplies	4,808	-	-	4,808
7300.642	School administration – non-capitalized equipment	609	-	-	609
7300.700	School administration – other expenses	840	-	-	840
7400.300	Facility acquisition and construction – rental property	-	-	80,000	80,000
7500.300	Fiscal services – purchased services	76,791	2,339	-	79,130
7600.100	Food service – salaries	-	25,987	-	25,987
7600.200	Food service – employee benefits	-	1,072	-	1,072
7600.500	Food service – materials and supplies	-	13,313	-	13,313
7600.700	Food services – other services	-	85,376	-	85,376
7700.100	Central services – salaries	-	228,326	-	228,326
7700.200	Central services – employee benefits	-	27,439	-	27,439
7700.300	Central services – purchased services	-	2,701	-	2,701
7800.100	Pupil transportation services - salaries	7,931	-	-	7,931
7800.200	Pupil transportation services - employee benefits	6,712	-	-	6,712
7800.300	Pupil transportation services – purchased services	20,496	-	-	20,496
7900.100	Operation of plant – salaries	6,292	-	-	6,292
7900.200	Operation of plant – employee benefits	4,715	-	-	4,715
7900.300	Operation of plant – purchased services	110,424	-	-	110,424
7900.400	Operation of plant – energy services	25,818	1,316	-	27,134
7900.600	Operation of plant – communication	1,110	-	-	1,110
8100.100	Maintenance of plant – salaries	28,148	-	-	28,148
8100.200	Maintenance of plant – employee benefits	9,622	-	-	9,622
9100.100	Community services – salaries	850	18,005	-	18,855
9100.200	Community services – employee benefits	5,177	1,118	-	6,295
9100.300	Community Services – purchased services indirect cost	125	261	-	386
9100.300	Community Services – purchased services	9,821	105	-	9,926
9100.300	Community Services – rental property	193	-	-	193
9100.400	Community services – energy services	8,497	-	-	8,497
9100.500	Community services – material and supplies	2,617	-	-	2,617
9100.641	Community services – capitalized equipment	-	135,464	-	135,464
9100.700	Community services – other expenses	4,230	-	-	4,230
	Total expenditures	<u>957,573</u>	<u>927,247</u>	<u>80,000</u>	<u>1,964,820</u>
	Excess of revenue over expenditures	121,847	(37,741)	(80,000)	4,106
OTHER FINANCING SOURCES					
	Transfers (out) in	(80,000)	-	80,000	-
	TOTAL OTHER FINANCING SOURCES	<u>(80,000)</u>	<u>-</u>	<u>80,000</u>	<u>-</u>
	Fund balances – beginning	-	-	-	-
	Fund balances – ending	<u>\$ 41,847</u>	<u>\$ (37,741)</u>	<u>\$ -</u>	<u>\$ 4,106</u>

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

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)

**Reconciliation of the Statement of Governmental Funds Revenue, Expenditures and
Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2024**

Net change in fund balances – statement of governmental funds revenue, expenditures, and changes in fund balances	\$ 4,106
--	-----------------

**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 as assets
in governmental funds.

Expenditures for capital assets	170,325
Less current-year depreciation expense	<u>(10,730)</u>

Change in net position – statement of activities	<u>\$ 163,701</u>
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The accompanying notes are an integral part of these financial statements.

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
Notes to Financial Statements

Note 1 Organization and Purpose

Redlands Christian Migrant Association, Inc. (RCMA and/or the Organization) was incorporated as a not-for-profit organization under the laws of the State of Florida in 1965. RCMA's purpose is to administer child-care centers, including services to children with disabilities and early childhood education centers for the children of migrant and seasonal farm workers whose families' total income does not exceed an amount over the poverty levels. RCMA achieves its purpose through a variety of programs funded substantially by federal and state grants and individual contributions.

RCMA is designated as a School of Hope charter school operator by the Florida Board of Education. On May 9, 2023, the Organization entered into a Performance-Based Agreement ("PBA") with the School Board of Polk County, Florida to commence operations of RCMA Mulberry Community Academy (the "Charter School" or the "School") as a School of Hope. The term of the PBA is for five years, commencing July 1, 2023 and ending June 30, 2028 and can be renewed for an additional term of five years upon written request of RCMA. The PBA may be terminated if the school fails to meet certain requirements set forth in the PBA.

These financial statements are for the year ended June 30, 2024, the Charter School's first year of operations.

Note 2 Summary of Significant Accounting Policies

Reporting Entity

The accompanying financial statements are for Mulberry Community Academy (the Charter School or the School), a program of RCMA. The governing body of the Charter School consists of fifteen of the at large members of the RCMA board of directors. All board members have been finger-printed and processed as required by the state's school board law.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying financial statements are included in the financial statements of RCMA using the not-for-profit model of reporting. However, the accompanying financial statements are presented using a governmental model for purposes of reporting to the District.

Basic Financial Statements

The basic financial statements include both government-wide (based on the Charter School as a whole) and fund financial statements according to Governmental Accounting Standard Board.

Note 2 Summary of Significant Accounting Policies (continued)

Government-Wide Basic Statements

The government-wide financial statements include a Statement of Net Position and Statement of Activities, which measure all economic resources and are prepared using full accrual accounting. In the government-wide Statement of Net Position, both the governmental and business-type activities are presented on a consolidated basis and are reflected, on a full accrual economic resource basis. The financial statements reflect costs using the function and object dimensions required by the publication Financial and Program Cost Accounting and Reporting for Florida Schools (the Red Book) as required by Section 1002.33(9)(i), Florida Statutes.

Fund Financial Statements

In the fund financial statements, financial transactions and accounts of the School are organized on the basis of funds. The operation of each fund is an independent fiscal and separate accounting entity, with a self-balancing set of accounts according to cash and/or financial resources. The School's fund financial statements include the following funds: The General, Special Revenue and Capital Projects. These funds are used for the following purposes:

General Fund

The General Fund is used to account for the full-time equivalent (FTE) fee received from the District, unrestricted contributions, interest and other income and the expenditures incurred under the Charter School contract with the District.

Special Revenue Fund

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Capital Projects Fund

The Capital Projects Fund is used to account for monies received for the use of construction, property lease, renovations and maintenance of school facilities.

Measurement Focus and Basis of Accounting

Basis of accounting refers to the point at which revenue and 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.

The governmental funds basic financial statements are maintained and reported using the modified accrual basis of accounting using the current financial resources measurement focus. Under this method of accounting, revenue is recognized in the period that they become measurable and available. The Charter School considers revenue to be available if they are collected within 60 days of the end of the year.

Note 2 Summary of Significant Accounting Policies (continued)

Measurement Focus and Basis of Accounting (continued)

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements, a reconciliation schedule is prepared which reflects the adjustment necessary to reconcile the fund financial statements to the government-wide financial statements.

Governmental activity in the government-wide basic financial statements is presented on the full accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when incurred using the economic resources measurement focus.

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(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

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(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Uses of Estimates

In preparing these financial statements, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the date of the statement of financial position, and the revenue and expenses for the period then ended. Actual results could differ from these estimates. A description of some of the estimates used is included in the following significant accounting policies.

Note 2 Summary of Significant Accounting Policies (continued)

Revenue Sources

General Fund

Revenue in the general fund reflects the funds received from the Polk County School District pursuant to Section 1011.62 of the Florida Statutes. Such revenue is determined based on (1) un-weighted full time equivalent (FTE), multiplied by (2) the cost factor for each program, multiplied by (3) the base student allocation established by the legislature. Additional funds for exceptional students who do not have a matrix of services are provided through the guaranteed allocation designated in Section 1011.62 (1)(e)2 of the Florida Statutes. In this connection, the School reported 71.46 un-weighted and 84.16 weighted FTE for the 2023 – 2024 school year.

The Charter School's funding pursuant to the Florida Education Finance Program (FEFP) is subject to adjustments resulting from Full Time Equivalent (FTE) audits conducted by the Auditor General pursuant to Section 1010.305, Florida Statutes, and Rule 6A-1.0453, Florida Administrative Code (FAC). In addition, the Charter School's Weighted Funding percentage as defined in the regulations represents the percentage of total state funding which would be at risk should certain specific records for the School's Exceptional Students Education (ESE) and English for Speakers of Other Languages (ESOL) programs not be maintained up to standards. Such records include the following:

- Attendance and membership documentation (Rule 6A-1.044, FAC)
- Teacher certificates and other certification documentation (Rule 6A-1.0503, FAC)
- Procedural safeguards for weighted programs (Rule 6A-6.03411, FAC)
- Evaluation and planning documents for weighted programs (Sections 1011.62(1)(e), FS, and Rule 6A-6.03411, FAC)

Schools are required to maintain the documentation for three years or until the completion of an FTE audit.

The School is eligible to receive funds from the Schools of Hope Program, created within the Florida Department of Education, for certain eligible expenditures, as defined in Section 1002.333(10). In addition, the School may receive federal awards for the enhancement of various education programs. This type of assistance is generally received based on applications submitted to and approved by various granting agencies. For federal and state 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. These revenues and related expenditures are reflected in the School's special revenue fund.

Additionally, other revenues may be derived from various contributions, fundraising activities and certain other programs.

Note 2 Summary of Significant Accounting Policies (continued)

Revenue Sources (continued)

Special Revenue Fund

The special revenue fund reflects the School's federal and state awards for the enhancement of various educational programs. Revenue on the federal and state awards is recognized based on a) amounts allocated under the terms of the grant; or b) the amount of eligible expenditures incurred.

Capital Project Fund

The State provides capital outlay funds for the use of leasing school facilities or improvements on such to charter schools through the District under the charter school capital outlay program pursuant to Section 1013.62, Florida Statutes. A charter school in their first year of operations is not eligible for capital outlay program funding. Once the School becomes eligible, revenues from the capital outlay program will be reflected in the capital project fund.

Cash and Cash Equivalents

The Charter School considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. There were no such investments as of June 30, 2024.

Accounts Receivable

The Charter School considers accounts receivable to be collectible; accordingly, no allowance for doubtful accounts is required. When amounts are determined to be uncollectible, they are charged to operations.

Property and Equipment

The Charter School records in the statement of net position property and equipment at cost when purchased or constructed, or at market value when donated. The Charter School capitalizes all expenditures in excess of \$1,000 for property and equipment at cost. Donations are reported as unrestricted support unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those assets must be maintained, the Charter School reports expirations of donor-imposed restrictions when the donated or acquired assets are placed in service as instructed by the donor. Expenditures for major renewals and betterment that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

Long-Lived Assets

Long-lived assets are reviewed for impairment when circumstances indicate that the carrying value of an asset may not be recoverable. If the carrying value is impaired, the long-lived assets will be written down to their fair market value with a corresponding charge to earnings. No such impairment was recorded for the year ended June 30, 2024.

Note 2 Summary of Significant Accounting Policies (continued)

Depreciation

Depreciation is included in the accompanying statements of activities. Such depreciation is computed on the straight-line basis over the following estimated useful lives of the assets as follows:

Program equipment	3 – 5
Office equipment	3 – 5
Vehicles	5 – 10

Net Position Classifications

Net position is classified in three categories as follows:

Invested in Capital Asset – represents the difference between the cost of capital assets, less accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets.

Restricted – consists of net position with constraints placed on their use by external groups such as creditors, grantors, contributors or laws or regulations of other governments, or laws or regulations of other governments. Restricted amounts at year-end related to the lunch program.

Unrestricted – all other net position that does not meet the definition of “invested in capital assets” or “restricted”.

Fund Balance

The governmental fund financial statements present fund balances under the provisions of GASB Codification Section 1800.142 Fund Balance Reporting and Governmental Fund Type Definition, defines the different type of categories that a governmental entity must use as follows:

Nonspendable – includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Consists of fund balance associated with inventories, prepaid expenses, long-term notes receivable and deposits. This is due to their non-conversion to cash or are not expected to be converted to cash or are not expected to be converted to cash within the next year. There are no such funds at year end.

Restricted – includes amounts that can be spent only for specific purposes stipulated by the constitution, external resource providers, or through legislation. Restricted funds at year-end related to the lunch program.

Committed – includes amounts that can be used for specific purposes determined by formal action of the Board of Directors (highest level of decision-making authority). There are no committed funds at year end.

Note 2 Summary of Significant Accounting Policies (continued)

Fund Balance (continued)

Assigned – includes amounts that the Board of Directors intends to use for a specific purpose, but they are neither restricted nor committed. There are no assigned funds at year end.

Unassigned – includes amounts that have not been restricted, committed or assigned for a specific purpose within the General Fund.

When the School incurs expenditures for which restricted or unrestricted fund balance is available, the School would consider restricted funds to be spent first. When the School has expenditures which are committed, assigned or unassigned fund balance is available, the School would consider committed funds to be spent first, then assigned funds and lastly unassigned funds.

New Accounting Pronouncement

GASB Statement No. 87, *Leases* require leases to be capitalized as a right of use asset with a corresponding liability for leases with terms of more than twelve months. As further described in Note 7, the School has only one short term lease and therefore the short-term lease recognition exemption has been elected by the School. Leases with an initial term of 12 months or less, that do not include an option to purchase the underlying asset that the School is reasonably certain to exercise, are not recorded on the Statement of Net Position.

Income Taxes

RCMA, Inc. is organized as a not-for-profit entity and is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. Accordingly, no provision for income taxes is required.

Note 3 Accounts Receivable

Accounts receivable consists of amounts due under various grant programs or contributions receivable from private donors. At June 30, 2024, accounts receivable consisted of the following:

Schools of Hope program	\$ 425,420
RCMA Contribution receivable	175,000
Charter School Growth Fund grant	106,645
Other grants/programs	46,973
	<u>\$ 754,038</u>

Management analyzes receivables for collectability and establishes an allowance for doubtful accounts if determined necessary. No allowance has been recorded at June 30, 2024 as management believes all receivables are fully collectible.

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
Notes to Financial Statements

Note 4 Property and Equipment

Property and equipment consist of the following at June 30, 2024:

	Beginning Balance	Additions	Deletions	Ending Balance
Cost				
Program equipment	\$ -	\$ 28,068	\$ -	\$ 28,068
Office equipment	-	6,793	-	6,793
Vehicles	-	135,464	-	135,464
	<u>-</u>	<u>170,325</u>	<u>-</u>	<u>170,325</u>
Accumulated depreciation				
Program equipment	-	2,781	-	2,781
Office equipment	-	1,176	-	1,176
Vehicles	-	6,773	-	6,773
	<u>-</u>	<u>10,730</u>	<u>-</u>	<u>10,730</u>
Property and equipment, net	<u>\$ -</u>	<u>\$ 159,595</u>	<u>\$ -</u>	<u>\$ 159,595</u>

Depreciation expense for the year ended June 30, 2024 amounted to \$10,730.

Note 5 Contingency

The Charter School is subject to federal, state and local government audits. These audits could result in the questioning of expenditures relating to certain grants under various technical compliance provisions of the individual grants. No expenditures are being questioned as of June 30, 2024.

Note 6 Employee Benefits – Profit-Sharing Plan

The Charter School's employees participate in the 403(b) Thrift Plan of Redlands Christian Migrant Association, which provides for employer's contributions from 3% up to 5% of all employees' contribution into the plan. The School's match is based on employee's length of employment. In addition, the Charter School funds 6% of gross salaries for all staff with an employment agreement. Thrift Plan expenses aggregated to \$24,216 for the year ended June 30, 2024. No forfeitures were recognized for the year ended June 30, 2024.

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
Notes to Financial Statements

Note 7 Related Party Transactions

Sponsor Organization

The Charter School entered into a one-year lease agreement with RCMA (the Sponsor Organization) for its educational facility. The lease requires an annual payment of \$80,000.

The Charter School reimburses RCMA for indirect costs composed of various administrative support services. These costs aggregated to \$44,138 for the year ended June 30, 2024.

During the year ended June 30, 2024, the School's first year of operations, the School was eligible for grant funding under various programs that required eligible costs to be paid prior to receiving the funding. As a result, the Schools has amounts payable to RCMA as of June 30, 2024 related to the expenses incurred and paid under these grant programs for which funding had not yet been received by the School at year-end.

As of June 30, 2024, amounts owed to RCMA related to these cost reimbursement grant programs totaled approximately \$563,000, which are included in accounts payable and accrued expenses. Upon receipt of payment from the grantors, the payables to RCMA will be reduced.

During the year ended June 30, 2024, the School received a promise to give from RCMA for \$175,000. The amount is included in accounts receivable on the statement of net position and balance sheet - governmental funds as it is a current receivable.

School District

Pursuant to the Charter School contract with the School District, the District withholds an administrative fee of 5% of the qualifying revenue of the School. For the year ended June 30, 2024, administrative fees withheld by the School District totaled \$31,072.

Note 8 Interfund Transfers

During the year ended June 30, 2024, the general fund transferred \$80,000 to the capital projects fund for payments of rent as the School was not eligible for capital outlay funding due to it being the first year of operations.

Note 9 Business Concentration, Credit Risk and Uncertainty

Business Risk

Federal and state or local grants substantially fund the Charter School's services. Governmental work may be significantly impacted by budget allocations and consequently an adverse change in the budget could affect the Charter School's operations.

Credit Risk

It is the School's policy to maintain its cash in major banks. As of June 30, 2024, all of the School's cash funds qualified as a Public Deposit as defined in Chapter 280 of the Florida Statutes and, therefore, it is fully insured.

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
Notes to Financial Statements

Note 10 Risk Management

The School is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions and natural disasters for which the School carries commercial insurance. Settlement amounts have not exceeded insurance coverage in the past. In addition, there were no reductions in insurance coverage from those in the prior year.

Note 11 Subsequent Events

Subsequent events have been evaluated through September 24, 2024, which is the date the financial statements were available to be issued.

COMPLIANCE REPORTS SECTION



GARCIA SANTA MARIA
DE ARMAS TRUJILLO
CPAs + ADVISORS

PAUL A. GARCIA, CPA/CFF,CVA
ERIC E. SANTA MARÍA, CPA/ABV/CFF, CAA
PEDRO M. DE ARMAS, CPA
ALEX M. TRUJILLO, CPA

PRINCIPAL
ILIANA M. LARCADA, CFE
MONIQUE BUSTAMANTE, CPA

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
FLORIDA INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
NATIONAL ASSOCIATION OF
CERTIFIED VALUATION ANALYSTS
COLLABORATIVE FAMILY
LAW INSTITUTE

**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 of
RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.

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* (GAS) issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of RCMA Mulberry Community Academy (the School), a program of Redlands Christian Migrant Association, Inc., (RCMA) (a not-for-profit organization), a charter school sponsored by the School Board of Polk County, Florida, as of and for the year ended June 30, 2024, 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 24, 2024.

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

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.

García Santa María De Armas Trujillo, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 24, 2024



GARCIA SANTA MARIA
DE ARMAS TRUJILLO
CPAs + ADVISORS

PAUL A. GARCIA, CPA/CFF,CVA
ERIC E. SANTA MARÍA, CPA/ABV/CFF, CAA
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LAW INSTITUTE

Management Letter Pursuant to the Rules of the Auditor General for the State of Florida

To the Board of Directors of
RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.

Report on the Financial Statements

We have audited the financial statements of RCMA Mulberry Community Academy, a program of Redlands Christian Migrant Association, Inc., (a not-for-profit organization), operating as a charter school of the Polk County School District as of and for the fiscal year ended June 30, 2024, and have issued our report thereon dated September 24, 2024.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports which are dated September 24, 2024 should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity 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 are RCMA Mulberry Community Academy, 8012.

Financial Condition and Management

Section 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not the RCMA Mulberry Community Academy has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific

condition(s) met. In connection with our audit, we determined that the RCMA Mulberry Community Academy did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we 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 RCMA Mulberry Community Academy maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the RCMA Mulberry Community 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 have occurred or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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

García Santa María De Armas Trujillo, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 24, 2024

SUPPLEMENTARY INFORMATION

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-for-Profit Organization)
Statement of Governmental Funds Revenue, Expenditures and
Changes in Fund Balances – Budget and Actual – Governmental Funds (Unaudited)
For the Year Ended June 30, 2024

	General Fund		Special Revenue Fund		Capital Projects Fund		Total Governmental Funds	
	Final Budget (Unaudited)	Actual	Final Budget (Unaudited)	Actual	Final Budget (Unaudited)	Actual	Final Budget (Unaudited)	Actual
Revenue								
3261 Federal through state school lunch reimbursement	\$ 32,120	\$ -	\$ 22,680	\$ 91,662	\$ -	\$ -	\$ 54,800	\$ 91,662
3240 Title I, Title 2, Title 3, Title 4 & Migrant revenue	-	-	48,120	22,351	-	-	48,120	22,351
3290 School readiness	162,400	-	-	-	-	-	162,400	-
3310 School Board of Polk County – FTE	593,237	629,219	-	-	-	-	593,237	629,219
– Lead Teacher	36,800	17,862	-	-	-	-	36,800	17,862
– Florida School District Training	1,200	1,200	-	-	-	-	1,200	1,200
3310 State revenue – Schools of Hope	-	-	775,493	775,493	-	-	775,493	775,493
3400 Local sources – other contributions	258,811	431,139	-	-	-	-	258,811	431,139
Total revenue	<u>1,084,568</u>	<u>1,079,420</u>	<u>846,293</u>	<u>889,506</u>	<u>-</u>	<u>-</u>	<u>1,930,861</u>	<u>1,968,926</u>
Expenditures								
5100 Instructional	384,288	460,612	464,286	366,207	-	-	848,574	826,819
6120 Guidance services	42,000	4,062	-	-	-	-	42,000	4,062
6100 Pupil personnel services	65,600	31,588	580	580	-	-	66,180	32,168
6300 Instruction and curriculum development services	-	7,580	-	-	-	-	-	7,580
6400 Instructional staff training	9,647	9,917	4,353	16,158	-	-	14,000	26,075
7300 School administration	56,000	114,245	-	1,480	-	-	56,000	115,725
7400 Facility acquisition and construction – rental property	5,000	-	-	-	80,000	80,000	85,000	80,000
7500 Fiscal services	71,615	76,791	-	2,339	-	-	71,615	79,130
7600 Food service	-	-	5,900	125,748	-	-	5,900	125,748
7700 Central services	2,600	14,643	258,466	258,466	-	-	261,066	273,109
7800 Pupil transportation services	-	20,496	-	-	-	-	-	20,496
7900 Operation of plant	84,000	148,359	-	1,316	-	-	84,000	149,675
8100 Maintenance of plant	31,200	37,770	-	-	-	-	31,200	37,770
9100 Community services	166,092	31,510	154,848	154,953	-	-	320,940	186,463
Total expenditures	<u>918,042</u>	<u>957,573</u>	<u>888,433</u>	<u>927,247</u>	<u>80,000</u>	<u>80,000</u>	<u>1,886,475</u>	<u>1,964,820</u>
Excess of revenue over expenditures	<u>166,526</u>	<u>121,847</u>	<u>(42,140)</u>	<u>(37,741)</u>	<u>(80,000)</u>	<u>(80,000)</u>	<u>44,386</u>	<u>4,106</u>
OTHER FINANCING SOURCES								
Transfers (out) in	-	(80,000)	-	-	-	80,000	-	-
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>(80,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,000</u>	<u>-</u>	<u>-</u>
Fund balances – beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances – ending	<u>\$ 166,526</u>	<u>\$ 41,847</u>	<u>\$ (42,140)</u>	<u>\$ (37,741)</u>	<u>\$ (80,000)</u>	<u>\$ -</u>	<u>\$ 44,386</u>	<u>\$ 4,106</u>

RCMA Mulberry Community Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-For-Profit Organization)
Note to Statement of Governmental Funds Revenue, Expenditures and
Changes in Fund Balances – Budget and Actual – Governmental Funds (Unaudited)

Basis of Accounting

The Statement of Governmental Funds Revenue, Expenditures and Changes in Fund Balances – Budget and Actual – Governmental Funds are maintained and reported using the modified accrual basis of accounting using the current financial resources measurement focus. Under this method of accounting, revenue is recognized in the period that they become measurable and available. The School considers revenue to be available if it is collected within 60 days of the end of the fiscal year.