

**SARASOTA MILITARY ACADEMY
BOARD OF DIRECTORS
Tuesday
September 22, 2026**

- Call to Order
- Pledge of Allegiance
- Approval of the Minutes -Tab 1
 - August 25, 2026
 - September 8, 2026
- Miller and Miller, P.A., CPAs, Kelley Miller, CPA
 - SMA Audit Presentation
 - Audit Approval
- Head of School Report - -SMA Prep Tab 2
 - Faculty Representative
 - Athletic Director Report
- CEO/Head of School Report – SMA High Tab 3
 - Athletic Director Report
 - Faculty Representative
- SAI Report - Tab 4
- Treasurer’s Report - Tab 5
 - Monthly Financial Report
 - Teacher Salary Increase Allocation
- Committee Report – Tab 6
 - Strategic Planning Committee
 - Strategic Priorities Survey Approval
 - Nominating Committee
 - Facilities Committee
 - PTCC
- Chairperson’s Report
- Old Business
- New Business
- Public Comment
- Meeting Adjournment

SARASOTA MILITARY ACADEMY
BOARD OF DIRECTORS MEETING MINUTES
25 AUGUST 2026

Board of Director Members' Attendance

Present:

Dr. Thomas J. McElheny, Former Capt, USMC, Chair
Erica Gregory, Lt Col, USAF (Ret), Vice Chair
Ben Knisely, COL, USA (Ret), Secretary
David Black
Jerry Neff, BG, USA (Ret)
Charles Shugg, Brig Gen, USAF (Ret)
Ron Skipper, Former Capt, USAF
Michael Tollerton, Former CPT, USA (virtual)
W. Scott Wallace, GEN, USA (Ret)

Absent: Pete Skokos, Treasurer; Richard Swoope, COL, USA (Ret); SMA-LTC Abby Williams, Assistant Head of High School; SMA-CPT Jared Lauther, MS Athletic Director

SMA Administrative Staff in Attendance:

SMA-COL Christina Bowman, CEO/Head of High School
Dr. Cheryl Korwin, Head of Middle School
SMA-LTC Bryan Burns, Assistant Head of Middle School (virtual)
SMA-LTC Caitlin West, Assistant Head of High School (virtual)
MAJ (Ret) Russ Osterfeld, SAI
SMA-MAJ Savannah Kalka, Director of Finance

Guests in Attendance: SMA-MAJ Marsha Reinig-Umana, MS Faculty Representative; SMA-CPT John Geimer, HS Faculty/Amateur Radio; Herb Jones, Chair Emeritus; Carlos Moreira; Richard Upton

Location: SMA High School

The chair called the meeting to order at 2:25 pm.

Chair Thomas McElheny started the Pledge of Allegiance.

SMA-CPT John Geimer presented to the board the updates on the Amateur Radio program, the successful licensing status, and the announcement of SMA chosen along with thirteen other schools nationwide to make contact with an astronaut through International Space Station (ISS). He stated the date has not been confirmed but will happen some time in October.

Motion to Approve the 23 June 2026 Annual Minutes:

Mr. Ron Skipper moved to approve the 23 June 2026 minutes; Mr. David Black seconded the motion and the board unanimously approved.

Head of Middle School: Dr. Cheryl Korwin provided a read-ahead report. She discussed the leadership handbook that was created to incorporate goal settings, the seven army core values, and Getting Things Done, a partnership with author Mark Wallace. Dr. Korwin stated there are leadership days and advisory where the Medal of Honor character program lesson is introduced school-wide one time a month.

MS Faculty Representative: SMA-MAJ Marsha Reinig-Umana provided a read-ahead report. She discussed the Leader in Me framework as a great transition to the high school and commended the administration for their leadership in the start of the school year.

MS Athletics Report: SMA-CPT Jared Lauther provided a read-ahead report.

CEO/Head of High School Report: SMA-COL Bowman provided a read-ahead report. She discussed a smooth start to the school year with a successful rollout of the new transportation process and partnership with SSAS, commending SMA-LTC Abby Williams and SMA-LTC Bryan Burns. SMA-COL Bowman mentioned areas to make gains that will assist with the school grade with increasing CTE credits, as well as other areas to assess. She stated the Medal of Honor character program lessons are incorporated throughout the high school, with the additional 9/11 lesson executed academy-wide.

Mr. Black inquired as to enrollment status compared to previous year and our current school grade, to which SMA-COL Bowman replied that there is much work to accomplish and areas to make gains. Chair McElheny requested a list of areas being addressed towards increasing the school grade be presented to the board at every meeting.

HS Faculty Representative: SMA-COL Bowman announced the new high school faculty representative, SMA-CPT Stephanie Sifrit, will attend the next meeting.

HS Athletics Report: Coach Mick Fallis provided a read-ahead report.

Cadet Report: N/A

SAI Report: MAJ Russ Osterfeld provided a read-ahead report. He stated the JROTC accreditation is this year, and working towards the goal of elevating the standards. MAJ Osterfeld discussed the upcoming Raiders events, along with the new Archery team that will enter competitive tournaments for the first time. He mentioned Cadet Command working on curriculum for a drones and robotics package and he attended the training this past summer. MAJ Osterfeld invited the board to attend a special formation for 9/11 and starting an annual Army/Navy flag football game with Admiral Farragut right before the Army/Navy football game in December.

Treasurer's Report: SMA-MAJ Savannah Kalka provided a read-ahead report. She discussed the breakdown of revenue and expenses by campus, as well as the intended millage funds from the district.

Chair McElheny stated the millage funds can be used for real estate and recommended Mr. Black to chair the financing committee along with BG Jerry Neff on committee. BG Neff recommended opening a brokerage account, to which Mr. Black agreed and stated to open one now with whatever cash is available.

Strategic Planning Committee Report: Vice Chair Erica Gregory provided a presentation to the board on the goal of the committee to gather and collate information to support the board for facilities and academics restructuring, revising the strategic plan and reinforcing a plan for financial stability. She discussed four key priorities: developing the physical plan for new campus, determining the ideal FTE count for future of SMA, clearly defining the role of Commandant of Cadets, and reviewing and revising the strategic plan. Vice Chair Gregory requested a list of criteria for enrollment in the other JROTC programs, as well as ours.

Commandant Search Report: GEN Scott Wallace distributed the job description for Commandant and stated the first task is to create a committee, second task is to define the job description, third to determine the selection process, and fourth to conduct interviews. He mentioned expanding the search through military associations to the surrounding states and start collecting resumes for an intended start of the 2027-28 academic school year.

Chair McElheny stated adding the commandant will only strengthen and deepen the JROTC program and culture.

Mr. Black moved to approve to start a Commandant Search Committee; General Charles Shugg seconded the motion and the board unanimously approved.

Real Estate Report: Mr. Black introduced the new marketing video created by Michael Saunders for prospective buyers. Chair McElheny stated he met with Fred Starling who reiterated that the due diligence needs to be completed before May for construction to be completed by July 2028. General Shugg inquired as to the transition process of the prep while construction is in place, to which Chair McElheny replied the athletic field will be out of commission for nine months. Mr. Black stated that any buyer will be contingent on them obtaining the necessary permits, which could take up to a year at most.

Nominating Committee Report: N/A

Facilities Committee Report: N/A

Chair Report: N/A

PTCC Report: N/A

Alumni Recognition: N/A

Old Business: N/A

New Business: GEN Wallace discussed building a relationship with MOAA and requested a meeting and visit to SMA and formation.

Public Comments: N/A

Board Comments: N/A

The next board meeting will be on 22 September 2026 at 2:30pm at the High School campus.

The chair adjourned the meeting at 3:57pm.

Dr. Thomas McElheny, Chair

Date

COL Ben Knisely, Secretary

Date

SARASOTA MILITARY ACADEMY

BOARD OF DIRECTORS SPECIAL MEETING MINUTES

08 SEPTEMBER 2026

Board of Director Members' Attendance

Present:

Dr. Thomas J. McElheny, Former Capt, USMC, Chair (virtual)
Pete Skokos, Treasurer
David Black
Charles Shugg, Brig Gen, USAF (Ret)
Ron Skipper, Former Capt, USAF
Richard Swoope, COL, USA (Ret)
Michael Tollerton, Former CPT, USA
W. Scott Wallace, GEN, USA (Ret)

Absent: Erica Gregory, Lt Col, USAF (Ret), Vice Chair; Ben Knisely, COL, USA (Ret), Secretary;
Jerry Neff, BG, USA (Ret); SMA-COL Christina Bowman, CEO/Head of High School

Location: SMA High School

The chair called the meeting to order at 9:02 am.

Chair Thomas McElheny stated the following applications need board approval.

Mr. David Black moved to approve the Verstar Construction Contract; GEN Scott Wallace seconded the motion and the board unanimously approved.

Chair McElheny stated the need to amend the architect agreement with Fred Starling first, to which Mr. Black inquired if the approval can be contingent to the changes.

Mr. Black stated once changes have been accepted from the attorney, then the board can move forward with approval.

The chair adjourned the meeting at 9:17 am.

Dr. Thomas McElheny, Chair

Date

COL Ben Knisely, Secretary

Date

**SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA**

**INDEPENDENT AUDITORS' REPORT
BASIC FINANCIAL STATEMENTS
AND
REQUIRED SUPPLEMENTARY
INFORMATION**

JUNE 30, 2026



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INDEPENDENT AUDITORS' REPORT

Board of Directors
Sarasota Military Academy, Inc.

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Sarasota Military Academy, Inc. (the Charter School), a Charter School and component unit of the School Board of Sarasota County, Florida, as of and for the fiscal year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Charter School as of June 30, 2026, and the respective changes in financial position for the fiscal 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 (Government Auditing Standards). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Charter School, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibility 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 auditors' 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 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 GAAS 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 Charter 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 Charter 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule, notes to budgetary comparison schedule, schedule of proportionate share of net pension liability and contributions - FRS, and schedule of proportionate share of net pension liability and contributions - HIS 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 xx, 2026, on our consideration of the Charter School'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 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 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 Charter School's internal control over financial reporting and compliance.

Miller & Miller, P.A.

Sarasota, Florida
September 14, 2026

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2026

The following pages represent Management's Discussion and Analysis (MD&A) of Sarasota Military Academy, Inc. (the Charter School). It depicts and reviews the financial picture and activities of the Charter School as of and for the fiscal year ended June 30, 2026.

The intent of this MD&A is to present a picture and assessment of the Charter School's financial performance in an effort to more clearly demonstrate to readers the results of this year's financial operations. Readers should also review the basic financial statements and notes to enhance their understanding of the Charter School's financial performance.

Using the Financial Statements

This financial report includes a series of financial statements and notes to those financial statements. These statements are organized so the reader can understand the Charter School as a financial whole, or as an entire operating entity.

The Statement of Net Position and the Statement of Activities provide information about the activities of the Charter School as a whole, presenting both an aggregate view of the Charter School's finances and a longer-term view of those finances. The General Fund statements show how services were financed in the short-term as well as what financial resources remain for future spending.

Financial Highlights

Statement of Net Position

	<u>2026</u>	<u>2025</u>	<u>Change</u>
Current and other assets	\$ 2,806,331	\$ 2,545,200	\$ 261,131
Capital assets	18,042,967	18,145,120	(102,153)
Right-to-use leased assets	<u>352,812</u>	<u>127,465</u>	<u>225,347</u>
Total Assets	<u>21,202,110</u>	<u>20,817,785</u>	<u>384,325</u>
Deferred Outflow of Resources	<u>1,466,716</u>	<u>1,890,988</u>	<u>(424,272)</u>
Total Assets and Deferred Outflow of Resources	<u>\$ 22,668,826</u>	<u>\$ 22,708,773</u>	<u>\$ (39,947)</u>
Current liabilities	\$ 492,788	\$ 900,541	\$ (407,753)
Noncurrent liabilities	<u>13,065,052</u>	<u>15,024,260</u>	<u>(1,959,208)</u>
Total Liabilities	<u>13,557,840</u>	<u>15,924,801</u>	<u>(2,366,961)</u>
Deferred Inflow of Resources	<u>2,409,267</u>	<u>2,077,098</u>	<u>332,169</u>
Net investment in capital	\$ 10,084,852	\$ 9,324,663	\$ 760,189
Restricted	178,266	71,194	107,072
Unrestricted	<u>(3,561,399)</u>	<u>(4,688,983)</u>	<u>1,127,584</u>
Total Net Position	<u>6,701,719</u>	<u>4,706,874</u>	<u>1,994,845</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$22,668,826</u>	<u>\$ 22,708,773</u>	<u>\$ (39,947)</u>

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2026

Total assets increased by 1.85% due to net income which resulted in an increase in cash of approximately \$638,000 that was offset by the decrease in prepaids of approximately \$390,000. Total assets were also affected by the net increase in the right-to-use leased assets of approximately \$225,000 due to new lease agreement and offset by the net decrease in capital assets due to annual depreciation.

Deferred outflow of resources decreased by 23% due to the estimated pension contribution in the current year to the Florida Retirement System (FRS) Pension Plan and the Retiree Health Insurance Subsidy (HIS) Program as required by Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

Total liabilities decreased by 14.9% this year due to the net decrease in the net pension liability (NPL) for the FRS and HIS programs of approximately \$1,500,000, the decrease in debt by the pay down of the bond and note principals of approximately \$631,000, which were offset by the increase in the lease liability of approximately \$225,000.

Deferred inflow of resources increased by 16.0% due to the difference between projected and actual earnings on investments of the FRS and HIS programs and the effect of economic/demographic gains and losses.

Statement of Activities

	2026	2025	Change
Revenues			
Program revenues:			
Operating grants and contributions	\$ 336,577	\$ 288,826	\$ 47,751
Capital grants and contributions	3,024,728	2,095,997	928,731
General revenues:			
Grants and contribution not restricted to specific programs	9,989,224	10,622,277	(633,053)
Investment Income (loss)	35,922	(22,051)	57,973
Other	455,337	406,112	49,225
Total revenues	<u>13,841,788</u>	<u>13,391,161</u>	<u>450,627</u>
Expenses			
Basic instruction	5,019,079	5,753,134	(734,055)
Exceptional instruction	576,433	741,995	(165,562)
Other instruction	280,959	236,296	44,663
Guidance services	241,696	248,625	(6,929)
Health services	91,951	113,635	(21,684)
Instructional media services	78,878	88,720	(9,842)
School administration	2,104,234	2,146,336	(42,102)
Fiscal services	292,389	382,566	(90,177)
Pupil transportation	460,007	469,477	(9,470)
Operation of plant	2,151,767	1,997,845	153,922
Maintenance of plant	215,881	187,762	28,119
Debt service	333,669	336,134	(2,465)
Total expenses	<u>11,846,943</u>	<u>12,702,525</u>	<u>(855,582)</u>
 Change in net position	 1,994,845	 688,636	 1,306,209
Net position, beginning of year	<u>4,706,874</u>	<u>4,018,238</u>	<u>688,636</u>
Net position, end of year	<u>\$ 6,701,719</u>	<u>\$ 4,706,874</u>	<u>\$ 1,994,845</u>

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2026

Total revenue increased approximately 3.3% mainly due to the increase of district school taxes of approximately \$159,000, the increase in millage capital by approximately \$620,000 and the increase in school district local sales tax of \$295,000. These were offset by the decrease in FEFP of approximately \$330,000 and the decrease in ESSER funds of approximately \$310,000.

Overall expenditures decreased approximately 6.7% mainly due to a decrease in basic instruction of approximately \$734,000, exceptional instruction of approximately \$165,000, fiscal services of approximately \$90,000 and health services of approximately \$22,000. These were offset by increases in operation of plant, maintenance of plant and other instruction of approximately \$154,000, \$28,000 and \$44,600, respectively.

Capital Assets

Below is a schedule of the Charter School's capital assets as of June 30, 2026 and 2025. See Note 4 to the financial statements for a detail of the changes during the fiscal year.

	<u>2026</u>	<u>2025</u>	<u>Change</u>
Capital assets, not being depreciated			
Land	\$ 8,398,300	\$ 8,398,300	\$ -
Capital assets being depreciated			
Land improvements	153,483	153,483	-
Building and improvements	14,655,014	14,441,968	213,046
Furniture, fixtures and equipment	4,374,354	3,996,504	377,850
Motor vehicles	990,954	856,036	134,918
Total capital assets being depreciated	20,173,805	19,447,991	725,814
Less accumulated depreciation	10,529,138	9,701,171	827,967
Total capital assets, net	\$ 18,042,967	\$ 18,145,120	\$ (102,153)

Capital asset changes during the year mainly included investments in computer equipment, equipment, and building improvements, which were offset by the annual depreciation of current capital assets.

Leased Asset Activity

At June 30, 2026, the Charter School had \$352,812 in right-to-use leased assets, net of amortization. The Charter School began recording right-to-use leased assets in fiscal year 2022-23, pursuant to Governmental Accounting Standards Board (GASB) Statement No. 87 - Leases. Refer to Note 6 in the notes to the financial statements for additional information on the right-to-use leased assets.

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2026

Debt

Below is a schedule of outstanding debt as of June 30, 2026 and 2025. See Note 5 to the financial statements for a detail of changes during the fiscal year and specific debt provisions.

	<u>2026</u>	<u>2025</u>	<u>Change</u>
Bonds payable	\$ 8,165,732	\$ 8,796,652	\$ (630,920)

Changes in debt during the year included payment of principal for bonds of approximately \$630,920. The Charter School intends to use a pay-as-you-go approach for any future renovations.

Net Pension Liability

The components of the net pension liability for each defined benefit plan as of June 30, 2026 and 2025 are shown below:

	<u>2026</u>	<u>2025</u>	<u>Change</u>
Net Pension Liability - FRS	\$ 2,777,071	\$ 3,756,065	\$ (978,994)
Net Pension Liability - HIS	<u>1,752,496</u>	<u>2,301,968</u>	<u>(549,472)</u>
Total Net Pension Liability	\$ 4,529,567	\$ 6,058,033	\$ (1,528,466)

Economic Factors and the Budget

The Charter School's overall expenses decreased by \$855,582 and overall revenues increased by \$450,627.

The viability of the Charter School continues to rest with conservative and innovative financial management, with the primary focus on meeting the academic needs of the student body. For the fiscal year ended June 30, 2026, our fiscal situation remained stable. Furthermore, the Sarasota County school district continues to provide their charter schools a share of the local millage for capital improvements. The receipt of the capital improvement funds received from the district will free up operational resources for other requirements.

Request for Information

This financial report is designed to provide a general overview of the finances of the Charter School. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Christina Bowman, CEO at 801 North Orange Avenue, Sarasota, Florida 34236.

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

STATEMENT OF NET POSITION
JUNE 30, 2026

	Governmental Activities
<u>Assets</u>	
Current assets	
Cash and cash equivalents	\$ 2,720,464
Contributions receivable	16,141
Due from other governments	68,410
Prepaid items	1,316
Total current assets	<u>2,806,331</u>
Noncurrent assets	
Capital assets, net of depreciation	18,042,967
Right-to-use leased assets, net of amortization	<u>352,812</u>
Total noncurrent assets	<u>18,395,779</u>
Total Assets	21,202,110
Deferred Outflows of Resources	
Deferred outflows related to pensions - FRS	1,414,204
Deferred outflows related to pensions - HIS	<u>52,512</u>
Total Deferred Outflows of Resources	<u>1,466,716</u>
Total Assets and Deferred Outflows of Resources	\$ <u>\$ 22,668,826</u>
<u>Liabilities and Net Position</u>	
Current liabilities	
Accounts payable	\$ 112,678
Accrued salaries payable	<u>380,110</u>
Total current liabilities	<u>492,788</u>
Noncurrent liabilities	
Due within one year	746,545
Due in more than one year	<u>12,318,507</u>
Total noncurrent liabilities	<u>13,065,052</u>
Total Liabilities	13,557,840
Deferred Inflows of Resources	
Deferred inflows related to pensions - FRS	1,298,211
Deferred inflows related to pensions - HIS	<u>1,111,056</u>
Total Deferred Inflows of Resources	<u>2,409,267</u>
Net position	
Net investment in capital	10,084,852
Restricted	178,266
Unrestricted	<u>(3,561,399)</u>
Total net position	<u>6,701,719</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ <u>22,668,826</u>

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

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

		Program Revenues		Net (Expense)
		Operating	Capital	Revenue and
	Expenses	Grants and	Grants and	Changes in
		Contributions	Contributions	Net Assets
Primary government:				
Governmental activities				
Basic Instruction	\$ 5,019,079	\$ 181,232	\$ 3,024,728	\$ (1,813,119)
Exceptional instruction	576,433	18,061	-	(558,372)
Other instruction	280,959	137,284	-	(143,675)
Guidance services	241,696	-	-	(241,696)
Health services	91,951	-	-	(91,951)
Instructional media services	78,878	-	-	(78,878)
School administration	2,104,234	-	-	(2,104,234)
Fiscal services	292,389	-	-	(292,389)
Pupil transportation	460,007	-	-	(460,007)
Operation of plant	2,151,767	-	-	(2,151,767)
Maintenance of plant	215,881	-	-	(215,881)
Debt service	333,669	-	-	(333,669)
Total governmental activities	\$ 11,846,943	\$ 336,577	\$ 3,024,728	\$ (8,485,638)
General revenues:				
Grants and contributions not				9,989,224
restricted to specific programs				35,922
Investment income				455,337
Other				
Total general revenues				10,480,483
Change in net position				1,994,845
Net position, beginning of year				453,546
Prior period adjustment				4,253,328
Net position, beginning of year, restated				4,706,874
Net position, end of year				\$ 6,701,719

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

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

COMBINED BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2026

	General Fund	Capital Projects Fund	Total
<u>Assets</u>			
Current assets			
Cash and cash equivalents	\$ 2,720,464	\$ -	\$ 2,720,464
Contributions receivable	16,141	-	16,141
Due from other governments	18,219	50,191	68,410
Prepaid items	1,316	-	1,316
	<u>2,756,140</u>	<u>50,191</u>	<u>2,806,331</u>
Total Assets	\$ <u>2,756,140</u>	\$ <u>50,191</u>	\$ <u>2,806,331</u>
 <u>Liabilities and Fund Balances</u>			
Current liabilities			
Accounts payable	\$ 104,178	\$ 8,500	\$ 112,678
Accrued expenses	380,110	-	380,110
	<u>484,288</u>	<u>8,500</u>	<u>492,788</u>
Total Liabilities	<u>484,288</u>	<u>8,500</u>	<u>492,788</u>
Fund Balance			
Nonspendable	1,316	-	1,316
Restricted	178,266	41,691	219,957
Unrestricted	2,092,270	-	2,092,270
	<u>2,271,852</u>	<u>41,691</u>	<u>2,313,543</u>
Total Fund Balance	<u>2,271,852</u>	<u>41,691</u>	<u>2,313,543</u>
Total Liabilities and Fund Balance	\$ <u>2,756,140</u>	\$ <u>50,191</u>	\$ <u>2,806,331</u>

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

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

RECONCILIATION OF THE COMBINED BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION

June 30, 2026

Total Fund balance - Governmental Funds	\$	2,313,543
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets and right-to-use leased assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Capital assets	\$ 28,572,105	
Less accumulated depreciation	<u>(10,529,138)</u>	18,042,967

Right-to-use leased assets	470,416	
Less accumulated amortization	<u>(117,604)</u>	352,812

Noncurrent liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Interest rate swap	5,207	
Compensated absences	(5,638)	
Net pension liability - HIS	(1,752,496)	
Net pension liability - FRS	(2,777,071)	
Leases	(369,322)	
Notes payable	<u>(8,165,732)</u>	(13,065,052)

Deferred outflows and inflows related to net pension liability are based on the differences between actuarially determined actual and expected investment returns, changes in the actuarially determined proportion of the Charter School's amount of total pension liability and pension contributions made after the measurement date of the net pension liability. These amounts will be amortized over the estimated remaining average service life of employees.

Deferred outflows related to pension - FRS & HIS	1,466,716	
Deferred inflows related to pension - FRS & HIS	<u>(2,409,267)</u>	<u>(942,551)</u>

Total Net position of Governmental Activities	\$	<u><u>6,701,719</u></u>
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The accompanying notes are an integral part of these financial statements.

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY

COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2026

	General Fund	Capital Projects Fund	Total
Revenues			
Federal direct	\$ 181,232	\$ -	\$ 181,232
Federal through state	18,061	-	18,061
State	6,527,530	624,139	7,151,669
Local	3,380,147	2,400,589	5,780,736
Other	674,168	-	674,168
Investment income	21,933	-	21,933
Total revenues	<u>10,803,071</u>	<u>3,024,728</u>	<u>13,827,799</u>
Expenditures			
Education			
Basic Instruction	5,161,323	-	5,161,323
Exceptional instruction	636,001	-	636,001
Other instruction	280,581	-	280,581
Guidance services	257,418	-	257,418
Health services	106,479	-	106,479
Instructional media services	4,342	-	4,342
School administration	2,112,769	-	2,112,769
Fiscal services	315,478	-	315,478
Pupil transportation	486,994	-	486,994
Operation of plant	1,859,725	-	1,859,725
Maintenance of plant	154,808	-	154,808
Capital outlay	737,033	-	737,033
Debt service			
Principal	712,295	-	712,295
Interest	333,669	-	333,669
Total expenditures	<u>13,158,915</u>	<u>-</u>	<u>13,158,915</u>
Excess (deficit) of revenues over expenditures	<u>(2,355,844)</u>	<u>3,024,728</u>	<u>668,884</u>
Other Financing Sources			
Transfer between funds	2,983,037	(2,983,037)	-
Total other financing sources	<u>2,983,037</u>	<u>(2,983,037)</u>	<u>-</u>
Net change in fund balance	627,193	41,691	668,884
Fund balance, beginning of year	<u>1,644,659</u>	<u>-</u>	<u>1,644,659</u>
Fund balance, end of year	<u>\$ 2,271,852</u>	<u>\$ 41,691</u>	<u>\$ 2,313,543</u>

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

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

RECONCILIATION OF THE COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2026

Net Change in Fund Balance - Governmental Funds		\$ 668,884
Amounts reported 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. This is the amount by which capital outlays exceeded depreciation expense in the current period.		
Capital outlay expenditures	737,033	
Less current year depreciation	<u>(827,967)</u>	(90,934)
Governmental funds report right-to-use leased assets as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives as amortization expense. This is the amount by which capital outlays exceeded amortization expense in the current period.		
Less current year amortization expense for right-to-use leased assets		(94,083)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces noncurrent liabilities in the Statement of Net Position.		
Principal repayments on notes payable and capital leases		712,295
Pension expense in the statement of activities differ from the amount reported in the governmental funds because pension expenses are recognized on the statement of activities based on the Charter School's proportionate share of expense of the cost-sharing pension plan, whereas pension expenditures are recognized in the governmental funds when a requirement to remit contributions to the plan exists		
		772,025
In the statement of activities, some revenues and expense do not require the source or use of current financial resources and, therefore, are not reported as a revenue or expenditure in the governmental funds.		
Change in accrued compensated balances	12,669	
Change in value of interest rate swap	<u>13,989</u>	<u>26,658</u>
Change in Net Position of Governmental Activities		\$ <u><u>1,994,845</u></u>

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

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2026

	<u>Custodial Funds</u>
<u>Assets</u>	
Current assets	
Cash and cash equivalents	\$ <u>29,806</u>
Total Assets	\$ <u><u>29,806</u></u>
<u>Liabilities and Net Position</u>	
Total Liabilities	\$ <u>-</u>
Net position	
Restricted for:	
Individuals, organizations, and other governments	<u>29,806</u>
Total Net Position	\$ <u><u>29,806</u></u>

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

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2026

	<u>Custodial Funds</u>
ADDITIONS	
Miscellaneous	\$ <u>66,016</u>
Total Additions	<u>66,016</u>
DEDUCTIONS	
Payments for athletics, class, and club activities	<u>65,396</u>
Total Deductions	<u>65,396</u>
Net increase (decrease) in fiduciary net position	<u>620</u>
Net position at beginning of year	<u>29,186</u>
Net position at end of year	\$ <u><u>29,806</u></u>

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

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE 1 – ORGANIZATION

Sarasota Military Academy, Inc., a charter school and component unit of the School Board of Sarasota County, Florida (the Charter School) is a not-for-profit corporation formed on March 30, 2001, pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 228.056, Florida Statutes. The governing body of the Charter School is a Board of Directors. The Charter School is dedicated to teaching principles of leadership, high academic excellence, patriotism, and social responsibility to grades K-12 through involvement of students, faculty, parents, mentors, and the community. The Charter School's curriculum emphasizes the arts, encouraging students to learn, think and explore by traditional and nontraditional means.

The general operating authority of the Charter School is contained in Chapter 1002.33, Florida Statutes. The Charter School operates under a charter of the sponsoring school board, the School Board of Sarasota County, Florida (the School Board). The current charter is effective until June 30, 2040, and may be renewed by mutual agreement between the Charter School and the School Board. The Charter School is considered a component unit of the School Board.

The Charter School is considered a component unit of the School Board and meets the definition of a governmental entity under Audit and Accounting Guide - State and Local Governments issued by the American Institute of Certified Public Accountants; therefore, for financial reporting purposes, the Charter School is required to follow generally accepted accounting principles applicable to state and local governmental units.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The basic financial statements of the Charter School have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Government-Wide and Fund Financial Statements: The Charter School's basic financial statements include both government-wide (reporting on the Charter School as a whole) and fund financial statements (reporting on the General Fund only). Both the government-wide and fund financial statements present only governmental activities. The Charter School has no business-type activities.

In the government-wide Statement of Net Position, the Charter School reports on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Charter School's net position is reported in three parts (as applicable): net investment in capital assets; restricted net position; and unrestricted net position.

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a given function (or segment) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions restricted to meeting the operational or capital requirements of a particular function or segment. Unrestricted grants and contributions and other items not properly included among program revenues are reported as general revenues.

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements – Continued

The financial transactions of the Charter School are reported in individual funds in the fund financial statements. The operation of the fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund balance, revenues, and expenditures.

The individual generic fund types in the Charter School's financial statements are governmental funds. The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

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

Capital Projects Fund – used to account for charter school capital outlay funding that is legally restricted to expenditures for particular purposes.

Additionally, the Charter School reports separately the following fiduciary fund type:

Custodial Fund – used to administer funds raised and earned at the Charter School in connection with student athletics, class, club activities, and the Charter School.

Measurement Focus, Basis of Accounting and Financial Statement Presentation: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the Charter School considers revenues to be available if they are collected within 60 days of the end of the current period.

Expenditures generally are recorded when a liability is incurred, in accordance with accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is made.

Florida Education Finance Program revenue, State Categorical revenue, and ROTC revenue associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Charter School.

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Basis of Accounting: The annual budget was adopted on the modified accrual basis of accounting. The level of budgetary control is at the entity level. All annual appropriations lapse at fiscal year-end. For the fiscal year ended June 30, 2026, appropriations exceeded expenses by \$668,884. Revisions, if any, to the annual budget are approved by the Board.

Cash Deposits: All deposits are held in a major bank and consist primarily of demand deposits at June 30, 2026. For financial reporting purposes, cash and cash equivalents include all highly liquid investments with a maturity of three months or less.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Receivables: Management considers all receivables to be fully collectible, therefore no allowance has been recorded as of June 30, 2026.

Capital Assets: Capital assets, which include property and equipment, are reported in the total column in the government-wide financial statements and are not reported in the fund financial statements. Capital assets are defined by the Charter School as assets with an initial cost of more than \$1,000 and an estimated useful life in excess of one year. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. All capital assets are depreciated using the straight-line method over their estimated useful lives. Useful lives vary from 5 to 39 years for buildings and improvements, and 3 to 10 years for furniture, fixtures and equipment, motor vehicles and capital lease assets.

Interest Rate Swap: The Charter School entered into an interest rate swap transaction to reduce the economic risks associated with variability of cash outflows for interest required under the Educational Facilities Refunding Revenue Bond Agreement for Series 2012. Interest rate swap is recognized as either an asset or a liability at its fair value on the statement of net position with the change in the fair value reported in investment income on the statement of activities.

Compensated Absences: Vacation benefits are accrued as a liability as the benefits are earned if the employee's right to receive compensation is attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The criteria for determining the vacation leave liability is derived from board policy, negotiated agreements, and state law. The entire compensated absence liability is reported in the government-wide financial statements. For governmental fund financial statements, the amount of accumulated vacation and sick leave of employees has been recorded as accrued salaries and benefits to the extent that the amounts would normally be liquidated with expendable available financial resources, but the balance of the liability is not recorded. The liability at year-end includes salary related payments such as Social Security, Medicare and Florida retirement system contributions.

Deferred Outflows and Inflows of Resources: The statement of net position includes separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods that will be recognized as an expense or expenditure in future periods. Deferred inflows of resources represent an acquisition of net position or fund balance that applies to future periods and will be recognized as revenues in the future periods.

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Bonds Payable: Bond obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in government-wide statement of net position.

In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due. Governmental fund types recognize bond discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Leases: The Charter School is a lessee for leases of equipment. A lease liability and an intangible right-to-use leased asset (RTU leased asset) are recognized in the government-wide financial statements for each lessee transaction.

At the commencement of each lease, the lease liability is measured at the present value of payments expected to be made during the lease term. Subsequently, the lease liabilities are reduced by the principal portions of lease payments made. The RTU lease assets are measured as the initial amount of the individual lease liabilities, adjusted for lease payments made at or before the lease commencement dates, plus certain initial direct costs. Subsequently, the RTU lease assets are amortized on a straight-line basis over their useful lives.

The Charter School calculates operating lease liabilities using the interest rate charged by the lessor as the discount rate. When an interest rate charged by the lessor is not provided, the risk-free rate, using a comparable period with the lease term, is used as the discount rate for leases. Lease payments for leases with a term of 12 months or less are expensed on a straight-line basis over the term of the lease with no lease asset or liability recognized.

Interfund Transfers: The Charter School reports its debt service and capital fund expenditures in the general fund. For the fiscal year ended June 30, 2026, the capital projects fund transferred \$2,983,037 to the general fund for current year expenditures and debt service payments.

Fund Equity: Reservations of fund balance represent amounts that are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position: Net position represents the difference between assets and liabilities. Net position, investment in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position invested in capital assets, net of related debt, excludes unspent debt proceeds.

Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws, or regulations. All net position not reported as net position, investment in capital assets, net of related debt and restricted net position, are reported as unrestricted net position.

When both restricted and unrestricted resources are available for use, it is the Charter School's policy to use the restricted resources first, then unrestricted resources as they are needed.

Fund Balance: In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Charter School is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components - nonspendable, restricted, committed, assigned and unassigned.

Nonspendable - This component includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted - This component consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation.

Committed - This component consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Charter School's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Charter School removes or changes the specified use by taking the same type of action it employed previously to commit those amounts.

Assigned - This component consists of amounts that are constrained by the Charter School's intent to be used for specific purposes but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Board of Directors.

Unassigned - This classification represents amounts that have not been restricted, committed or assigned to a specific purpose within the general fund.

When both restricted and unrestricted resources are available for use, it is the Charter School's policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use it is the Charter School's policy to use committed resources first, then assigned, and then unassigned as they are needed.

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance/Net Position Policy: The Charter School has a fund balance/net position policy tailored to the needs of the Charter School to insure against unanticipated events that would adversely affect the financial condition of the Charter School and jeopardize the continuation of services. This policy will ensure the Charter School maintains adequate fund balance/net position and reserves in the Charter School's operating fund to provide the capacity to: (1) provide sufficient cash flow for daily financial needs, (2) secure and maintain investment grade bond ratings, (3) offset significant economic downturns and revenue shortfalls, and (4) provide funds for unforeseen expenditures related to emergencies.

Revenue Sources: Revenues for current operations are received primarily from the School Board pursuant to the funding provisions included in the Charter School's charter. In accordance with the funding provisions of the charter and Chapter 1002.33(17), Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the School Board. Under the provisions of Chapter 1011.62, Florida Statutes, the School Board reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program (FEFP). Funding for the Charter School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted FTE students reported by the Charter School during the designated FTE student survey periods.

The Charter School also receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to and approved by various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred. Additional revenues are derived from various fundraising activities, contributions and interest earned.

Income Taxes: The Charter School qualifies as a tax-exempt organization under Internal Revenue Code Section 501(c)(3). The Charter School's status as a tax-exempt not-for-profit entity is considered a tax position subject to reporting requirements under FASB Accounting Standards Codification 740-10. Entities are required to examine all tax positions and determine if it is more likely than not that the positions would be sustained upon examination by taxing authorities. The Charter School has not recorded any accruals for uncertain income tax positions at June 30, 2026.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

New Pronouncements: For the fiscal year ended June 30, 2026, the Charter School implemented GASB Statement No. 103, *Financial Reporting Model Improvements*. GASB Statement No. 103 established new financial reporting model improvements to enhance the effectiveness of financial statements in providing information essential for decision-making and assessing accountability. Key provisions of the statement include clarifying and refining the minimum requirements for Management Discussion and Analysis that emphasize analysis rather than repetition of financial statement data and clarifying presentation criteria for presenting major component unit information in the basic financial statements. The implementation of GASB No. 103 resulted in format modifications to required supplementary information, however, it had no effect on beginning net position or fund balance.

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE 3 – CASH AND CASH EQUIVALENTS

Custodial credit risk is the risk that in the event of bank failure, the Charter School's deposits may not be returned. The Charter School can mitigate this risk by depositing funds in financial institutions insured by Federal depository insurance. The deposits are insured by the FDIC up to \$250,000 per bank institution. At June 30, 2026, the carrying amount of the Charter School's deposits was \$2,749,470 and bank balances totaled \$2,913,101. The Charter School had uninsured balances of \$2,663,101 at June 30, 2026.

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2026 was as follows:

	Balance July 1, 2025	Reclass/ Additions/	Deletions	Balance June 30, 2026
Capital assets, not being depreciated				
Land	\$ 8,398,300	\$ -	\$ -	\$ 8,398,300
Capital assets, being depreciated				
Land improvements	153,483	-	-	153,483
Buildings and improvements	14,441,968	213,046	-	14,655,014
Furniture, fixtures and equipment	3,996,504	377,850	-	4,374,354
Motor vehicles	856,036	134,918	-	990,954
Total capital assets being depreciated	19,447,991	725,814	-	20,173,805
Less accumulated depreciation				
Land improvements	112,044	5,661	-	117,705
Buildings and improvements	5,545,902	457,058	-	6,002,960
Furniture, fixtures and equipment	3,321,577	314,692	-	3,636,269
Motor vehicles	721,648	50,556	-	772,204
Total accumulated depreciation	9,701,171	827,967	-	10,529,138
Total capital assets being depreciated, net	9,746,820	(102,153)	-	9,644,667
Capital Assets, net	\$18,145,120	\$ (102,153)	\$ -	\$18,042,967

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NOTE 4 - CAPITAL ASSETS - CONTINUED

Depreciation expense was \$827,967 for the fiscal year ended June 30, 2026 and was allocated to the following governmental functions:

Basic instruction	\$ 313,392
Exceptional instruction	7,591
Other instruction	378
Guidance services	829
Health services	77
Instructional media services	74,536
School administration	13,484
Fiscal services	773
Pupil transportation	48,199
Operation of plant	307,635
Maintenance of plant	61,073
Total	<u>\$ 827,967</u>

NOTE 5 – NONCURRENT LIABILITIES

Activity for noncurrent liabilities for the fiscal year ended June 30, 2026 was as follows:

	Balance July 1, 2025	<u>Additions</u>	<u>Reductions</u>	Balance June 30, 2026	<u>Due Within One Year</u>
Governmental activities:					
Interest rate swap	\$ 8,782	\$ -	\$ (13,989)	\$ (5,207)	\$ -
Compensated absences	18,307	-	(12,669)	5,638	5,638
Lease liabilities	142,486	450,698	(223,862)	369,322	85,539
Net pension liability – FRS	3,756,065	-	(978,994)	2,777,071	-
Net pension liability – HIS	2,301,968	-	(549,472)	1,752,496	-
Bonds payable	8,796,652	-	(630,920)	8,165,732	655,368
	<u>\$ 15,024,260</u>	<u>\$ 450,698</u>	<u>\$(2,409,906)</u>	<u>\$13,065,052</u>	<u>\$ 746,545</u>

Bonds Payable and Interest Rate Swaps

Educational Facilities Refunding Revenue Bonds, Series 2012

On July 18, 2012, the Charter School entered into a bond purchase agreement with Wells Fargo Bank and Sarasota County for the purchase and sale of \$5,565,000 of Educational Facilities Refunding Revenue Bonds (Sarasota Military Academy, Inc. Project), Series 2012. The bonds were sold to enable the Charter School to refinance its obligations related to the Tax-Exempt Adjustable Mode Industrial Development Revenue Bonds Series 2005 and Series 2008. The bonds bear interest at a weekly rate and continue to bear interest at the weekly rate to the date upon which the interest rate is converted, if ever, to the Flexible Term Rate, the Medium-Term Rate or the Fixed Rate in accordance with the terms of the Indenture. The bonds mature annually on July 19, with final maturity on July 19, 2037. The bonds are secured by an irrevocable, direct-pay letter of credit with Wells Fargo.

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NOTE 5 – NONCURRENT LIABILITIES – CONTINUED

Bonds Payable and Interest Rate Swaps- Continued

Educational Facilities Refunding Revenue Bonds, Series 2012 - Continued

Additionally, the Charter School entered into an interest rate swap agreement with Wells Fargo Bank in conjunction with these bonds through July 18, 2027. The interest rate swap agreement had an original notional amount of \$5,565,000 and declines as debt service payments are made. Under the swap agreement, the Charter School pays a fixed rate of 4.63% and receives interest at a variable rate equal to 77% of the USD-LIBOR-BBA, based on the notional amount which at June 30, 2026, was \$3,349,000. Effective June 1, 2023, the variable rate has been adjusted to 77% of the USD-SOFR. Interest payments are due monthly and the variable rate is reset weekly based on a weighted average.

The Charter School has certain loan covenants within their agreements with Wells Fargo. As of June 30, 2026, the Charter School was in compliance with the loan covenants.

Annual debt service requirements to maturity for the bonds are as follows:

Fiscal Year Ending

<u>June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2027	\$ 221,000	\$ 117,252	\$ 338,252
2028	<u>3,128,000</u>	<u>14,568</u>	<u>3,142,568</u>
Total	<u>\$ 3,349,000</u>	<u>\$ 131,510</u>	<u>\$ 3,480,820</u>
Total bonds payable	\$ 3,349,000		
Current portion	<u>(221,000)</u>		
Noncurrent portion	<u>\$ 3,128,000</u>		

Educational Facilities Refunding Revenue Bonds, Series 2016A and 2016B

On March 25, 2016, the Charter School entered into a bond purchase agreement with Wells Fargo Bank and Sarasota County for the purchase and sale of \$7,554,540 of Educational Facilities Revenue Bonds (Sarasota Military Academy, Inc. Project), Series 2016A and Series 2016B in an aggregate principal amount not to exceed \$1,000,000 in one or more advances. The bonds were sold to enable the Charter School to finance the acquisition of land and existing building constituting a middle school located at 3101 Bethel Lane in Sarasota, Florida and the cost of constructing on such land, a new classroom building and payments of cost in connection with the issuance of the bonds.

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NOTE 5 – NONCURRENT LIABILITIES - CONTINUED

Bonds Payable and Interest Rate Swaps- Continued

Educational Facilities Refunding Revenue Bonds, Series 2016A and 2016B - Continued

The Series 2016A bonds bear interest at a rate of 2.74% per annum. Principal and interest are due to be paid on the 15TH day of each month in accordance with the terms of the Indenture. On the maturity date, all the outstanding principal shall be due and payable. Interest shall be computed on an actual/360 simple interest basis. The Series 2016A bonds mature on April 15, 2036. The bond is secured by an assignment by Sarasota County, Florida (the issuer), to Wells Fargo Bank of its rights in the Agreement and the Note, and an endorsement by the issuer without recourse of the note payable to the order of Wells Fargo Bank. Payment of the bond is further secured by a First Mortgage, Assignment of Leases and Rents and Security Agreement and a Second Mortgage, Assignment of Leases and Rents and Security Agreement from the Charter School to Wells Fargo Bank.

During the year ended June 30, 2016, the Charter School was advanced \$196,772 in accordance with the Series 2016B bond agreement. The Series 2016B bonds bear interest at a rate of 2.84% per annum. Interest is to be paid on the 15th day of each month commencing on May 15, 2016. Interest shall be computed on an actual/360 simple interest basis. The Series 2016B bonds mature on April 15, 2036. On the maturity date, all outstanding principal shall be due and payable. The bond is secured by an assignment by Sarasota County, Florida (the issuer), to Wells Fargo Bank of its rights in the Agreement and the Note, and an endorsement by the issuer without recourse of the note payable to the order of Wells Fargo Bank. Payment of the bond is further secured by a First Mortgage, Assignment of Leases and Rents and Security Agreement and a Second Mortgage, Assignment of Leases and Rents and Security Agreement from the Charter School to Wells Fargo Bank.

The Charter School has certain loan covenants within their agreements with Wells Fargo. As of June 30, 2026, the Charter School is in compliance with the loan covenants.

Annual debt service requirements to maturity for the bonds are as follows:

Fiscal Year Ending <u>June 30:</u>	Principal Series 2016A & Series 2016B	Interest	Total
2027	\$ 434,368	\$ 126,347	\$ 560,715
2028	446,473	114,242	560,715
2029	458,916	101,799	560,715
2030	471,705	89,010	560,715
2031	484,852	75,863	560,715
Thereafter	<u>2,520,418</u>	<u>160,582</u>	<u>2,681,000</u>
Total	<u>\$ 4,816,732</u>	<u>\$ 667,843</u>	<u>\$ 5,484,575</u>
Total bonds payable	\$ 4,816,732		
Current portion	<u>(434,368)</u>		
Noncurrent portion	<u>\$ 4,382,364</u>		

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NOTE 6 – LEASES

Right-to-Use Leased Assets

The Charter School leases copiers and equipment. Certain leases can be short-term or renewable at the option of the Charter School, and are accounted for appropriately per GASB Statement No. 87, Leases. At June 30, 2026 there were no leases with variable payments not included in the measurement of the lease liability and none of the leases contained residual value guarantees. At June 30, 2026, the weighted-average remaining lease term for the Charter School's leases was four years, and the weighted-average discount rate used to measure the lease liabilities was 5%, reflecting the rate used to discount future lease payments to their present value. Right-to-use leased assets are amortized on a straight-line basis over the life of the lease. Amortization expense for the fiscal year ended June 30, 2026 was \$94,083.

Right-to-use leased assets	\$ 470,416
Accumulated amortization	<u>(117,604)</u>
Right-to-use leased assets, net	<u>\$ 352,812</u>

Amortization for the remaining lease term as of June 30, 2026 are as follows:

Fiscal Year Ending	
<u>June 30:</u>	<u>Total</u>
2027	\$ 94,083
2028	94,083
2029	94,083
2030	<u>70,563</u>
Total	<u>\$ 352,812</u>

Leased Liabilities

The Charter School routinely leases copiers and equipment in lieu of purchasing assets. As of June 30, 2026 the Charter School's lease liabilities total \$369,322. Annual principal and interest payments due for lease payments as of June 30, 2026 are as follows:

Fiscal Year Ending			
<u>June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2027	\$ 85,539	\$ 16,524	\$ 102,063
2028	89,916	12,147	102,063
2029	94,516	7,547	102,063
2030	<u>99,351</u>	<u>2,712</u>	<u>102,063</u>
Total	<u>\$ 369,322</u>	<u>\$ 38,930</u>	<u>\$ 408,252</u>

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NOTES TO BASIC FINANCIAL STATEMENTS
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NOTE 7 – DERIVATIVE INSTRUMENTS

The Charter School is a party to contracts for various derivative instruments, as discussed below. At June 30, 2026, the Charter School has the following derivative instruments outstanding:

Governmental Activities <u>Fair Value Hedge</u>		<u>Fair value</u>		<u>Changes in Fair Value</u>	
		<u>Notional Classification</u>	<u>Amount</u>	<u>Classification</u>	<u>Amount</u>
Pay-fixed Interest rate swap	\$3,349,000	Debt	\$5,207	Investment Revenue	\$13,989

The Charter School is exposed to interest rate risk on its swap agreement. On the pay-fixed, recent variable interest rate swap, the Charter School's net payment increases as USD-SOFR decreases.

The derivative instrument may be terminated at any time if certain events occur that result in one party not performing in accordance with the agreement. The derivative instrument can be terminated due to illegality, a credit event upon merger, or an event of default. It can also be terminated if credit ratings fall below established levels.

NOTE 8 - DEFINED BENEFIT PENSION PLAN - FLORIDA RETIREMENT SYSTEM

Plan Description

All part-time and full-time permanent employees of the Charter School are covered by the Florida Retirement System. The Florida Retirement System (FRS) is a cost-sharing, multiple-employer, defined benefit retirement plan available to governmental units within the State of Florida. The plan was created by the Florida Legislature and is administered by the State of Florida Department of Administration.

The plan provisions are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System rules, Chapter 60S, Florida Administrative Code, wherein eligibility, contributions, and benefits are defined and described in detail. Senate Bill 2100, effective July 1, 2011, made a number of substantial changes to the FRS, including requiring 3% employee contributions on all compensation on or after July 1, 2011. The following are brief descriptions of the Plan in effect as of June 30, 2026.

For a more complete description, refer to the Florida Retirement System Pension Plan and Other State Administered Systems Comprehensive Annual Financial report. The report may be obtained by writing to the Florida Retirement System, Division of Retirement, P.O. Box 9000, Tallahassee, Florida 32315-9000.

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NOTE 8 - DEFINED BENEFIT PENSION PLAN - FLORIDA RETIREMENT SYSTEM - CONTINUED

Benefits Provided

Benefits in the plan vest at six years of service for those enrolled in the FRS prior to July 1, 2011 and eight years of service for those enrolled in the FRS on or after July 1, 2011. The plan also includes an early retirement provision but imposes a penalty for each year a member retires before his or her normal retirement date. The plan provides retirement, disability, and death benefits and annual cost-of-living adjustments, as well as supplements for certain employees to cover social security benefits lost by virtue of retirement system membership.

The plan provides vesting of benefits after six years for those enrolled in the FRS prior to July 1, 2011 and eight years for those enrolled in the FRS on or after July 1, 2011. Members who were enrolled prior to July 1, 2011 are eligible for normal retirement after they have met one of the following: (1) thirty years of service, regardless of age, or (2) age 62 and six years of service. Members who were enrolled on or after July 1, 2011 are eligible for normal retirement after they have met one of the following: (1) thirty-three years of service, regardless of age or (2) age 65 and eight years of service.

Early retirement may be taken any time after completing six years of service for those enrolled in the FRS prior to July 1, 2011 and eight years for those enrolled in the FRS on or after July 1, 2011; however, there is a 5% benefit reduction for each year prior to normal retirement. The normal retirement age is 62 for those enrolled in the FRS prior to July 1, 2011 and 65 for those enrolled in the FRS on or after July 1, 2011. Benefits are computed on the basis of age, average final compensation, and service credit. Average final compensation is the average of the five highest years of earnings.

The plan also provides death and disability benefits. Benefits are estimated by Florida Statutes and include cost of living adjustments.

Contributions

Effective July 1, 2011, both employees and employers of the FRS are required to make contributions to establish service credit for work performed in a regularly established position. Effective July 1, 2002, the Florida Legislature established a uniform contribution rate system for the FRS, covering both the Pension Plan and the Investment Plan. The uniform employer contribution rate for regular class members for the fiscal year 2025-2026 was 11.97%. These rates exclude the 2.00% contribution for the Retiree Health Insurance Subsidy, the fee of 0.04% for administration of the FRS Investment Plan and provision of educational tools for both plans, and unfunded actuarial liability rates. The employee contribution rate was 3% for the fiscal year ended June 30, 2026.

The Charter School's contribution to the plan for the fiscal year ended June 30, 2026 was 762,365.

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NOTE 8 - DEFINED BENEFIT PENSION PLAN - FLORIDA RETIREMENT SYSTEM - CONTINUED

FRS Pension Liability and Expense and Deferred Outflows and Inflows of Resources

At June 30, 2026, the Charter School reported a liability of \$2,777,071 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by rolling forward the Plan's total pension liability as of June 30, 2024 to June 30, 2025. The Charter School's proportion of the net pension liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2025, the School's proportions were 0.005419467% and 0.003528686%, which was a decrease of 0.000430085% and 0.000331194%, respectively, from its proportions measured as of June 30, 2024.

For the fiscal year ended June 30, 2026, the Charter School recognized a pension expense of \$271,499. At June 30, 2026, the Charter School reported deferred outflows of resources and deferred inflows of resources related to FRS pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in:		
Contributions subsequent to measurement date	\$ 762,365	\$ -
Investments	-	(463,660)
Assumptions/inputs	322,490	-
Experience expected/actual	296,621	-
Change in Proportion, NPL	32,728	(834,551)
	<u>\$ 1,414,204</u>	<u>\$ (1,298,211)</u>

Deferred outflows of resources related pensions totaling \$762,365, resulting from the Charter School's contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension expense will be recognized as follows:

Fiscal Year Ending	
June 30:	
2027	\$ 450,039
2028	(79,960)
2029	(119,663)
2030	(94,965)
2031	-
Thereafter	-
Total	<u>\$ 155,451</u>

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NOTE 8 - DEFINED BENEFIT PENSION PLAN - FLORIDA RETIREMENT SYSTEM – CONTINUED

Actuarial Assumptions for Defined Benefit Pension Plan

The Florida Retirement System (FRS) Actuarial Assumption Conference is responsible for setting the assumptions used in the funding valuations of the defined benefit pension plan pursuant to section 216.136(10), Florida Statutes. The division determines the assumptions in the valuations for GASB 67 reporting purposes. The FRS Pension Plan's GASB 67 valuation is performed annually. The most recent experience study for the FRS Pension Plan was completed in 2024 for the period July 1, 2018 through June 30, 2023. The total pension liability for the plan was determined using the individual entry age actuarial cost method. Inflation increases is assumed at 2.40%. Payroll growth, including inflation, is assumed at 3.50%. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.70%. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Long-Term Expected Rate of Return

The long-term expected rate of return on FRS Pension Plan investments was determined using a forward-looking capital market economic model, which includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Cash	1.0%	3.3%
Fixed income	29.0%	5.7%
Global equity	45.0%	8.6%
Real estate (property)	12.0%	8.1%
Private equity	11.0%	12.4%
Strategic investments	2.0%	6.6%

Sensitivity Analysis

The following presents the net pension liability of the pension plan, calculated using the discount rate of 6.70%, as well as what the pension plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.70%) or one percentage point higher (7.70%) than the current rate.

	<u>1.00% Decrease 5.70%</u>	<u>Current Discount Rate Interest</u>	<u>1.00% Increase 7.70%</u>
Total FRS net pension liability	\$60,905,966,278	\$31,035,131,278	\$5,991,855,278
Charter School's proportional share of the net pension liability	\$ 5,449,959	\$ 2,777,071	\$ 536,160

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NOTE 9 - DEFINED BENEFIT PENSION PLAN - HEALTH INSURANCE SUBSIDY PROGRAM

Plan Description

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing multiple-employer defined benefit pension plan established under section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Department of Management Services. For the fiscal year ended June 30, 2026, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments are at least \$30 but not more than \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

The HIS Program is funded by required contributions from FRS participating employers as set by the Legislature. Employer contributions are a percentage of gross compensation for all active FRS members.

For the fiscal year ended June 30, 2026, the contribution rate was 2.00 percent of payroll pursuant to section 112.363, Florida Statutes. HIS contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS benefits are not guaranteed and are subject to annual Legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

HIS Pension Liability and Expense and Deferred Outflows and Inflows of Resources

At June 30, 2026, the Charter School reported a liability of \$1,752,496 for its proportionate share of the HIS net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by rolling forward the Plan's total pension liability as of June 30, 2024 to June 30, 2025. The Charter School's proportion of the net pension liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2025, the Charter School's proportions were 0.008232870% and 0.005439878%, which was a decrease of 0.00075111% and 0.000902407% respectively, from its proportions measured as of June 30, 2024.

For the fiscal year ended June 30, 2026, the Charter School recognized pension income of \$265,501. At June 30, 2026, the Charter School reported deferred outflows of resources and deferred inflows of resources related to HIS program from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in:		
Contributions subsequent to measurement date	\$ 15,558	\$ -
Investments	-	(1,458)
Assumptions/inputs	15,511	(423,885)
Experience expected/actual	10,461	(2,780)
Change in Proportion, NPL	10,982	(682,933)
	<u>\$ 52,512</u>	<u>\$ (1,111,056)</u>

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NOTE 9 - DEFINED BENEFIT PENSION PLAN - HEALTH INSURANCE SUBSIDY PROGRAM
CONTINUED

Deferred outflows of resources totaling \$15,558, resulting from the Charter School's contribution subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension expense will be recognized as follows:

Fiscal Year Ending	
<u>June 30:</u>	
2027	\$ (88,752)
2028	(106,259)
2029	(89,462)
2030	(71,695)
2031	(46,153)
Thereafter	<u>-</u>
Total	\$ <u>(402,321)</u>

Actuarial Assumptions for Defined Benefit Health Insurance Premium Benefit Plan

The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for the plan was determined using the individual entry age actuarial cost method. Inflation increases is assumed at 2.40%. Payroll growth, including inflation, is assumed at 3.50%. Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 5.20% was used to determine the total pension liability for the program.

Sensitivity Analysis

The following presents the net pension liability of the HIS, calculated using the discount rate of 5.20%, as well as what the HIS's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (4.20%) or one percentage point higher (6.20%) than the current rate.

	1% Decrease 4.20%	Current Discount Rate 5.20%	1% Increase 6.20%
Total HIS net pension liability	\$14,453,731,622	\$12,817,444,130	\$11,445,119,065
Charter School's proportional share of the net position liability	\$ 1,976,222	\$ 1,752,496	\$ 1,564,862

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NOTE 10 – RISK MANAGEMENT PROGRAMS

The Charter School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Charter School has purchased commercial insurance. The Charter School has not had any reduction in insurance coverage and settlements have not exceeded coverage for each of the past three fiscal years.

NOTE 11 – LITIGATION

The School Board is contingently liable with respect to lawsuits and other claims that arise in the ordinary course of its operations. Management believes that any liability arising from such claims would be immaterial to the financial statements.

NOTE 12 – FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE

Certain of the Charter School's financial instruments are not measured at fair value on a recurring basis but nevertheless are recorded at amounts that approximate fair value due to their liquid or short-term nature. Such financial assets and financial liabilities include cash and cash equivalents, accounts receivable, due from other governments, prepaid items, accounts payable, accrued expenses.

NOTE 13 – PRIOR PERIOD ADJUSTMENT

During the audit process, it was discovered that deferred outflows related to pensions – FRS and deferred outflows related to pensions – HIS was not properly stated at June 30, 2025. As a result, deferred outflows related to pensions - FRS and deferred outflows related to pensions – HIS increased \$4,253,328 in total and unrestricted net assets increased \$4,253,328 at June 30, 2025.

NOTE 14 – EVALUATION OF SUBSEQUENT EVENTS

On August 5, 2026, the Board of Directors approved listing the high school campus at 801 North Orange Avenue for sale, and the property was listed publicly that week.

The Charter School has evaluated subsequent events through September 14, 2026, the date the financial statements were available for issuance.

REQUIRED SUPPLEMENTARY INFORMATION

SARASOTA MILITARY ACADEMY, INC.
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REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2026
UNAUDITED

	Budgeted Amounts		Over /		Over /
	Original	Final	(Under)	Actual	(Under)
Revenues					
Federal direct	\$ 210,080	\$ 210,080	\$ -	\$ 181,232	\$ (28,848)
Federal through state	6,980	6,980	-	18,061	11,081
State through local	12,460,429	12,460,429	-	12,932,405	471,976
Other	602,688	602,688	-	696,101	93,413
Total revenues	<u>13,280,177</u>	<u>13,280,177</u>	<u>-</u>	<u>13,827,799</u>	<u>547,622</u>
Expenditures					
Education					
Basic Instruction	5,427,386	5,427,386	-	5,161,323	(266,063)
Exceptional instruction	638,701	638,701	-	636,001	(2,700)
Other instruction	278,498	278,498	-	280,581	2,083
Guidance services	200,526	200,526	-	257,418	56,892
Health services	82,820	82,820	-	106,479	23,659
Instructional media services	86,334	86,334	-	4,342	(81,992)
School administration	2,091,577	2,091,577	-	2,112,769	21,192
Fiscal services	364,637	364,637	-	315,478	(49,159)
Pupil transportation	443,658	443,658	-	486,994	43,336
Operation of plant	1,847,034	1,847,034	-	1,859,725	12,691
Maintenance of plant	381,617	381,617	-	154,808	(226,809)
Capital outlay	-	-	-	737,033	737,033
Debt service					
Principal and interest	902,062	902,062	-	1,045,964	143,902
Total expenditures	<u>12,744,850</u>	<u>12,744,850</u>	<u>-</u>	<u>13,158,915</u>	<u>414,065</u>
Excess (deficit) of revenues over expenditures	<u>535,327</u>	<u>535,327</u>	<u>-</u>	<u>668,884</u>	<u>133,557</u>
Net change in fund balance	<u>\$ 535,327</u>	<u>\$ 535,327</u>	<u>\$ -</u>	<u>\$ 668,884</u>	<u>\$ 133,557</u>

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

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2026

NOTE A – EXPLANATION OF SIGNIFICANT VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS AMOUNTS AND FINAL BUDGET AMOUNTS AND ACTUAL RESULTS

The Charter School's final budget reflected amendments made during the fiscal year to accommodate changes in operating and capital expenditure expectations. Actual results differed from the final amended budget in several functions due primarily to the following matters:

- State and local revenues exceeded the original and final budget by \$471,976 due to an increase in millage and sales tax collections, which was offset by slight drop in student enrollment.
- Other revenues exceeded the original and final budget by \$93,413 due higher than anticipated donations and sports and activities collections, which was slightly offset by lower interest income.
- Basic instruction expenditures came in under the original and final budget by \$266,063 as a result of four mid-year teacher resignations, whose positions did not require replacement.
- Guidance services exceeded the original and final budget by \$56,892, reflecting a projection based on prior-year actuals rather than anticipated needs.
- Instructional media services came in under the original and final budget by \$81,992 due to technology expenses being misallocated to this category during the budget process.
- Maintenance of plant came in under the original and final budget by \$226,809, primarily from a reduction in planned HVAC units being purchased.
- Capital outlays exceeded the original and final budget by \$737,033, since capital outlays were omitted from the original and final budget.
- Debt Service exceeded the original and final budget by \$143,902, reflecting a projection based on prior-year actuals rather than forward debt amortization schedules.
- The resulting positive variance in fund balance compared with the final amended budget was primarily attributable to revenues exceeding expectations combined with lower expenditures in certain operational and capital functions.

The budget was prepared on the modified accrual basis of accounting, and all annual appropriations lapse at fiscal year-end, as disclosed in the accompanying required supplementary information schedule.

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET POSITION LIABILITY AND CONTRIBUTIONS - FRS (UNAUDITED)
LAST TEN MEASUREMENT PERIODS¹

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
PROPORTIONATE SHARE OF NET PENSION LIABILITY										
Charter School's proportion of the net pension liability										
High school	0.009910741%	0.009046043%	0.009141010%	0.009119155%	0.008184443%	0.008353687%	0.008084734%	0.006510320%	0.005849552%	0.005419467%
Prep	0.002170394%	0.004027495%	0.005197701%	0.005679523%	0.005072926%	0.005756334%	0.005559059%	0.004834455%	0.003859880%	0.003528686%
Charter School's proportionate share of the net pension liability	\$ 3,519,416	\$ 4,213,204	\$ 4,464,022	\$ 4,952,860	\$ 5,745,930	\$ 1,065,852	\$ 5,076,588	\$ 4,520,533	\$ 3,756,065	\$ 2,777,071
Charter School's covered-employee payroll	\$ 6,744,577	\$ 7,049,786	\$ 7,553,397	\$ 7,113,054	\$ 7,041,129	\$ 7,166,465	\$ 6,970,588	\$ 6,494,389	\$ 6,110,050	\$ 5,569,377
Charter School's proportionate share of the net pension liability as a percentage of its covered-employee payroll	52.18%	59.76%	59.10%	69.63%	81.61%	14.87%	72.83%	69.61%	61.47%	49.86%
Plan fiduciary net position as a percentage of the total pension	84.88%	83.89%	84.26%	82.61%	78.85%	96.40%	82.89%	82.38%	83.70%	87.26%
CONTRIBUTIONS										
Contractually required contributions	\$ 380,112	\$ 412,744	\$ 475,121	\$ 519,536	\$ 513,062	\$ 605,972	\$ 676,762	\$ 718,450	\$ 753,131	\$ 664,940
Contribution in relation to the contractually required contribution	(380,112)	(412,744)	(475,121)	(519,536)	(513,062)	(605,972)	(676,762)	(718,450)	(753,131)	(664,940)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charter School's covered-employee payroll	\$ 6,744,577	\$ 7,049,786	\$ 7,553,397	\$ 7,113,054	\$ 7,041,129	\$ 7,166,465	\$ 6,970,588	\$ 6,494,389	\$ 6,110,050	\$ 5,569,377
Contributions as a percentage of covered employee payroll	5.64%	5.85%	6.29%	7.30%	7.29%	8.46%	9.71%	11.06%	12.33%	11.94%

¹ The amounts presented for each measurement period were determined as of June 30. Information is required to be presented for 10 years.

SARASOTA MILITARY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET POSITION LIABILITY AND CONTRIBUTIONS - HIS (UNAUDITED)
LAST TEN MEASUREMENT PERIODS¹

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
PROPORTIONATE SHARE OF NET PENSION LIABILITY										
Charter School's proportion of the net pension liability										
High school	0.015894760%	0.014462872%	0.014478161%	0.014014000%	0.011839839%	0.011171531%	0.011374776%	0.010063436%	0.009003165%	0.008232870%
Prep	0.005951906%	0.007654283%	0.008648122%	0.008815434%	0.008642707%	0.008717557%	0.008290056%	0.008290056%	0.006342285%	0.005439878%
Charter School's proportionate share of the net pension liability	\$ 2,546,138	\$ 2,364,868	\$ 2,447,712	\$ 2,554,386	\$ 2,554,386	\$ 2,439,695	\$ 2,082,819	\$ 2,794,271	\$ 2,301,968	\$ 1,752,496
Charter School's covered-employee payroll	\$ 6,744,577	\$ 7,049,786	\$ 7,553,397	\$ 7,113,054	\$ 7,041,129	\$ 7,166,465	\$ 6,970,588	\$ 6,494,389	\$ 6,110,050	\$ 5,569,377
Charter School's proportionate share of the net pension liability as a percentage of its covered-employee payroll	37.75%	33.55%	32.41%	35.91%	36.28%	34.04%	29.88%	43.03%	37.68%	31.47%
Plan fiduciary net position as a percentage of the total pension	0.97%	1.64%	2.15%	2.63%	3.00%	3.56%	4.81%	4.12%	4.80%	6.36%
CONTRIBUTIONS										
Contractually required contributions	\$ 111,960	\$ 117,026	\$ 125,386	\$ 118,077	\$ 116,883	\$ 118,963	\$ 115,712	\$ 107,807	\$ 122,201	\$ 111,388
Contribution in relation to the contractually required contribution	(111,960)	(117,026)	(125,386)	(118,077)	(116,883)	(118,963)	(115,712)	(107,807)	(122,201)	(111,388)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charter School's covered-employee payroll	\$ 6,744,577	\$ 7,049,786	\$ 7,553,397	\$ 7,113,054	\$ 7,041,129	\$ 7,166,465	\$ 6,970,588	\$ 6,494,389	\$ 6,110,050	\$ 5,569,377
Contributions as a percentage of covered employee payroll	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	2.00%	2.00%

¹ The amounts presented for each measurement period were determined as of June 30. Information is required to be presented for 10 years.

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

To the Board of Directors
Sarasota Military Academy, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Sarasota Military Academy, Inc.'s (the "Charter School"), as of, and for the fiscal year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise Sarasota Military Academy, Inc.'s basic financial statements and have issued our report thereon dated September xx, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Charter School's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the Charter 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 entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

To the Board of Directors
Sarasota Military Academy, Inc.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sarasota Military Academy, Inc.'s financial statements are free of 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 determination of financial statement amounts. 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 intended 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 entity's internal control or on compliance. This report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Miller & Miller, P.A.

Sarasota, Florida
September 14, 2026

MANAGEMENT LETTER

To the Board of Directors
Sarasota Military Academy, Inc.

Report on the Financial Statements

We have audited the financial statements of the governmental activities and each major fund of Sarasota Military Academy, Inc. (the Charter School), a Charter School and component unit of the School Board of Sarasota County, as of and for the fiscal year ended June 30, 2026, which collectively comprise Sarasota Military Academy, Inc.'s basic financial statements and have issued our report thereon dated September xx, 2026.

Auditors' Responsibility

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

Other Reporting Required by *Government Auditing Standards*

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 this report, which is dated September xx, 2026 should be considered in conjunction with this management letter.

Prior Audit Findings

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

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 are the Sarasota Military Academy, Inc. and 0083.

To the Board of Directors
Sarasota Military Academy, Inc.

Financial Condition

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 Sarasota Military Academy, Inc. 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 Sarasota Military Academy, Inc. 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 Sarasota Military Academy, Inc. It is management's responsibility to monitor the school's financial condition, and our financial condition assessment was based in part on representations made by management and their review of financial information provided by the 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 Sarasota School of Arts & Sciences, Inc 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 Sarasota Military Academy, Inc. 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 that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

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

Miller & Miller, P.A.

Sarasota, Florida
September 14, 2026

SMA Prep Board of Directors Read Ahead

September 22 2026

Dr. Cheryl Korwin Head of School SMA Prep

Academic baseline and instructional response

FAST PM1 ELA and mathematics assessments, along with Algebra and Geometry diagnostics, were completed during the week of August 25. Families were told that PM1 is a beginning-of-year instructional baseline rather than a final judgment. Staff were directed to review student results, verify data, examine reports, identify students in the bottom 33 percent, and prepare individual instructional responses for PLC discussion. Cadets also began goal setting in their Leadership Journals using their ELA and mathematics results. (See additional attachments.)

Consistent standards and accountability

Staff and families received consistent communication about SMA Prep's expectations for conduct, appearance, organization, and academic responsibility. The shared emphasis was on clear standards, accountability, and consistent support between school and home.

Family engagement and communication

The school maintains weekly bilingual family communication in English and Spanish. Families received clear guidance on academics, testing, standards, transportation, activities, digital safety, and upcoming events. Open House on August 27th welcomed over 100 families into classrooms, while weekly agenda signatures, parent-portal grade checks, missing-work review, and student-led conferences continue to strengthen home-school accountability.

Leadership and character development

September programming connected the Army Core Value of Duty with Leader in Me's Begin With the End in Mind. On September 11, SMA Prep held an exceptional Patriot Day ceremony honoring first responders. Members of the Sarasota County Sheriff's Office and Sarasota County Fire and Rescue joined the school community as approximately 1,000 American flags were displayed throughout the campus. Cadets participated with excellence, dignity, and respect as they placed flags, recognized the service of the first responders in attendance, and honored those who lost their lives. Throughout the week, cadets also studied Welles Crowther and Michael F. Cammarata, participated in Medal of Honor Character Development lessons, completed fitness stations, and took part in an 11-minute remembrance walk. Photographs of the tribute are attached.

Epaulet Ceremony and community participation

On September 14, 140 new cadets received their epaulets before the full SMA Prep cadet body. More than 200 family members attended to honor the newest members of the cadet community. The gym bleachers were standing room only, the parking lot reached capacity, and the neighboring church was used for overflow parking. The ceremony reinforced attention to detail, military bearing, belonging, responsibility, and the strong partnership between SMA Prep and its families.

Upcoming Leadership Day and student leadership opportunities

SMA Prep's first Leadership Day will be held September 23. Every cadet will join one of 17 groups designed to strengthen student voice, service, belonging, and hands-on school improvement. Opportunities include community service, mentoring, new-cadet ambassadors, school spirit, military appreciation, health and wellness, safety, digital citizenship, beautification, cultural leadership, STEM, yearbook, the school store, academic support, and House games.

Academic Growth and Progress Monitoring Update

Board of Directors Meeting | September 2026

Summary. All instructional staff have submitted data-based plans to raise proficiency across subject areas. The schoolwide target is 60–65% proficiency; areas already at or above 65% are expected to increase by at least five percentage points. Current PLC work is centered on accelerating the internal bottom 33% while maintaining strong Tier 1 instruction for every cadet.

Data Based Planning

Teachers received and reviewed PM3 results from 2025–2026 and PM1 results from 2026–2027. Staff identified each student’s learning quadrant, current performance level, priority standards, and placement within the internal bottom 33% focus group.

September PLCs were used to develop individual teacher action plans for the bottom 33%. This broader internal group allows us to intervene early with students who are at risk, including those represented in the state’s lowest-performing learning-gains component.

Next month, PLCs will shift to the “bubble” students who are close to the next achievement level. Teachers will identify the standards and short-term supports most likely to move those students across the proficiency threshold.

Instructional Actions Across Departments

Instructional Actions Across Departments	
ELA and ILA	Small-group instruction based on identified deficits; fluency and vocabulary work; Greek and Latin roots; close reading; central idea, author’s purpose, evidence, and question analysis; individualized IXL and Progress Learning practice to mastery.
Mathematics	Guided small groups three times per week; standards-aligned warm-ups and exit tickets; explicit math vocabulary and word-problem decoding; visual and hands-on models; immediate descriptive feedback; error analysis and spiral review.
Science and Agriscience	Tiered instruction using grade-level and scaffolded informational texts; monthly Progress Learning checks; explicit work with central idea, summarizing, context clues, and Greek and Latin roots; and connections between science, math standards, and real-world contexts.
Social Studies	Think-alouds and annotation; document-based questions using maps and primary sources; short close-reading cycles; student-friendly vocabulary in manageable sets; and written responses supported by evidence from the text.

Art and Technology

Creative arts courses reinforce mathematics through authentic projects involving measurement, fractions, ratios, proportions, scale, geometry, coordinate and spatial reasoning, the rule of thirds, grids, image resizing, and digital transformations. Literacy support includes a Look–Think–Prove–Explain visual-analysis routine; short, repeated writing practice in capitalization, punctuation, complete sentences, nouns, and proper nouns; gradual release through I Do, We Do, and You Do; and peer-buddy COPS checks so cadets learn to identify and correct their own errors.

Spanish and World Languages

Bottom 30% readers use short, high-interest texts about Spanish-speaking cultures to practice close reading, main idea, supporting details, context clues, inference, summarizing, and evidence-based responses. A consistent routine moves students from finding the gist, to annotating and proving their thinking, to explaining how evidence supports an answer. Teachers preteach only three to five essential words, model thinking aloud, use gradual release, and end predictable 30–40 minute lessons with a brief CER-style response and skill-based exit ticket. Students are assessed on the ELA skill rather than prior cultural knowledge.

ESE and Speech Language

Student-specific reading, vocabulary, language, writing, math, IEP, and self-advocacy supports. Staff use targeted programs and brief skill checks, monitor IEP and classroom progress, and adjust the skill, strategy, grouping, intensity, or accommodation when growth is not evident.

Progress Monitoring and Instructional Adjustment

Teachers are using FAST strand and item data, classroom assessments, IEP goals, Progress Learning, IXL, Algebro, fluency measures, standards-based exit tickets, and brief skill checks to monitor growth.

Students receive targeted instruction in small groups or individually, with tasks matched to identified standards and prerequisite gaps rather than broad, one-size-fits-all remediation.

Progress is reviewed weekly, biweekly, or monthly depending on the intervention. When students are not progressing, teachers adjust the skill focus, instructional strategy, intensity, grouping, feedback, or support rather than simply assigning more work.

Cross-department collaboration reinforces reading, vocabulary, writing, and problem solving throughout the school day, making academic growth a shared responsibility across all courses.

Student Ownership of Growth

Cadets are learning what measurable growth looks like and what is required to move to the next achievement level. Each quarter, students set and review goals in every subject. In ELA and mathematics, students have also established PM2 goals for the December administration using their previous PM3 performance as the baseline and their current PM1 results to refine the target. Personal tracking, data conversations, error analysis, and teacher feedback help students connect daily work to their longer-term growth goals.

Next Steps

Implement and document the bottom 33% action plans across departments.

Review short-cycle evidence of growth and adjust interventions as needed.

Use October PLCs to develop targeted plans for bubble students.

Review PM2 results in December against student goals, teacher action plans, and the schoolwide proficiency targets.



★ Rooted to Rise ★

STUDENT-LED CONFERENCE

CONFERENCIA LIDERADA POR EL ESTUDIANTE



Cadet Name / Nombre del cadete: _____

Grade / Grado: 6th 7th 8th

Advisory Teacher / Maestro(a) asesor(a): _____

STEPS / PASOS

- 1 Review your grades and progress in each class. /
Revisa tus calificaciones y tu progreso en cada clase.
- 2 Set a goal for each subject. /
Establece una meta para cada materia.
- 3 Share your goals and plans with your parent or guardian. /
Comparte tus metas y planes con tus padres o tutor.
- 4 Get feedback, ask questions, and make notes. /
Recibe comentarios, haz preguntas y toma notas.
- 5 Sign and return this form to your advisory teacher by September 9. /
Firma y regresa este formulario a tu maestro asesor para el 9 de septiembre.



QUARTER ONE / PRIMER TRIMESTRE



Completed form due Wednesday, September 9
Formulario completo vence el miércoles 9 de septiembre



Dress Down Day: Thursday, September 10
Día de vestimenta informal: jueves 10 de septiembre
For cadets who turn in their form on time.
Para los cadetes que entreguen su formulario a tiempo.

LET'S TALK ABOUT IT / HABLEMOS DE ELLO



What are you most proud of this quarter? /
¿De qué estás más orgulloso(a) este trimestre?



What challenges are you facing? /
¿Qué desafíos estás enfrentando?



How can I help you reach your goals? /
¿Cómo puedo ayudarte a alcanzar tus metas?



What will you do to keep improving? /
¿Qué harás para seguir mejorando?



OUR FOCUS THIS QUARTER / NUESTRO ENFOQUE ESTE TRIMESTRE

Do your best, stay focused, and grow every day.



Haz tu mejor esfuerzo, mantente enfocado(a) y crece cada día.



SUBJECT MATERIA	CURRENT GRADE CALIFICACIÓN ACTUAL	MY GOAL MI META (BY END OF Q1) (PARA FIN DEL Q1)	ONE ACTION I WILL TAKE UNA ACCIÓN QUE VOY A TOMAR Ejemplo / Ejemplo: Study 20 minutes each day. Ejemplo: Estudiar 20 minutos cada día.	PARENT / GUARDIAN COMMENTS COMENTARIOS DE PADRES / TUTOR
MATH MATEMÁTICAS				
SCIENCE CIENCIAS				
SOCIAL STUDIES ESTUDIOS SOCIALES				
ELA (ENGLISH LANGUAGE ARTS) ARTES DEL LENGUAJE				
PE (PHYSICAL EDUCATION) EDUCACIÓN FÍSICA				
MILITARY STUDIES ESTUDIOS MILITARES				
ELECTIVE ELECTIVA				
ADVISORY ASESORÍA				



I led my conference and set my goals. /
Lideré mi conferencia y establecí mis metas.

Cadet Signature / Firma del cadete

Date / Fecha



I met with my cadet and discussed their goals and plan. /
Me reuní con mi cadete y hablamos sobre sus metas y plan.

Parent / Guardian Signature / Firma del padre/tutor

Date / Fecha

[illegible]



PM PROGRESS TRACKER

TRACK YOUR GROWTH. SET GOALS. ACHIEVE SUCCESS.



MY GRADE:

SUBJECT	PM 3 MAY 2025 ACTUAL		PM 1 AUG 2026 ACTUAL		PM 2 DEC 2026 GOAL (CIRCLE)		PM 2 DEC 2026 ACTUAL (COLOR IN)		PM 3 MAY 2027 GOAL (CIRCLE)		PM 3 MAY 2027 ACTUAL (COLOR IN)	
	SCALE SCORE	LEVEL	SCALE SCORE	LEVEL	SCALE SCORE	LEVEL	SCALE SCORE	LEVEL	SCALE SCORE	LEVEL	SCALE SCORE	LEVEL
 READING (ELA)												
 MATH												



READING (ELA) - SCALE SCORE RANGES (From Table 6)

	LEVEL 1 (LOW)	LEVEL 1 (MID.)	LEVEL 1 (HIGH)	LEVEL 2 (LOW)	LEVEL 2 (HIGH)	LEVEL 3	LEVEL 4	LEVEL 5
SCALE SCORE RANGES BY GRADE								
Grade 5	160-175	176-190	191-205	206-213	214-221	222-231	232-245	246-279
Grade 6	161-176	177-192	193-208	209-216	217-224	225-236	237-249	250-284
Grade 7	165-181	182-198	199-214	215-223	224-231	232-241	242-256	257-292
Grade 8	169-185	186-202	203-219	220-228	229-237	238-250	251-261	262-300



MATH - SCALE SCORE RANGES (From Table 8)

	LEVEL 1 (LOW)	LEVEL 1 (MID.)	LEVEL 1 (HIGH)	LEVEL 2 (LOW)	LEVEL 2 (HIGH)	LEVEL 3	LEVEL 4	LEVEL 5
SCALE SCORE RANGES BY GRADE								
Grade 5	158-174	175-190	191-206	207-214	215-221	222-233	234-245	246-285
Grade 6	168-182	183-197	198-212	213-220	221-228	229-238	239-253	254-287
Grade 7	175-190	191-206	207-222	223-228	229-234	235-246	247-257	258-288
Grade 8	183-197	198-212	213-226	227-235	236-243	244-253	254-262	263-291



CIRCLE your goal level
for PM 2 and PM 3.



COLOR IN your actual level
when results are back.



KEEP TRACK. STAY FOCUSED. KEEP GROWING!

SMA Prep Medal of Honor Lessons

2026-2027 School Year Schedule

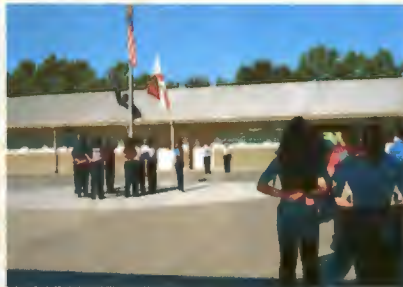
Lesson	Title	Date	Department	Class Sessions
B4	What is Courage?	September 11, 2026	ELA	1-2
A1	Selfless Service	September 23, 2026	Leadership Day	1
A11	The Color of Character	October 7, 2026	Elective	1
A2	Exploring the Six Core Values	October 28, 2026	Leadership Day	1
A5	Data Analysis and the Medal of Honor	November 4, 2026	Math	1
B1	Portrait of a Service Member	November 11, 2026	PE/MS	2-3
A3	Medal of Honor - What Does It Mean?	November 18-20, 2026	Leadership Day/Advisory	2-3
B10	What Would You Do?	December 2, 2026	Science	1-2
A4	Citizen Honors: What Does It Mean?	December 15-16, 2026	Leadership Day/Advisory	2-3
B13	Survival Math	January 13, 2027	Math	1-3
A7	Symbolism and the Medal of Honor	January 27, 2027	Leadership Day	1
A8	Citation Investigation: Analyzing Narrative	February 10, 2027	ELA	1
B20	Valor Then and Now	February 16-17, 2027	Social Studies	2
A9	A Tale Told Two Ways	February 24, 2027	Leadership Day	1
D6	Music's Role During War	March 3, 2027	Elective	1
A6	Geography and the Medal of Honor	March 10, 2027	Social Studies	1
A10	My Challenge to You	March 31, 2027	Leadership Day	1
B21	Depth of Courage	April 14, 2027	Science	3
C2	The Burden of Leadership	April 28, 2027	Leadership Day	1
C1	The Sacrifices We Make	May 12, 2027	PE/MS	1-2

★★★ PATRIOT DAY CEREMONY ★★★
★ September 11, 2026 • SMA Prep ★



A COMMUNITY UNITED IN REMEMBRANCE

Duty ★ Character ★ Courage ★ Service





Sarasota Military Academy Prep

BOARD OF DIRECTORS READ-AHEAD | SEPTEMBER 22, 2026

SMA Prep Board of Directors Liaison Report | MAJ Umana

 **Rooted to Rise** | Building Leaders & Strengthening Culture | Rising through Leadership

Invitation to the Sarasota Military Academy Board of Directors

Location: Sarasota Military Academy Prep Campus

Date: Monday, November 10, 2026

Time: 8:45 AM

Event: Formation

Schoolwide Academic Focus | Student Skill Achievement

Across **all departments**, faculty are focused on **strengthening student skills and academic achievement** to prepare cadets for **future standardized testing** and continued academic success.

Advisory | Rooted to Rise & Leader in Me

Through Advisory, SMA Prep continues to reinforce the **Leader in Me** framework through consistent routines, character development, accountability, and student ownership. These practices continue to support a positive and purposeful school culture.

Military Studies | Building Cadet Identity & Leadership

Military Studies continues to establish a strong foundation for cadet identity, discipline, and leadership. This week, **140 new cadets received their basic epaulettes during a mass formation**, marking an important milestone in their transition into the SMA Prep community.

Medal of Honor | Integrating Character & Leadership Into the Classroom

Teachers are integrating **Medal of Honor** lesson plans into classroom instruction, connecting academic content with real stories of courage, character, leadership, sacrifice, and service. This integration provides cadets with opportunities to examine the values demonstrated by **Medal of Honor** recipients and connect those lessons to their own decisions, responsibilities, and leadership development.

Civics | Citizenship & Civic Understanding

8th Grade **Civics** students have completed the unit on **Citizenship**. Several cadets were able to study for the assessment with their parents, who are also preparing for their Naturalization test. The 8th Grade **Civics** standards closely mirror the U.S. **Citizenship** and Immigration Services naturalization exam, creating a meaningful connection between classroom learning and real-world civic knowledge.



The department is now moving into the unit on Political Parties and Special Interest Groups, providing an opportunity for cadets to explore these civic concepts in the context of the upcoming November midterm elections.

ELA | Early Academic Growth

ELA is seeing early evidence of academic growth among incoming 6th grade cadets. **36.5%** of 6th graders have already demonstrated growth from their 5th Grade May PM3 to their 6th Grade PM1. This early progress provides an encouraging foundation as instruction continues throughout the school year.

Science | Technology, Communication & Innovation

Students reviewed RADAR and radio technology used during the 9/11 tragedy and learned how technology has changed since 9/11 in response to the communication challenges experienced during the event. Students examined these advancements and identified the technology they believe would be most important in helping prevent another event like 9/11.

Students were also able to see HAM radio technology firsthand when HT radios were brought into class for them to examine and learn about. Because of the strong interest, students are beginning the HamStudy Technician Prep course after completing their regular classwork. Some students have now reached 51% proficiency in preparation for the Technician License.

Athletics | Expanding Opportunities & Building Tradition

SMA Prep Athletics continues to expand opportunities for cadets through new teams, clubs, camps, partnerships, and competitive experiences.

-  **Golf — First Win of the Season:** **Coach Randy Simon** and the SMA Prep Eagles Golf Team earned their **first victory of the season**, finishing **1st** with a team score of **195**, ahead of **Sky Englewood** (202) and **Woodlands Academy** (252). The victory reflects the team's focus, teamwork, and hard work.
-  **Basketball:** **Coach Di Carlo** led the girls' volleyball team to its first win in seven years.
-  **Basketball Jamboree:** A league **basketball jamboree** is being planned to provide additional competition and build excitement around the sport before Thanksgiving break. Food trucks and other vendors are also being explored.
-  **Athletic Clubs:** New sports-related clubs are helping promote student interest and participation, including **Weightlifting, Jiu Jitsu, Run Club, and Flag Football**.
-  **Athletic Booklet:** A fully sponsored **athletic booklet** is being created at no cost to SMA Prep. The school will provide photos and editorials, with the opportunity to generate **up to \$2,000** for Athletics.
-  **Kent Culuko / IYB Basketball Camp:** A camp with **Kent Culuko** of **IYB Basketball** is being hosted on September 19, strengthening a partnership that may provide continued opportunities for SMA Prep cadets in the future.
- **Cadet Council:** Kennedy Space Center permission forms were distributed.

School Counseling | Tobacco Awareness & Community Partnerships

The School Counseling Department is continuing to build student awareness and community partnerships around tobacco prevention and healthy decision-making.



- October 5 — The Health Department will attend the SWAT Club meeting to provide **Tobacco Awareness** training.
- October 20 — Tobacco Free Partnership meeting focused on ongoing surveillance/photo project.
- October 21 — National Not a Lab Rat Campaign on campus.
- November 19 — **Great American Smoke out** celebration.

🦅 **SMA PREP EAGLES — LEARN • LEAD • SERVE • GROW**

High School Head of School
CEO Report
September 22, 2026

Mission:

Within a culture where every cadet is valued, Sarasota Military Academy is committed to: Preparing students for College, Careers, & Citizenship; Developing tomorrow's Leaders; and Cultivating Character based on the steadfast values of Honor, Integrity, and Respect.

Strategic Plan Goals:

• **Resources:**

- Strategic Priorities Survey-Draft Provided
- Next Strategic Planning Committee Meeting October 6, 2026
- Verstar Construction
 - Meetings scheduled to provide overview of needs for the consolidated campuses. The first meeting took place on September 15th. The next meeting is scheduled for September 23rd at 2:00 on the Prep campus.
- Michael Saunders Realty
 - Working closely with Lee Delieto, Jr. to schedule showings.
 - Abbreviated showing on September 16, 2026.

• **College, Careers, and Citizenship**

- High School Teacher of the Year: CONGRATULATIONS to Dr. Henry Orazi!!!! Choir and keyboarding instructor extraordinaire!
- Professional Development-October 12, 2026
 - Data analysis-ELA and Math, Performance Matters
 - Thinking Maps
 - Cornell Note Taking
 - ESE/ESOL Accommodations and Strategies
- Education Foundation
 - Continuation of partnership to increase access to student resources and services related to college and career readiness.
- Florida School Grade Overview
 - 11 Accountability Components
 - Three-year data-Goals for 2026-2027

- **Character and Leadership Development**

- Patriot Day
 - All first period classes watched “The Man in the Red Bandana” followed by completion Lesson B4 in Medal of Honor; What is Courage. These activities culminated with a Thinking Map. The art class created drawing of what courage looks like.

Communication/Community Outreach:

- High School Admissions Meeting: October 7, 2026 7:00 am
- Veterans Day Parade: November 11, 2026
- Next Meeting: October 13, 2026 2:30 pm High School Campus

SARASOTA MILITARY ACADEMY

Family & Staff Strategic Priorities Survey

As Sarasota Military Academy plans for the future, we want to hear from the people who know our school best—our families and staff.

Your feedback will help SMA identify what our community values most, where we have opportunities to improve, and where future resources and investments should be focused.

For each section, please consider both **what is important to preserve at SMA and where additional investment could have the greatest impact.**

ABOUT YOU

1. What is your connection to SMA?

Select all that apply.

- Parent/Guardian – SMA Prep (Grades 6–8)
- Parent/Guardian – SMA High School (Grades 9–12)
- SMA Prep Staff
- SMA High School Staff
- Staff Member who is also an SMA Parent/Guardian
- Other: _____

2. How long have you or your family been part of the SMA community?

- Less than 1 year
 - 1–2 years
 - 3–4 years
 - 5+ years
-

1 | PROGRAMS & ACADEMICS

How important are the following to SMA's future?

Not a Priority | Low Priority | Moderate Priority | High Priority | Essential

- Accelerated Courses – AP, Honors and Dual Enrollment
- Partnerships/pathways with colleges, universities and technical institutions
- STEM programs
- Arts programs – Band, Choir, Drumline, Keyboarding, Guitar, etc.
- Project-Based and hands-on learning
- Internship opportunities
- Career and technical education opportunities
- Athletics
- Clubs and extracurricular activities
- Increased funding for student programs and activities

PRIORITIZE:

If SMA could significantly expand or invest in only **THREE** of these areas, which should be the highest priorities?

Select up to 3.

[Repeat choices above]

What program, course, athletic offering, club, or student opportunity would you most like to see added or expanded?

2 | JROTC, CHARACTER & LEADERSHIP

SMA's military and leadership model is a defining part of the SMA experience.

How important are the following to you?

Not a Priority | Low Priority | Moderate Priority | High Priority | Essential

- JROTC instruction at the high school
- Military Studies at SMA Prep
- Character and values education
- Medal of Honor values/curriculum
- Cadet leadership structure

- Opportunities for students to hold meaningful leadership positions
- Discipline and accountability
- High expectations for student conduct
- Uniform standards and personal appearance
- Respect and professionalism
- Drill and ceremony
- Color Guard
- Physical fitness
- Community service
- Military traditions and ceremonies
- Exposure to military careers
- Service Academy and ROTC opportunities
- Leadership development for students who do **not** intend to pursue military service

PRIORITIZE:

Which **FOUR** elements of SMA's military, character and leadership model are most important to preserve and strengthen?

Select up to 4.

[Repeat choices above]

SMA's JROTC/Military Studies and character-based environment are important to my family's/staff experience at SMA.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

3 | COLLEGE, CAREER & LIFE READINESS

How important should the following opportunities be for SMA students?

Not a Priority | Low Priority | Moderate Priority | High Priority | Essential

- College counseling and planning
- Dual Enrollment
- AP/Honors opportunities

- SAT/ACT preparation
- Scholarship assistance
- Career exploration
- Internships
- Job shadowing
- Business/professional mentorships
- Industry certifications
- Technical/trade education pathways
- Resume and interview preparation
- Financial literacy
- Workforce readiness
- Military career exploration
- Service Academy preparation
- ROTC scholarship guidance

PRIORITIZE:

Which **THREE** areas should receive the greatest focus?

Select up to 3.

[Repeat choices above]

4 | STAFFING & STUDENT SUPPORT

How important are the following staffing and student support priorities?

Not a Priority | Low Priority | Moderate Priority | High Priority | Essential

- Recruiting highly qualified teachers and staff
- Retaining highly qualified teachers and staff
- Competitive salaries and compensation
- Maintaining manageable class sizes
- Increased ESE staffing and services
- Increased ESOL staffing and services
- Academic intervention and tutoring
- Guidance/counseling services
- College and career counseling
- Student mentoring
- Behavioral support
- Professional development for faculty and staff

PRIORITIZE:

If additional funding were available for staffing and student support, which **THREE** should receive the greatest investment?

Select up to 3.

[Repeat choices above]

What additional staff position, service, or student support would have the greatest positive impact at SMA?

5 | FACILITIES, SAFETY & TECHNOLOGY

How important are the following campus investments?

Not a Priority | Low Priority | Moderate Priority | High Priority | Essential

- Campus cleanliness
- Safety and security
- Updated classrooms
- Updated student/common spaces
- STEM classrooms/labs
- Athletic field and outdoor athletic spaces
- Media Center/library
- Collaborative learning spaces
- Additional storage
- Classroom technology
- Student technology/devices
- STEM equipment and technology
- Educational software/digital learning tools
- Technology infrastructure
- Cybersecurity

PRIORITIZE:

If SMA could make only **THREE** major facility, safety, or technology investments, which should come first?

Select up to 3.

[Repeat choices above]

What is the ONE campus or facility improvement you would most like to see?

6 | STUDENT EXPERIENCE & SCHOOL CULTURE

How important are the following to the overall SMA experience?

Not a Priority | Low Priority | Moderate Priority | High Priority | Essential

- A safe and welcoming school environment
- Strong sense of belonging
- Discipline and accountability
- High expectations
- Student leadership opportunities
- Student voice and input
- School pride
- School traditions
- Recognition of student achievement
- Mentoring among cadets
- Positive relationships between students and staff
- Opportunities for students to participate outside the classroom
- Academic recognition
- Character/leadership recognition
- Athletic and extracurricular recognition

Which THREE areas have the greatest impact on a positive student experience at SMA?

Select up to 3.

[Repeat choices above]

7 | COMMUNITY, FAMILY & PARTNERSHIPS

How important are the following to SMA?

Not a Priority | Low Priority | Moderate Priority | High Priority | Essential

- Family engagement
- Family events
- Parent volunteer opportunities

- Opportunities for families to provide input
- Clear school-to-family communication
- Community service opportunities for cadets
- Interact/Community Service Club
- JROTC Color Guard participation in the community
- Business partnerships
- Internship partnerships
- College/university partnerships
- Technical/trade school partnerships
- Military and veteran organization partnerships
- Career mentors and guest speakers
- Community events and visibility
- Alumni Involvement

PRIORITIZE:

Which **THREE** community/family initiatives should SMA focus on expanding?

Select up to 3.

[Repeat choices above]

8 | WHAT MATTERS MOST?

Which aspects of Sarasota Military Academy are **MOST IMPORTANT** to your decision to remain part of the SMA community?

Select up to 5.

- JROTC/Military Studies
- Character development
- Leadership development
- Discipline and accountability
- Structured environment
- School safety
- Academic quality
- AP/Honors/Dual Enrollment opportunities
- College preparation
- Career/workforce preparation
- Military/Service Academy opportunities
- STEM
- Arts

- Athletics
- Clubs/extracurricular activities
- Community service
- Teachers and staff
- Smaller-school environment
- Student support
- School culture
- Transportation
- Other: _____

9 | SMA'S FUTURE

Thinking about the next 3–5 years, which FIVE areas should be SMA's greatest strategic priorities?

Select up to 5.

- Academic Excellence
- JROTC/Military Studies
- Character & Leadership Development
- College Readiness
- Career & Workforce Readiness
- STEM
- Arts
- Athletics
- Clubs & Extracurricular Activities
- Recruiting & Retaining Excellent Staff
- Competitive Staff Compensation
- ESE/ESOL & Student Support
- Class Size
- Campus Safety & Security
- Facility Improvements
- Technology
- Student Experience & School Culture
- Family Engagement
- Community Partnerships
- Business & Educational Partnerships
- Community Service
- Funding for Student Programs
- Other: _____

If SMA could make ONE major improvement or investment over the next three years, what should it be?

What does SMA currently do exceptionally well that should be protected and remain a priority?

What is the greatest opportunity for SMA to improve?

Is there anything else you believe SMA leadership should consider as we plan for the future?

THANK YOU

Thank you for taking the time to provide your feedback.

Your input will help Sarasota Military Academy better understand the priorities of our families and staff and guide decisions about our programs, people, facilities, resources, and future.

Built on Character. Powered by Purpose.



2026 School Grades Overview

School grades provide an easily understandable way to measure the performance of a school. Parents and the general public can use the school grade and its components to understand how well each school is serving its students. Schools are graded A, B, C, D, or F. Each school is graded based on the components for which it has sufficient data. Schools must test at least 95% of their students.

Components: In 2025-26, a school's grade may include up to twelve components. There are five achievement components and four learning gains components, as well as components for middle school acceleration, graduation rate and college and career acceleration. Each component is worth up to 100 points in the overall calculation.

Five Achievement Components: The five achievement components are English Language Arts (ELA), Grade 3 ELA, Mathematics, Science, and Social Studies. These components include student performance on statewide standardized assessments, including the comprehensive assessments and end-of-course (EOC) assessments. The components measure the percentage of full-year enrolled students who achieved a passing score.

Four Learning Gains Components: These components are learning gains in ELA and Mathematics, as well as learning gains for the lowest performing 25% of students in ELA and Mathematics. These components include student performance on statewide standardized assessments including the comprehensive assessments and EOC assessments for the current year and the prior year. The components measure the percentage of full-year enrolled students who achieved a learning gain from the prior year to the current year.

English Language Arts	Mathematics	Science	Social Studies	Graduation Rate	Acceleration Success
Achievement (0% to 100%)	Achievement (0% to 100%)	Achievement (0% to 100%)	Achievement (0% to 100%)	4-year Graduation Rate (0% to 100%)	High School (0% to 100%)
Grade 3 Achievement (0% to 100%)	Learning Gains (0% to 100%)				Middle School (0% to 100%)
Learning Gains (0% to 100%)	Learning Gains of the Lowest 25% (0% to 100%)				
Learning Gains of the Lowest 25% (0% to 100%)					

Middle School Acceleration: This component is based on the percentage of eligible students who passed a high school level EOC assessment or industry certification.

Graduation Rate: The graduation rate is based on an adjusted cohort of ninth grade students and measures whether the students graduate within four years.

College and Career Acceleration: This component is based on the percentage of graduates from the graduation rate cohort who earned a passing score on an acceleration examination (qualifying AP, IB, or AICE), earned a passing grade in a dual enrollment course that qualified for college credit, earned 300 clock hours through career dual enrollment courses in the same approved program, earned an Armed Services Qualification Test score and two course credits within the same military branch, or earned an industry certification.

School Grades Calculation: The number of points earned for each component is added together and divided by the total number of available points to determine the percentage of points earned.

School Grading Scale: The grading scale for **elementary schools** is as follows: A=62% of points or greater; B=54% to 61% of points; C=41% to 53% of points; D=32% to 40% of points; and F=31% of points or less. The grading scale for **middle schools** is as follows: A=64% of points or greater; B=57% to 63% of points; C=44% to 56% of points; D=34% to 43% of points; and F=33% of points or less. The grading scale for **high and combination schools** is as follows: A=65% of points or greater; B=60% to 64% of points; C=45% to 59% of points; D=35% to 44% of points; and F=34% of points or less.



Ryan Petty, *Chair*
MaryLynn Magar, *Vice Chair*
Members
Grazie P. Christie
Layla Collins
Daniel P. Foganholi, Sr.
Erika Fritz-Ochs
Luis Fuste

MEMORANDUM

TO: School District Superintendents

FROM: Paul O. Burns, Ed.D.

DATE: September 8, 2026

SUBJECT: Additional Updates to 2026-27 Grading Scales for Combination Schools and Districts

Contact Information:
Bureau of Accountability
Reporting
850-245-0411
accountability@fldoe.org
DPS: 2026-127

Section 1008.34(3)(c)1., Florida Statutes, as incorporated in State Board of Education Rule 6A-1.09981(4)(e)4., Florida Administrative Code (F.A.C.), states that the grading scales shall be adjusted for the following school year's school grades if the percentage of schools earning a grade of "A" or "B" in the current year represents 75% or more of all graded schools within a particular school type (elementary, middle, high and combination). The adjustment must reset the minimum required percentage of points for each grade of "A," "B," "C" or "D" at the next highest percentage ending in the numeral 5 or 0, whichever is closest to the current percentage.

In a [memorandum](#) sent to superintendents on July 17, 2026, the Department announced that based on preliminary school grades results, the grading scales for all school types as well as for districts would be automatically adjusted as described in the paragraph above for the 2026-27 school grades. The 30-day appeal window closed on Friday, July 31, 2026, and the results of the appeals that were granted lowered the percentage of "A" and "B" graded school for combination schools from 75% to 74%. Given this, only the grading scales for elementary, middle, and high schools will be automatically adjusted for the 2026-27 school year and the grading scales for combination schools and districts will mirror the 2025-26 scales. The table below shows the 2026-27 grading scales for all school types and for districts.

Grade	Elementary Schools	Middle Schools	High Schools	Combination Schools and Districts
A	65%-100%	65%-100%	70%-100%	65%-100%
B	55%-64%	60%-64%	65%-69%	60%-64%
C	45%-54%	45%-59%	50%-64%	45%-59%
D	35%-44%	35%-44%	40%-49%	35%-44%
F	0%-34%	0%-34%	0%-39%	0%-34%

DR. PAUL O. BURNS
SENIOR CHANCELLOR

Additional Updates to 2026-27 Grading Scales for Combination Schools and Districts
September 8, 2026
Page Two

Additional information, including the 2025-26 school grades results, may be found on the [School Grades website](#). Questions regarding the school grading process should be directed to Bureau of Accountability Reporting at accountability@fldoe.org or 850-245-0411.

POB/kf

cc: School District Accountability Coordinators

[illegible]

COMPONENTS	2023-2024	2024-2025	2025-2026	2026-2027 Goal	Increase
ELA Achievement	47	47	50	54	4
ELA Learning Gains	53	53	53	57	4
ELA Learning Gains Lowest 25%	56	60	51	60	9
Math Achievement	45	47	45	49	4
Math Learning Gains	50	46	41	45	4
Math Learning Gains Lowest 25%	46	46	48	55	7
Science Achievement	51	46	57	61	4
(Middle and Biology)					
Social Studies Achievement	76	73	76	80	4
(Civics (Prep) and US History					
Middle School Acceleration	64	67	63	67	4
Graduation Rate	95	95	99	99	0
College and Career Acceleration	39	31	38	48	10
Total Points	632	611	621	675	54
Total Components	11	11	11	11	
Percentage/School Grade	57/B	56/C	56/C	61/B	

Athletic Department Report Board Meeting – September 22, 2026

SMA athletics continues its fall sports season with Golf and Cross Country having several meets and matches in the books already. Cross Country just hosted the Eagle Classic on Saturday September 12. SMA hosted 9 area schools at the Prep Campus course and finished 3rd out of 10 for the girls team and 4th out of 10 for the boys squad. Several Eagle runners medaled. We will be hosting another cross country meet on October 10th. Golf has competed 3 times this year and is showing great progress. The team is very young which bodes well for the future.

Boys basketball volunteered at the Exotic Car Show on St. Armands with The Flight to the North Pole Foundation to raise funds to help terminally ill children and their families to have a wonderful Christmas. Basketball will be assisting the foundation again in November. We are continuing to push fundraising through our crowd funding platform and looking to secure advertising and sponsorship commitments to bolster our financial stability. It is an ongoing process. Rental of our gymnasium to outside groups is a key avenue to generate revenue as well.

Finally, preparations for the winter season's are ongoing as those seasons, boys basketball and boys and girls wrestling, will be here before we know it. In callout meetings preliminary numbers for all those sports are looking favorable.

Stephanie Sifrit,
Teacher liaison to the SMA BOD
18 September 2026

- Thank you for this opportunity.
- Introduce myself
- The following applause and concerns were brought forward:
 - Cecilia Ferradino humbly points out her success with last year's Juniors who took AP Language and Composition had a pass rate of 86%. Although we only had 43 students take the exam, SMA's score beat both the state and global scores by 12% and 11%, respectively. This was the highest score we have seen in at least 6-7 years and is a testament to the current, 2026, Senior class.
 - One teacher privately asked me to ask if the Board will support the recent decree from Gov. Desantis's desk known as the "Teacher's Salary Increase Allocation, (TSIA)" which gives a pay increase to teachers with greater than 10 years experience.
 - Two teachers suggested that we expel non-compliant cadets who have multiple infractions against them. It was suggested that we skim down the number of cadets who don't want to comply in order to rebuild our student body as a coherent, re-focused student body. These teachers understood that if the student body decreases, the teacher numbers may have to decrease in proportion.
 - One teacher asked if class rosters could be done a little sooner than the first week of school so we can disperse cadet-combinations that are disruptive when on the same roster.
 - One cadet is very disappointed that the Air Force does not come to SMA to recruit.

Respectfully submitted,
Captain Stephanie Sifrit
18 September 2026

SARASOTA MILITARY ACADEMY

Senior Army Instructor
801 North Orange Avenue
Sarasota, Florida 34236

22 September 2026

MEMORANDUM FOR GOVERNING BOARD, SARASOTA MILITARY ACADEMY

THRU: Superintendent Sarasota Military Academy

SUBJECT: Significant Activities Report (SAR)

Significant Activities (SEP 2026):

- **1-4 SEP 2026: 6th BDE JROTC:** Contract Workshop (Hunter Army Airfield, GA)
- **9 SEP 2026: SMA Color Guard:** West Coast Black Theater Troop Founders Event (Sarasota, FL)
- **19 SEP 2026: SMA Color Guard:** Annual Life Story 5K/10K @ Nathan Benderson Park (Sarasota, FL)
- **19 SEP 2026: SMA JROTC Raiders:** Braden River Rumble (Bradenton, FL)
- **26 SEP 2026: SMA JROTC Raiders:** SMA Raider Invitational @ Riverview H.S. (Sarasota, FL)

Significant Activities (OCT 2026):

- **3 OCT 2026: SMA JROTC Raiders:** Raider Shakedown (Pinellas Park, FL)
- **10 OCT 2026: SMA Color Guard:** Collective Voices @ Marie Selby Gardens (Sarasota, FL)
- **17 OCT 2026: SMA JROTC Raiders:** SRQ County Raider Meet (Sarasota, FL)
- **20 OCT 2026: SMA Color Guard:** Mission XXV @ SRQ Airport (Sarasota, FL)
- **21-25 OCT 2026: SMA JROTC Raiders:** Raider National Meet (Ft. Knox, KY)

SAI Summary and Outlook:

• **Summary:** SMA JROTC Department conducted a successful 9-11 ceremony. We are currently working on renewal of our Joint Program of Accreditation (JPA) and have completed all necessary requirements to maintain our status as an Honor Unit w/ Distinction. We have also refined and streamlined our supply and logistics processes. As such, the department has purchased all necessary uniform items as well as outfitted our entire Freshmen Class with their new uniforms by the end of SEP, more than a month faster than in previous years. Lastly we are reviewing current JROTC Curriculum and expanding course options to include cyber and drones in the near future.

RUSSELL R. OSTERFELD
MAJ (Retired), U.S. Army
JROTC, Senior Army Instructor

Sarasota Military Academy

YTD Budget Comparison

	YTD Actual	Annual Budget	% of Budget
Income			
FEFP Funding	1,585,269	9,211,197	17.2%
Capital District Funding	109,280	1,068,027	10.2%
Millage District Funding	329,862	1,342,465	24.6%
Federal Funds	18,401	221,571	8.3%
Contributions and Grants	3,850	80,240	4.8%
Interest, Gains/Losses	3,303	21,692	15.2%
Other Income	68,749	576,277	11.9%
Total Income	2,118,714	12,521,469	16.9%
Expense			
Payroll and Benefits	1,159,354	8,221,880	14.1%
Supplies	60,725	246,054	24.7%
Curriculum	7,883	43,741	18.0%
Student Activities	22,161	228,342	9.7%
Technology (Software)	53,064	130,555	40.6%
Professional Services	198,206	1,193,785	16.6%
Transportation Operations	16,310	111,815	14.6%
Facilities & Occupancy	271	13,795	2.0%
Utilities	56,291	328,630	17.1%
Insurance	253,085	416,760	60.7%
Repairs & Maintenance	75,705	165,440	45.8%
Comp. Equipment & Furniture	98,441	85,911	114.6%
Debt Service	51,106	319,636	16.0%
Depreciation & Amortization	117,188	845,601	13.9%
Total Expense	2,169,792	12,351,945	17.6%
Operating Gain/Loss	(51,078)	169,524	-30.1%

Notes:

2 months in should be at 16.7%

Amended budget in October

July '26 - Net Loss \$(84,048), Aug. '26 Net Income \$32,971

Fidelity Accounts

Sarasota Military Academy

Balance Sheet As of August 31, 2026

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1110 Cash and cash equivalents	2,243,167
8-1111 Sport Team Bank Accounts	31,768
Total Bank Accounts	\$2,274,935
Other Current Assets	
1130 Accounts Receivable	13,205
1220 Due from Other Governments	457,543
Total Other Current Assets	\$470,748
Total Current Assets	\$2,745,683
Fixed Assets	~~\$19,206,400~~
TOTAL ASSETS	\$21,082,151
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	\$73,166
Credit Cards	\$63,971
Other Current Liabilities	~~\$1,066,091~~
Total Current Liabilities	\$1,203,228
Long-Term Liabilities	~~\$7,756,166~~
Total Liabilities	\$8,959,394
Equity	
3010 Invested In Capital Assets, Net	10,084,852
3020 Temporarily Restricted Net Assets	165,731
3030 Unrestricted Net Assets	1,923,252
Net Income	(51,078)
Total Equity	\$12,122,758
TOTAL LIABILITIES AND EQUITY	\$21,082,151

$\$2,745,683 - \$1,203,228 = \$1,542,455$ Working Capital

*slightly up from July (\$1,523,961)