

IDEA Public Schools

Consolidated Financial Statements
and Independent Auditors' Report
for the years ended June 30, 2024 and 2023

IDEA Public Schools

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Board of Directors

Collin Sewell, Board Chair

Ed Rivera Vice Chair, IDEA Secretary
(effective January 2024)

Erich Holmsten, Treasurer

Dr. Nanette Cocero, Member

Gary Lindgren, Member

Theresa Barrera-Shaw, Member

Constanza Miner, IDEA Member Board (April 2024)

Michael Adams, Member (resigned May 2024)

Anthony Ryan Vaughan, IPS Member only Secretary
(effective January 2024)

Marcia Aaron, IPS Member only (November 2024)

Superintendent and Chief Executive Officer

Dr. Jeffrey Cottrill

Chief Financial Officer

Kathleen Zimmermann

Certificate of Board

We, the undersigned, certify that the attached financial and compliance report of IDEA Public Schools was reviewed and (check one) approved disapproved for the year ended June 30, 2024, at a meeting of the governing body of the charter holder on the 22nd day of November 2024.

Signed by:

Eduardo Rivera

8DD22C2785DB409

Signature of Board Secretary

Signed by:



8EF775B55D5A419

Signature of Board President

If the governing body of the charter holder disapproved the independent auditors' report, the reason(s) for disapproving it is (are): (attach list as necessary)

Independent Auditors' Report

To the Board of Directors of
IDEA Public Schools:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of IDEA Public Schools (IDEA), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities, of cash flows, and of functional expenses for the years then ended, and the related notes to the consolidated financial statements.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of IDEA'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 IDEA's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. Supplementary information in the consolidating statement of financial position as of June 30, 2024, consolidating statement of activities and consolidating statement of cash flows for the year then ended is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying supplementary information on pages 51 through 60 is presented for purposes of additional analysis as required by the Texas Education Agency and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in our audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial

statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Unaudited Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The Budgetary Variance Explanations and Schedule of Real Property Ownership Interest on pages 61 through 71 are presented for purposes of additional analysis as required by the Texas Education Agency and are not a required part of the basic financial statements. These schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Report Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2024 on our consideration of IDEA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of IDEA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering IDEA's internal control over financial reporting and compliance.

Blazek & Vetterling

November 22, 2024

IDEA Public Schools

Consolidated Statements of Financial Position as of June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 361,485,029	\$ 222,094,145
Cash and cash equivalents – held in trust	83,624,815	77,839,675
Government grant receivables	238,964,531	257,213,499
Contributions receivable, net	688,427	2,371,357
Accounts receivable	1,156,256	2,712,466
Accounts receivable from affiliates	11,347,103	24,742,639
Investments – operating	-	32,099,053
Prepaid expenses	2,600,700	5,751,785
Other current assets	<u>706,833</u>	<u>1,385,165</u>
Total current assets	<u>700,573,694</u>	<u>626,209,784</u>
Fixed assets:		
Right-of-use asset – operating leases	1,663,338	10,617,358
Right-of-use asset – finance leases, net	-	55,257
Property and equipment, net	<u>1,535,458,910</u>	<u>1,492,501,382</u>
Total fixed assets	<u>1,537,122,248</u>	<u>1,503,173,997</u>
Other noncurrent assets:		
Cash and cash equivalents – held in trust	89,008,997	29,776,441
Contributions receivable, net	160,705	1,833,860
Investments – held in trust	-	9,310,197
Cash and cash equivalents – held for endowment	<u>396,952</u>	<u>374,806</u>
Total other noncurrent assets	<u>89,566,654</u>	<u>41,295,304</u>
TOTAL ASSETS	<u>\$ 2,327,262,596</u>	<u>\$ 2,170,679,085</u>

(continued)

IDEA Public Schools

Consolidated Statements of Financial Position as of June 30, 2024 and 2023

(continued)

	<u>2024</u>	<u>2023</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 14,260,585	\$ 16,318,055
Accounts payable to affiliates	8,777,535	-
Accrued wages, benefits, and taxes	60,186,386	53,920,885
Accrued interest payable	21,932,350	22,333,243
Accrued expenses	9,328,748	22,422,234
Refundable advances	12,495,068	5,222,013
Other liabilities	5,114,844	7,810,902
Note payable to U. S. Department of Education	7,894,032	28,000,000
Bonds payable – current portion	24,630,000	26,255,000
Notes payable – current portion	105,502,063	121,559,784
Operating leases payable – current portion	910,666	5,568,792
Finance leases payable – current portion	-	32,028
Total current liabilities	<u>271,032,277</u>	<u>309,442,936</u>
Long-term liabilities:		
Note payable to U. S. Department of Education	11,626,599	-
Bonds payable, net	1,415,068,344	1,226,054,565
Notes payable, net	159,180,603	257,455,440
Operating leases payable	761,025	5,059,724
Finance leases payable	-	25,134
Total long-term liabilities	<u>1,586,636,571</u>	<u>1,488,594,863</u>
TOTAL LIABILITIES	<u>1,857,668,848</u>	<u>1,798,037,799</u>
Commitments and contingencies	-	-
Net assets:		
Without donor restrictions	6,187,351	(694,738)
With donor restrictions	<u>463,406,397</u>	<u>373,336,024</u>
Total net assets	<u>469,593,748</u>	<u>372,641,286</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,327,262,596</u>	<u>\$ 2,170,679,085</u>

See accompanying notes to consolidated financial statements.

IDEA Public Schools

Consolidated Statement of Activities for the year ended June 30, 2024

	WITHOUT DONOR <u>RESTRICTIONS</u>	WITH DONOR <u>RESTRICTIONS</u>	<u>TOTAL</u>
REVENUE AND OTHER SUPPORT:			
Local support:			
Grants – cash and financial assets	\$ 53,571	\$ 1,512,710	\$ 1,566,281
Grant reversions	-	(6,424,466)	(6,424,466)
Contributions:			
Cash and other financial assets	-	1,456,441	1,456,441
Nonfinancial assets	-	96,950	96,950
Management fees	75,018,671	-	75,018,671
Rental income	22,314,566	-	22,314,566
Net investment return	1,991,571	7,615,650	9,607,221
Other revenue	<u>3,579,217</u>	<u>6,031,666</u>	<u>9,610,883</u>
Total local support	<u>102,957,596</u>	<u>10,288,951</u>	<u>113,246,547</u>
State program revenue:			
Foundation School Program	-	847,660,815	847,660,815
Other state aid	<u>-</u>	<u>62,043,441</u>	<u>62,043,441</u>
Total state program revenue	<u>-</u>	<u>909,704,256</u>	<u>909,704,256</u>
Federal program revenue:			
ESEA Title I – Part A	-	48,044,721	48,044,721
ESEA Title II – Part A Teacher/Principal Training	-	5,783,390	5,783,390
ESEA Title III – Part A Language Acquisition	-	1,995,602	1,995,602
TCLAS High Quality After School	-	515,615	515,615
IDEA B Formula – Special Education	-	11,295,359	11,295,359
IDEA B Preschool – Special Education	-	11,379	11,379
ESEA Title V – Part B Charter Schools	-	8,730,591	8,730,591
Teacher Incentive Fund	-	(17,005)	(17,005)
Lone Star STEM Cycle 2 Year 1	-	(15,351)	(15,351)
ELC Reopening Schools	-	(64,673)	(64,673)
ARP Homeless II	-	22,601	22,601
Twenty-First Century Community			
Learning Centers	-	1,727,477	1,727,477
Education Innovation and Research	-	578,553	578,553
ESEA Title IV – Part A	-	49,709	49,709
School-based Mental Health	-	412,500	412,500
Energy Equity Initiative	-	82,877	82,877
Elementary and Secondary School			
Emergency Relief Fund II	-	(81,880)	(81,880)
Elementary and Secondary School			
Emergency Relief Fund III	-	88,790,381	88,790,381
Child Nutrition – (including \$978,637 of in-kind contributions)	-	86,657,091	86,657,091
IDEA Comprehensive Health Professions	-	(2,602,799)	(2,602,799)
SSA, Title XIX – School Health and Related Services	<u>-</u>	<u>4,535,970</u>	<u>4,535,970</u>
Total federal program revenue	<u>-</u>	<u>256,452,108</u>	<u>256,452,108</u>
Net assets released for purpose restrictions	<u>1,086,374,942</u>	<u>(1,086,374,942)</u>	<u>-</u>
Total revenue and other support	<u>1,189,332,538</u>	<u>90,070,373</u>	<u>1,279,402,911</u>

(continued)

IDEA Public Schools

Consolidated Statement of Activities for the year ended June 30, 2024

(continued)

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
EXPENSES:			
Program services:			
Instructional and instructional-related services	\$ 589,986,318	\$ -	\$ 589,986,318
Instructional and school leadership	137,752,614	-	137,752,614
Support services – student (pupil)	206,454,014	-	206,454,014
Support services – nonstudent based	91,044,810	-	91,044,810
Ancillary services	<u>33,127,026</u>	<u>-</u>	<u>33,127,026</u>
Total program services	<u>1,058,364,782</u>	<u>-</u>	<u>1,058,364,782</u>
Support services:			
Administrative support services	46,806,047	-	46,806,047
Support services – nonstudent based	32,166,304	-	32,166,304
Fundraising	<u>4,091,220</u>	<u>-</u>	<u>4,091,220</u>
Total support services	<u>83,063,571</u>	<u>-</u>	<u>83,063,571</u>
Total expenses	<u>1,141,428,353</u>	<u>-</u>	<u>1,141,428,353</u>
OTHER INCREASES (DECREASES) IN NET ASSETS:			
Net gain on disposal of assets	359,327	-	359,327
Net unrealized gains on investments	415,360	-	415,360
Loss on impairment of assets	(12,613,688)	-	(12,613,688)
Loss on valuation of grants receivable	(23,000,000)	-	(23,000,000)
Donation to affiliates	<u>(6,183,095)</u>	<u>-</u>	<u>(6,183,095)</u>
CHANGE IN NET ASSETS	6,882,089	90,070,373	96,952,462
Net assets, beginning of year	<u>(694,738)</u>	<u>373,336,024</u>	<u>372,641,286</u>
Net assets, end of year	<u>\$ 6,187,351</u>	<u>\$ 463,406,397</u>	<u>\$ 469,593,748</u>

See accompanying notes to consolidated financial statements.

IDEA Public Schools

Consolidated Statement of Activities for the year ended June 30, 2023

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE AND OTHER SUPPORT:			
Local support:			
Grants – cash and financial assets	\$ -	\$ 9,447,330	\$ 9,447,330
Grant reversions	(55,167)	(4,166,247)	(4,221,414)
Contributions:			
Cash and other financial assets	23,849	1,867,148	1,890,997
Nonfinancial assets	41,000	-	41,000
Management fees	69,752,345	-	69,752,345
Rental income	14,810,625	-	14,810,625
Net investment return	641,998	3,996,798	4,638,796
Other revenue	3,976	10,061,857	10,065,833
Total local support	<u>85,218,626</u>	<u>21,206,886</u>	<u>106,425,512</u>
State program revenue:			
Foundation School Program	-	777,894,817	777,894,817
Other state aid	-	30,583,391	30,583,391
Total state program revenue	<u>-</u>	<u>808,478,208</u>	<u>808,478,208</u>
Federal program revenue:			
ESEA Title I – Part A	-	14,202,320	14,202,320
ESEA Title II – Part A Teacher/Principal Training	-	149,769	149,769
ESEA Title III – Part A Language Acquisition	-	2,337,556	2,337,556
TCLAS High Quality After School	-	191,662	191,662
IDEA B Formula – Special Education	-	8,266,219	8,266,219
IDEA B Preschool – Special Education	-	37,820	37,820
ESEA Title V – Part B Charter Schools	-	8,448,784	8,448,784
Teacher Incentive Fund	-	500,136	500,136
Lone Star STEM Cycle 2 Year 1	-	15,351	15,351
ELC Reopening Schools	-	1,151,054	1,151,054
ARP Homeless II	-	14,927	14,927
Twenty-First Century Community			
Learning Centers	-	1,197,011	1,197,011
Education Innovation and Research	-	1,019,186	1,019,186
ESEA Title IV – Part A	-	6,206	6,206
Elementary and Secondary School			
Emergency Relief Fund	-	216,735	216,735
Elementary and Secondary School	-	31,884,197	31,884,197
Emergency Relief Fund II	-	31,884,197	31,884,197
Elementary and Secondary School	-	29,002,076	29,002,076
Emergency Relief Fund III	-	29,002,076	29,002,076
Child Nutrition – (including \$1,131,892 of in-kind contributions)	-	86,753,373	86,753,373
IDEA Comprehensive Health Professions	-	700,194	700,194
SSA, Title XIX – School Health and Related Services	-	7,888,047	7,888,047
Total federal program revenue	<u>-</u>	<u>193,982,623</u>	<u>193,982,623</u>
Net assets released for purpose restrictions	<u>988,662,962</u>	<u>(988,662,962)</u>	<u>-</u>
Total revenue and other support	<u>1,073,881,588</u>	<u>35,004,755</u>	<u>1,108,886,343</u>

(continued)

IDEA Public Schools

Consolidated Statement of Activities for the year ended June 30, 2023

(continued)

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
EXPENSES:			
Program services:			
Instructional and instructional-related services	\$ 538,472,911	\$ -	\$ 538,472,911
Instructional and school leadership	147,901,621	-	147,901,621
Support services – student (pupil)	188,272,086	-	188,272,086
Support services – nonstudent based	87,888,820	-	87,888,820
Ancillary services	<u>31,441,668</u>	<u>-</u>	<u>31,441,668</u>
Total program services	<u>993,977,106</u>	<u>-</u>	<u>993,977,106</u>
Support services:			
Administrative support services	53,725,245	-	53,725,245
Support services – nonstudent based	21,250,526	-	21,250,526
Fundraising	<u>2,513,452</u>	<u>-</u>	<u>2,513,452</u>
Total support services	<u>77,489,223</u>	<u>-</u>	<u>77,489,223</u>
Total expenses	<u>1,071,466,329</u>	<u>-</u>	<u>1,071,466,329</u>
OTHER INCREASES (DECREASES) IN NET ASSETS:			
Gain on disposal of assets	52,581	-	52,581
Realized gains on investments	-	109,487	109,487
Unrealized gains on investments	<u>-</u>	<u>481,208</u>	<u>481,208</u>
Change in net assets before repayment of grant funds	2,467,840	35,595,450	38,063,290
Repayment of grant funds to U. S. Department of Education	<u>-</u>	<u>(28,000,000)</u>	<u>(28,000,000)</u>
CHANGE IN NET ASSETS	2,467,840	7,595,450	10,063,290
Net assets, beginning of year	<u>(3,162,578)</u>	<u>365,740,574</u>	<u>362,577,996</u>
Net assets, end of year	<u>\$ (694,738)</u>	<u>\$ 373,336,024</u>	<u>\$ 372,641,286</u>

See accompanying notes to consolidated financial statements.

IDEA Public Schools

Consolidated Statements of Cash Flows for the years ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 96,952,462	\$ 10,063,290
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	58,474,249	65,570,163
Loss on impairment of land held for sale	12,613,688	-
Loss on valuation of contributions receivable	1,856,104	353,806
Amortization of premium and debt issuance costs	(5,795,818)	(6,765,951)
Amortization of operating leases	5,006,813	-
Loss on valuation of government grant receivables	23,000,000	-
Net realized/unrealized gain on investments	(415,360)	(590,695)
(Gain)/loss on disposal of property and equipment	(258,321)	65,841
Changes in current assets and liabilities:		
Government grant receivables	(4,751,032)	(46,658,421)
Contributions receivable	1,499,981	4,301,692
Accounts receivable	14,951,745	(1,045,937)
Prepaid expenses	3,151,085	(1,867,947)
Other current assets	678,333	(376,843)
Accounts payable	8,199,036	(32,688,529)
Accrued wages, benefits, and taxes	6,265,501	(19,980,507)
Accrued interest payable	(400,893)	90,948
Accrued expenses	(14,708,218)	11,836,584
Refundable advances	7,278,024	272,191
Other liabilities	(2,565,266)	(9,475,960)
Operating lease liabilities	(9,760,892)	(6,460,063)
Note payable to U. S. Department of Education	-	28,000,000
Net cash provided (used) by operating activities	<u>201,271,221</u>	<u>(5,356,338)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Construction and purchase of property and equipment	(108,980,613)	(70,689,923)
Cash received from acquisition of companies	-	21,950,254
Purchase of certificates of deposit	-	(69,112,343)
Proceeds from maturity of certificates of deposit	25,045,690	69,066,807
Purchases of investments	-	(24,000,000)
Proceeds from sale of investments	16,778,920	22,571,753
Investments in notes receivable from graduates	-	(353,806)
Net cash used by investing activities	<u>(67,156,003)</u>	<u>(50,567,258)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings of long-term debt	542,367,984	287,315,512
Principal payments on long-term debt	(467,098,179)	(256,664,300)
Payments of debt issuance costs	(57,162)	-
Payments on finance leases	(4,897,136)	(2,577,057)
Net cash provided by financing activities	<u>70,315,507</u>	<u>28,074,155</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	204,430,725	(27,849,441)
Cash and cash equivalents, beginning of year	<u>330,085,068</u>	<u>357,934,509</u>
Cash and cash equivalents, end of year	<u>\$ 534,515,793</u>	<u>\$ 330,085,068</u>

(continued)

IDEA Public Schools

Consolidated Statements of Cash Flows for the years ended June 30, 2024 and 2023 *(continued)*

	<u>2024</u>	<u>2023</u>
<i>Reconciliation of cash and cash equivalents:</i>		
Cash and cash equivalents	\$ 361,485,029	\$ 222,094,145
Cash and cash equivalents – held in trust	83,624,815	77,839,675
Cash and cash equivalents – noncurrent – held in trust	89,008,997	29,776,441
Cash and cash equivalents – held for endowment	<u>396,952</u>	<u>374,806</u>
Total cash and cash equivalents	<u>\$ 534,515,793</u>	<u>\$ 330,085,067</u>
 <i>Supplemental disclosure of cash flow information:</i>		
Cash paid for interest	\$72,034,403	\$63,271,353
Right-of-use assets obtained in exchange for new lease obligations:		
Operating lease obligations	\$74,924	\$8,800,890
Finance lease obligations		\$2,453,505

See accompanying notes to consolidated financial statements.

IDEA Public Schools

Consolidated Statement of Functional Expenses for the year ended June 30, 2024

	PAYROLL COSTS	PROFESSIONAL AND CONTRACTED SERVICES	SUPPLIES AND MATERIALS	OTHER OPERATING COSTS	DEBT	TOTAL
Program services:						
Instructional and instructional-related services	\$ 406,199,505	\$ 36,301,157	\$ 44,353,802	\$ 41,111,150	\$ 62,020,704	\$ 589,986,318
Instructional and school leadership	123,526,165	6,157,169	4,012,153	4,057,127	-	137,752,614
Support services – student (pupil)	133,985,652	6,265,339	54,006,501	12,196,522	-	206,454,014
Support services – nonstudent based	28,931,021	28,901,501	11,359,687	21,852,601	-	91,044,810
Ancillary services	<u>1,198,257</u>	<u>305,481</u>	<u>133,871</u>	<u>31,489,417</u>	-	<u>33,127,026</u>
Total program services	<u>693,840,600</u>	<u>77,930,647</u>	<u>113,866,014</u>	<u>110,706,817</u>	<u>62,020,704</u>	<u>1,058,364,782</u>
Support services:						
Administrative support services	32,613,547	11,942,214	986,221	(616,059)	1,880,124	46,806,047
Support services – nonstudent based	20,612,696	3,038,767	1,791,388	6,723,453	-	32,166,304
Fundraising	<u>1,847,130</u>	<u>33,702</u>	<u>145,590</u>	<u>2,064,798</u>	-	<u>4,091,220</u>
Total support services	<u>55,073,373</u>	<u>15,014,683</u>	<u>2,923,199</u>	<u>8,172,192</u>	<u>1,880,124</u>	<u>83,063,571</u>
Total expenses	<u>\$ 748,913,973</u>	<u>\$ 92,945,330</u>	<u>\$ 116,789,213</u>	<u>\$ 118,879,009</u>	<u>\$ 63,900,828</u>	<u>\$ 1,141,428,353</u>

See accompanying notes to consolidated financial statements.

IDEA Public Schools

Consolidated Statement of Functional Expenses for the year ended June 30, 2023

	PAYROLL COSTS	PROFESSIONAL AND CONTRACTED SERVICES	SUPPLIES AND MATERIALS	OTHER OPERATING COSTS	DEBT	TOTAL
Program services:						
Instructional and instructional-related services	\$ 376,981,056	\$ 33,428,731	\$ 39,585,267	\$ 35,912,627	\$ 52,565,230	\$ 538,472,911
Instructional and school leadership	133,964,165	6,128,838	4,008,649	3,799,969	-	147,901,621
Support services – student (pupil)	116,072,509	6,561,153	54,541,878	11,096,546	-	188,272,086
Support services – nonstudent based	28,101,311	24,183,595	10,782,135	24,821,779	-	87,888,820
Ancillary services	<u>612,019</u>	<u>427,797</u>	<u>150,812</u>	<u>30,251,040</u>	-	<u>31,441,668</u>
Total program services	<u>655,731,060</u>	<u>70,730,114</u>	<u>109,068,741</u>	<u>105,881,961</u>	<u>52,565,230</u>	<u>993,977,106</u>
Support services:						
Administrative support services	28,867,498	16,012,423	1,545,651	3,580,763	3,718,910	53,725,245
Support services – nonstudent based	12,367,313	3,698,547	1,502,749	3,681,917	-	21,250,526
Fundraising	<u>2,078,131</u>	<u>125,955</u>	<u>136,082</u>	<u>173,284</u>	-	<u>2,513,452</u>
Total support services	<u>43,312,942</u>	<u>19,836,925</u>	<u>3,184,482</u>	<u>7,435,964</u>	<u>3,718,910</u>	<u>77,489,223</u>
Total expenses	<u>\$ 699,044,002</u>	<u>\$ 90,567,039</u>	<u>\$ 112,253,223</u>	<u>\$ 113,317,925</u>	<u>\$ 56,284,140</u>	<u>\$ 1,071,466,329</u>

See accompanying notes to consolidated financial statements.

IDEA Public Schools

Notes to Consolidated Financial Statements for the years ended June 30, 2024 and 2023

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization: IDEA Public Schools (charter holder known as IDEA Academy, Inc.) is a nonprofit Texas corporation formed in June 2000. IDEA Public Schools (the School) operates and does business as Individuals Dedicated to Excellence and Achievement (IDEA) Public Schools. The School is a state authorized, open enrollment charter school. The Contract for the Charter granted by the State Board of Education of the State of Texas pursuant to Chapter 12 of the Texas Education Code is effective until July 2025. The School provides educational services to students in grades Pre-K through 12, with total enrollment of approximately 77,000 students at 123 schools.

The School operates as a single charter school and conducts other noncharter activities with and through IPS Enterprises, Inc. (IPS), a Texas nonprofit corporation whose sole member is the School. IPS is consolidated since the School has a direct controlling interest in IPS through ownership.

The School also operates an in-district charter school in the Midland Independent School District. The Contract for the Charter granted by the State Board of Education of the State of Texas pursuant to Chapter 12 of the Texas Education Code will continue to be in effect for an initial ten-year school term and may be renewed for three successive five-year terms (or longer). The School provides educational services to students in grades K through 6.

Basis of consolidation: The consolidated financial statements include the accounts of the School and IPS. All balances and transactions between the consolidated entities have been eliminated.

ACCOUNTING POLICIES:

Net asset classification: Net assets, revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions, as follows:

- *Net assets without donor restrictions* are not subject to donor-imposed restrictions even though their use may be limited in other respects such as by contract or board designation.
- *Net assets with donor restrictions* are subject to donor-imposed restrictions. Restrictions may be temporary in nature, such as those that will be met by the passage of time or use for a purpose specified by the donor, or may be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Net assets are released from restrictions when the stipulated time has elapsed, or purpose has been fulfilled, or both.

In accordance with the School's net asset policy, the Board of Directors may designate surpluses of net assets for a specific purpose, generally for capital campaigns, future programs, long-term investment contingencies, real property acquisitions, construction services or other uses. Expenditures of board-designated funds must be in accordance with the adopted budget or by approval of the Finance Committee.

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents: The School considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Cash held in trust is limited as to use under the terms of the bond indenture. Interest income earned on cash held in trust is limited as to use under the terms of the bond indenture.

Contributions and grants revenue and contributions and grants receivable: Contributions and grants are recognized at fair value when an unconditional commitment is received from the donor. Contributions and grants received with donor stipulations that limit their use are classified as restricted support. Conditional contributions and grants are subject to one or more barriers that must be overcome before the School is entitled to receive or retain funding. Conditional contributions are recognized in the same manner when the conditions have been substantially met. The School considers all government grants to be conditional contributions, which are subject to one or more barriers that must be overcome before the School is entitled to receive or retain funding. The School recognizes revenue from government grants as performance requirements are met or eligible expenditures are incurred in compliance with specific grant provisions. Funds received before conditions have been met are reported as refundable advances.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted revenue. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the School reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. For long-lived assets purchased with federal or state contributions, the School reports expirations of donor restrictions over the estimated useful life, as stipulated by the donor.

Unconditional contributions that are expected to be collected within one year are reported at net realizable value. Amounts expected to be collected in future years are discounted to estimate the present value of future cash flows. Discounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of discounts is included in contribution revenue.

Allowance for doubtful accounts: An allowance for doubtful accounts is established on government grants receivable and contributions receivable when it is believed that the balances may not be collected in full. Losses are charged against the allowance when management believes the uncollectibility of a receivable is confirmed. Subsequent recoveries, if any, are credited to the allowance.

Donated services and assets: Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills that are provided by individuals possessing those skills and that would typically need to be purchased if not provided by donation are recognized at the estimated fair value as contributions when an unconditional commitment is received from the donor. Contributions of donated noncash assets are recorded at the estimated fair value in the period the unconditional commitment is received. The related expense is recognized as the item is used.

Investments: Marketable securities are stated at fair value. Non-negotiable certificates of deposit are stated at cost. Net investment return is reported in the statement of activities as an increase in net assets without donor restrictions unless the use of the income is limited by donor-imposed restrictions. Net investment return consists of interest and dividends net of external and direct internal investment

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

expenses. Investments held in trust are limited as to use under the terms of the bond indenture and represent funds held for construction activity and debt service requirements. The related investment return is also limited as to use under the terms of the bond indenture.

Property and equipment and right-of-use assets – finance: Property and equipment are stated at cost or at fair value, if donated. The School capitalizes expenditures in excess of \$5,000 for property and equipment with an expected life greater than a year. Assets held under finance leases are recorded at present value of the lease payments at the inception of the lease.

Depreciation and amortization is computed using the straight-line method over the shorter of the estimated useful lives of the assets or the period of the related lease.

<u>ASSET CLASSIFICATION</u>	<u>ESTIMATED USEFUL LIVES</u>
Buildings and improvements	10-30 years
Leasehold improvements	5-15 years
Vehicles	5 years
Furniture and equipment	3-10 years

Right-of-use assets: Lease right-of-use assets are recognized at the present value of the lease payments at the inception of the lease adjusted, as appropriate, for certain other payments and allowances related to obtaining the lease and placing the asset in service. Finance lease right-of-use assets are amortized on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term. Operating lease right-of-use assets are amortized so that lease costs remain constant over the lease term.

The following accounting elections were made:

- *Short-term leases* – The School elected to not apply the recognition requirements in Accounting Standards Codification 842 to short-term leases. Instead, these leases are recognized as expense on a straight-line basis over the lease term.
- *Discount rates* – The School elected to use its incremental borrowing rate as the discount rate.
- *Portfolio approach* – The School elected to use the portfolio approach for leases with similar characteristics with the expectation that the application of the portfolio model will not differ materially from the application to the individual leases in that portfolio.
- *Lease and non-lease components* – The School elected a practical expedient by class of underlying assets and choose whether to separate non-lease components from the lease components or account for it as a single lease component. The School elected to not separate the lease components and the non-lease components for real estate leases and copier rentals. As for laptops, the School has chosen to separate its lease components from the non-lease components for determination.

Impairment of long-lived assets: The School reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

assets. The factors considered by management in performing this assessment include current operating results, trends and prospects and the effects of obsolescence, demand, competition and other economic factors. The School recognized an impairment loss of approximately \$12.6 million in fiscal year ended June 30, 2024. No impairment loss was recognized in fiscal year ended June 30, 2023.

Debt issuance costs: Costs related to the issuance of bonds and notes payable are reported as a direct reduction of the related debt and are amortized as interest expense over the term of the bonds or notes using the effective interest method.

Management fees and other revenue: Revenue from contracts with customers is derived primarily from employee leasing, management and shared services fees, academic support fees, food service fees and other miscellaneous fees. Revenue is recognized as the services are provided to a customer in an amount that reflects the consideration the School expects to be entitled to in exchange for those services taking into consideration historical collection trends and consideration of future and future economic trends.

Performance obligations from contracts with customers other than employee leasing and food services fees are satisfied over time. Revenue recognized over time is recognized ratably as services are rendered over the term of the agreement using the output method. Performance obligations related to the employee leasing services are transferred to the customer over time and the revenue is recognized on the basis of reimbursement of actual costs incurred by IPS. The employee leasing and management fees are derived from agreements with other charter schools in Louisiana, Florida, Ohio, and Texas. The revenue is included in management fees in the statement of activities. Management and shared services fees are recognized on the basis of negotiated contracts for these goods and services. Food service revenue is recognized at a point in time when services are provided.

Payment is due monthly for all services. An allowance for accounts receivable is established when there has been an adverse change in the organization's ability to pay. Management expects to collect all balances at June 30, 2024 and no allowance has been provided. These services do not give rise to contract assets, contract liabilities, or any variable considerations, warranties, or other related obligations.

Accounts receivable at June 30, 2024, 2023, and 2022 totaled \$12,503,359, \$27,455,105 and \$42,004,568, respectively.

Functional allocation of expenses: Expenses are reported by their functional classification. Program services are the direct conduct or supervision of activities that fulfill the purposes for which the organization exists. Fundraising activities include the solicitation of contributions of money, securities, materials, facilities, other assets, and time. Administrative support services and non-student based support services activities are not directly identifiable with specific program or fundraising activities. Expenses that are attributable to more than one activity are allocated among the activities benefitted. Salaries and related costs are charged directly either to program services, fundraising or administrative support services based on actual time worked in each area. Information technology costs, depreciation, interest expense, and occupancy costs are allocated based on whether the costs are associated with instructional campuses (program services) or with administrative buildings.

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Federal income taxes: The School is a nonprofit organization and is exempt from federal income tax under §501(c)(3) of the Internal Revenue Code, except to the extent it has unrelated business income. The School files a Form 990 (Return of Organization Exempt from Income Tax) and, if applicable, unrelated business income (UBI) is reported on a Form 990-T. IPS is a Texas nonprofit corporation and is exempt from federal income tax under §501(c)(3) of the Internal Revenue Code and is classified as a Type 1 supporting organization under §501(a)(3). Management has evaluated its material tax positions, which include such matters as the tax-exempt status of the School and, if applicable, potential sources of UBI. As of June 30, 2024 and 2023, there were no uncertain tax benefits. No such provision has been made in the accompanying financial statements.

Advertising: The School expenses advertising costs when they are incurred. Advertising costs for the years ended June 30, 2024 and 2023 are \$9,546,292 and \$10,067,259, respectively.

Estimates: Management must make estimates and assumptions to prepare financial statements in accordance with generally accepted accounting principles. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, the amounts of reported revenue and expenses, and the allocation of expenses among various functions. Actual results could vary from the estimates that were used.

Subsequent events: The School has evaluated subsequent events that occurred after June 30, 2024, through the date of this report on November 22, 2024, which is the date the financial statements were available for issuance. Any material subsequent events that occurred during this time have been properly recognized or disclosed in the financial statements.

Adoption of new accounting standard: Financial Accounting Standards Update 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* (CECL), was effective for not-for-profit organizations for fiscal years beginning after December 15, 2022. CECL requires immediate recognition of estimated expected credit losses over the entire life of a financial asset. CECL requires consideration not only of historical data but also current economic conditions, and future events when estimating credit losses. Disclosures about the credit quality of receivables and loans and the methods and assumptions used to estimate credit losses are required. CECL applies to trade receivables, loans receivable, programmatic investments, contract assets, and certain other financial instruments but excludes contributions receivable, loans and accounts receivable between related parties under common control, and financial assets measured at fair value. The School adopted the standard as of July 1, 2023 and there was no impact on the financial statements.

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents consist of the following:

	<u>2024</u>	<u>2023</u>
Petty cash	\$ 301	\$ 301
Checking accounts	292,328,772	152,727,610
Money market mutual funds	<u>242,186,720</u>	<u>177,357,156</u>
Total cash and cash equivalents	<u>\$ 534,515,793</u>	<u>\$ 330,085,067</u>

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS (continued)

Cash and cash equivalents held in trust are designated as follows:

	<u>2024</u>	<u>2023</u>
Debt service	\$ 66,608,660	\$ 66,613,065
Construction	<u>106,025,152</u>	<u>41,003,051</u>
Total	172,633,812	107,616,116
Less:		
Current cash and cash equivalents – held in trust	<u>(89,008,997)</u>	<u>(77,839,675)</u>
Total cash and cash equivalents – noncurrent – held in trust	<u>\$ 83,624,815</u>	<u>\$ 29,776,441</u>

The School maintains cash deposits at Regions Bank. At June 30, 2024, the carrying amount of the deposits was \$278,910,402 and the respective bank balance was \$282,999,190. The deposits are insured up to \$250,000 by the FDIC.

The School maintains proceeds received from the sale of bonds in fiduciary accounts at Regions Bank, Bank, Corporate Trust Services, which have bank balances and carrying amounts of \$126,997,410 at June 30, 2024. The Office of the Comptroller of the Currency, Regulation 9, requires that banks collateralize uninvested cash in fiduciary accounts. At June 30, 2024, assets held by Regions Bank, Bank were pledged as collateral as a whole for all Regions Bank fiduciary accounts to secure fiduciary funds held in trust.

IPS maintains cash deposits at Regions Bank. At June 30, 2024, the carrying amount of the deposits was \$13,369,423 and the respective bank balance was \$13,681,967, which are insured up to \$250,000 by the FDIC. IPS maintains proceeds received from the sale of bonds in fiduciary accounts at Regions Bank, Corporate Trust Services, which have bank balances and carrying amounts of \$45,636,748 at June 30, 2024.

The School considers the credit worthiness of financial institutions.

Investments at June 30, 2023 are as follows:

Investments at fair value:		
U. S. Treasury notes		\$ 7,053,363
Federal Home Loan Bank Notes		<u>9,310,197</u>
Total investments at fair value		16,363,560
Investments at cost – non-negotiable certificates of deposit		<u>25,045,690</u>
Total investments		41,409,250
Less current investments		<u>(32,099,053)</u>
Total investments – noncurrent – held in trust		<u>\$ 9,310,197</u>

Investments are exposed to various risks such as interest rate, market and credit risks. Because of these risks, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position and statement of activities.

NOTE 3 – GOVERNMENT GRANT RECEIVABLES

Amounts due from government agencies consist of the following:

	<u>2024</u>	<u>2023</u>
Texas Department of Education, Texas Education Agency (TEA)	\$ 141,071,956	\$ 138,118,794
U. S. Department of Education passed through TEA	55,140,739	56,736,341
U. S. Department of Education	46,292,890	41,090,273
U. S. Department of Agriculture passed through TEA	7,825,382	8,198,737
Florida Department of Education	5,904,734	2,480,225
Texas Medicaid and Healthcare Partnership	5,730,380	8,112,466
Universal Service Admin. Co. (USAC) E-Rate Program	-	2,420,829
Texas Parks and Wildlife Department	-	55,834
Total	261,966,081	257,213,499
Allowance for uncollectible accounts	<u>(23,001,550)</u>	<u>-</u>
Total government grant receivables, net	<u>\$ 238,964,531</u>	<u>\$ 257,213,499</u>

All amounts due from government agencies at June 30, 2024 are expected to be collected in fiscal year 2024-2025.

NOTE 4 – LIQUIDITY AND AVAILABILITY OF RESOURCES

The School relies on state aid and federal grants and contributions to meet general expenditures related to operations. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the School considers all expenditures related to its ongoing activities of education, as well as the conduct of services undertaken to support those activities including capital expenditures, to be general expenditures.

As part of the School's liquidity management, it structures its financial assets to be available as its general expenditures and liabilities become due or as additional funding opportunities are presented by maintaining a significant portion of its assets in cash.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use within one year of June 30 are as follows:

	<u>2024</u>	<u>2023</u>
Financial assets:		
Cash and cash equivalents	\$ 534,515,793	\$ 330,085,067
Investments	-	41,409,250
Government grant receivables and contributions receivable	239,813,663	261,418,716
Accounts receivable	<u>12,503,359</u>	<u>27,455,105</u>
Total financial assets	786,832,815	660,368,138
Less financial assets not available for general expenditure:		
Contractually-obligated financial assets	(172,633,812)	(107,616,116)
Donor-restricted assets not expected to be satisfied in coming year	<u>(21,167,276)</u>	<u>(16,579,267)</u>
Total financial assets available for general expenditure	<u>\$ 593,031,727</u>	<u>\$ 536,172,755</u>

NOTE 5 – CONTRIBUTIONS RECEIVABLE

The School has unconditional promises to give from philanthropic organizations as follows:

	<u>2024</u>	<u>2023</u>
Contributions receivable	\$ 849,132	\$ 8,143,938
Allowance	-	(3,906,723)
Discount at interest rates ranging from 0.18% to 2.99%	-	(31,998)
Contributions receivable, net	<u>\$ 849,132</u>	<u>\$ 4,205,217</u>

Contributions receivable at June 30, 2024 are due as follows:

2025	\$ 688,427
2026	159,205
2027	<u>1,500</u>
Total	<u>\$ 849,132</u>

The School has received conditional contributions contingent upon meeting certain criteria specified by donors, such as opening specific schools, starting construction of schools, implementation of specialized curriculum, or meeting enrollment targets. These amounts are not recorded in these financial statements as the conditions have not been met. As of June 30, 2024 and 2023, the amounts of conditional promises to give were approximately \$43,374,000 and \$45,088,000, respectively. Included in refundable advances are amounts received in advance from those conditional promises to give, which totaled approximately \$12,495,000 and \$4,787,000 at June 30, 2024 and 2023, respectively.

As of June 30, 2024, the School has received approximately \$55,138,000 of conditional contributions from various government agencies. The contributions will be recognized as revenue when the conditions, which include performance of allowable activities and incurring allowable expenses, are met. The School is party to other government awards for which the award amount is not specified by the grantor. The School will recognize these grants as qualifying grant expenditures are incurred and/or performance requirements are met.

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	<u>2024</u>	<u>2023</u>
Land and improvements	\$ 181,524,540	\$ 188,716,587
Buildings and leasehold improvements	1,396,811,097	1,231,534,190
Furniture and equipment	39,180,322	38,292,810
Vehicles	35,352,254	29,319,185
Construction in progress	<u>230,353,941</u>	<u>296,333,762</u>
Total	1,883,222,154	1,784,196,534
Less accumulated depreciation	<u>(347,763,244)</u>	<u>(291,695,152)</u>
Property and equipment, net	<u>\$ 1,535,458,910</u>	<u>\$ 1,492,501,382</u>

NOTE 6 – PROPERTY AND EQUIPMENT (continued)

Capitalized property and equipment acquired with public funds received by the School constitute public property pursuant to Chapter 12 of the Texas Education Code. At June 30, 2024 and 2023, these assets totaled \$1,604,262,225 and \$1,521,912,516, respectively.

NOTE 7 – FAIR VALUE MEASUREMENTS

Generally accepted accounting principles require that certain assets and liabilities be reported at fair value and establish a hierarchy that prioritizes inputs used to measure fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The three levels of the fair value hierarchy are as follows:

- *Level 1* – Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the reporting date.
- *Level 2* – Inputs are other than quoted prices included in Level 1, which are either directly observable or can be derived from or corroborated by observable market data at the reporting date.
- *Level 3* – Inputs are not observable and are based on the reporting entity’s assumptions about the inputs market participants would use in pricing the asset or liability.

Assets measured at fair value at June 30, 2023 are as follows:

	<u>LEVEL 1</u>	<u>LEVEL 2</u>	<u>LEVEL 3</u>	<u>TOTAL</u>
Investments:				
Federal Home Loan				
Bank Notes	\$ -	\$ 9,310,197	\$ -	\$ 9,310,197
U. S. Treasury notes	<u>7,053,363</u>	<u>-</u>	<u>-</u>	<u>7,053,363</u>
Total investments at fair value	7,053,363	9,310,197	-	16,363,560
Cash and cash equivalents:				
Money market mutual funds	<u>177,357,156</u>	<u>-</u>	<u>-</u>	<u>177,357,156</u>
Total assets at fair value	<u>\$ 184,410,519</u>	<u>\$ 9,310,197</u>	<u>\$ -</u>	<u>\$ 193,720,716</u>

Valuation methods used for assets measured at fair value are as follows:

- *Federal Home Loan Bank Notes* are valued using prices obtained from independent quotation bureaus that use computerized valuation formulas which may include market-corroborated inputs for credit risk factors, interest rate and yield curves and broker quotes to calculate fair values.
- *U. S. Treasury notes* are valued using prices obtained from active markets and inter-dealer brokers on a daily basis.
- *Money market mutual funds* are valued at the reported net asset value of shares held.

These valuation methods may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the School believes its valuation methods are appropriate, the use of different methods or assumptions could result in a different fair value measurement at the reporting date.

NOTE 8 – NOTE PAYABLE TO U. S. DEPARTMENT OF EDUCATION

A program specific audit was performed for the U. S. Department of Education awards for fiscal years 2016-2021. As a result of the program specific audit and discussion with the U. S. Department of Education, the School executed a note payable to the U. S. Department of Education for \$28.7 million to repay costs deemed unallowable for lack of appropriate documentation. A payment of \$5 million was made in December 2023, thereafter monthly payments of \$688,704 for thirty-six months. The note bears interest at 3%. The future minimum payments for the U. S. Department of Education note payable as of June 30, 2024 are as follows:

2025	\$ 7,894,032
2026	7,894,033
2027	<u>3,732,566</u>
Total	<u>\$ 19,520,631</u>

NOTE 9 – BONDS PAYABLE

Bonds payable at June 30, 2024 consist of the following:

	OUTSTANDING BALANCE	PREMIUM	ISSUANCE COSTS	TOTAL
Series 2010	\$ 7,555,000	\$ -	\$ (3,202)	\$ 7,551,798
Series 2014	75,785,000	2,507,133	(1,006,234)	77,285,899
Series 2015	61,670,000	1,990,612	(898,664)	62,761,948
Series 2016 A	98,405,000	11,851,864	(1,156,034)	109,100,830
Series 2016 B	10,160,000	478,459	(361,451)	10,277,008
Series 2017	151,050,000	5,692,737	(2,180,392)	154,562,345
Series 2018	153,575,000	5,941,853	(4,752,728)	154,764,125
Series 2019	202,360,000	15,711,228	(6,485,199)	211,586,029
Series 2021 RMKT	165,555,000	22,414,140	(7,838,363)	180,130,777
Series 2022 A	93,300,000	9,707,251	(1,432,798)	101,574,453
Series 2024	204,610,000	6,974,914	(6,765,690)	204,819,224
Series 2021 IPS	28,100,000	-	(776,542)	27,323,458
Series 2022 IPS	22,600,000	-	(781,692)	21,818,308
Series 2023 A Lakeland	32,790,000	-	(1,071,627)	31,718,373
Series 2023 B Lakeland	440,000	-	(14,380)	425,620
Series 2023 A Florida	86,645,000	(545,885)	(2,445,944)	83,653,171
Series 2023 B Florida	<u>355,000</u>	<u>-</u>	<u>(10,022)</u>	<u>344,978</u>
Total	1,394,955,000	82,724,306	(37,980,962)	1,439,698,344
Less current portion	<u>24,630,000</u>	<u>-</u>	<u>-</u>	<u>24,630,000</u>
Net long-term bonds payable	<u>\$ 1,370,325,000</u>	<u>\$ 82,724,306</u>	<u>\$ (37,980,962)</u>	<u>\$ 1,415,068,344</u>

NOTE 9 – BONDS PAYABLE (continued)

Bonds payable at June 30, 2023 consist of the following:

	OUTSTANDING BALANCE	PREMIUM	ISSUANCE COSTS	TOTAL
Series 2010	\$ 7,555,000	\$ -	\$ (22,737)	\$ 7,532,263
Series 2012	48,590,000	1,318,341	(902,995)	49,005,346
Series 2013	54,425,000	617,713	(972,349)	54,070,364
Series 2014	78,335,000	2,969,123	(1,055,786)	80,248,337
Series 2015	63,170,000	2,323,803	(940,871)	64,552,932
Series 2016 A	98,505,000	12,762,563	(1,207,991)	110,059,572
Series 2016 B	11,770,000	698,118	(377,684)	12,090,434
Series 2017	156,700,000	6,729,230	(2,274,510)	161,154,720
Series 2018	156,770,000	6,746,854	(5,081,697)	158,435,157
Series 2019	206,495,000	17,768,709	(6,922,093)	217,341,616
Series 2021 RMKT	168,630,000	24,333,141	(8,369,904)	184,593,237
Series 2022 A	94,930,000	10,656,805	(1,602,803)	103,984,002
Series 2021 IPS	28,100,000	-	(519,071)	27,580,929
Series 2022 IPS	<u>22,600,000</u>	<u>-</u>	<u>(939,344)</u>	<u>21,660,656</u>
Total	1,196,575,000	86,924,400	(31,189,835)	1,252,309,565
Less current portion	<u>26,255,000</u>	<u>-</u>	<u>-</u>	<u>26,255,000</u>
Net long-term bonds payable	<u>\$1,170,320,000</u>	<u>\$ 86,924,400</u>	<u>\$ (31,189,835)</u>	<u>\$ 1,226,054,565</u>

Interest cost, including amortization of debt issuance costs and premium incurred for the years ended June 30, 2024 and 2023, totaled \$67,767,493 and \$61,717,134, respectively, of which \$65,521,189 and \$59,840,083 was expensed and \$2,246,272 and \$1,877,051 was capitalized for the years ended June 30, 2024 and 2023, respectively. The effective interest rate on the bonds for fiscal year 2024 and fiscal year 2023 was 5.10% and 5.22%, respectively.

The Series 2010 Q bonds tax credit interest subsidy was \$623,288 for the years ended June 30, 2024 and 2023, and is reflected in local support, other revenues in the consolidated statements of activities.

NOTE 9 – BONDS PAYABLE (continued)

<u>BONDS PAYABLE</u>	<u>STATED INTEREST RATE</u>	<u>MATURITY</u>	<u>SUBORDINATE FEATURES</u>
Series 2010 Q	8.25%	August 15, 2029	
Series 2014	2.00%-5.00%	Annually August 15, 2016-2044	Optional redemption in whole or in part by the School on August 15, 2024.
Series 2015	3.00%-5.00%	Annually August 15, 2017-2045	Optional redemption in whole or in part by the School on August 15, 2025.
Series 2016 A	2.00%-5.00%	Annually August 15, 2017-2046	Optional redemption in whole or in part by the School on August 15, 2026.
Series 2016 B	2.00%-5.00%	Annually August 15, 2018-2028	Optional redemption in whole or in part by the School on August 15, 2026.
Series 2017	1.50%-4.00%	Annually August 15, 2020-2048	Optional redemption in whole or in part by the School on August 15, 2027.
Series 2018	3.00%-5.00%	Annually August 15, 2018-2048	Bonds maturing on or after August 15, 2029 are subject to optional redemption in whole or in part by the School on August 15, 2028.
Series 2019	3.00%-5.00%	Annually August 15, 2021-2049	Bonds maturing on or after August 15, 2030 are subject to optional redemption in whole or in part by the School on August 15, 2029.
Series 2021	0.75%-2.80%	Annually August 15, 2022-2050	Bonds maturing on or after August 15, 2031 are subject to optional redemption in whole or in part by the School on August 15, 2030.
Series 2021 RMKT-Term	2.85%-4.00%	\$33,590,000 August 15, 2047; \$7,000,000 August 15, 2047; \$28,410,000 August 15, 2050	
Series 2021 RMKT-Serial	4.00%-5.00%	Annually August 15, 2022-2024	
Series 2021 IPS	4.37%	June 15, 2056	
Series 2022 A - Serial	4.00%-5.00%	Annually August 15, 2023-2042	
Series 2022 A - Term	3.00%-4.00%	\$21,610,000 August 15, 2047; \$13,795,000 August 15, 2051; \$6,750,000 August 15, 2051	
2022 IPS	5.25%	June 15, 2029	
Series 2024	5.00%	August 15, 2054	Bonds maturing on or after August 15, 2033 are subject to optional redemption, prior to scheduled maturity, in whole or in part, on August 15, 2023, or on any date thereafter, at the option of the borrower, at a price of par plus interest accrued thereon to the redemption date.
Series 2023 A Lakeland	7.00%	June 15, 2030	Yield to call at par on June 15, 2028 at 100%.
Series 2023 B Lakeland	8.75%	June 15, 2030	Yield to call at par on June 15, 2028 at 100%.
Series 2023 A Florida	5.12%-6.375%	June 15, 2033-2058	Yield to call on June 15, 2030.
Series 2023 B Florida	8.00%	June 15, 2028	

NOTE 9 – BONDS PAYABLE (continued)

The Series 2014, 2015, 2016 A, 2017, 2018, 2019 and 2021 bonds are guaranteed by TEA under the Permanent School Fund Guarantee program.

All of the bond issuances require the School and IPS to maintain a debt reserve fund equal to the maximum annual principal and interest requirements of the respective bond issuance.

Covenants: All bond loan agreements establish a debt service coverage ratio, which stipulates that available revenues for each fiscal year (without excluding any discretionary expense actually incurred in such fiscal year) must be equal to 1.10 times the annual debt service requirements of the School as of the end of the fiscal year after the date of issuance of the bonds and thereafter until the bonds have been paid in full. Management believes the School was in compliance with this covenant and all other applicable covenants contained in the loan agreements during the years ended June 30, 2024 and 2023.

Debt service requirements for bonds payable for the year ended June 30, 2024 are as follows:

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TAX CREDIT SUBSIDY</u>	<u>TOTAL</u>
2025	\$ 24,630,000	\$ 59,590,259	\$ (595,444)	\$ 83,624,815
2026	26,870,000	60,977,419	(513,975)	87,333,444
2027	33,930,000	59,423,775	(405,075)	92,948,700
2028	35,710,000	57,640,231	(293,081)	93,057,150
2029	60,135,000	55,793,725	(177,994)	115,750,731
Thereafter	<u>1,213,680,000</u>	<u>612,745,039</u>	<u>(59,813)</u>	<u>1,826,365,226</u>
Total bonds payable	<u>\$ 1,394,955,000</u>	<u>\$ 906,170,448</u>	<u>\$ (2,045,382)</u>	<u>\$ 2,299,080,066</u>

NOTE 10 – NOTES PAYABLE

Notes payable consist of the following:

	<u>2024</u>	<u>2023</u>
A multiple draw term note payable to PNC Bank, in the original amount equal to or less than \$100,000,000; requiring monthly payments of interest; beginning December 14, 2020 at monthly LIBOR plus 1.20% (6.41% at June 30, 2023) until maturity on October 14, 2023. The note is secured by a first and prior lien and security interest on real property securing the Master Indenture of Trust and any other security pledged by the School.	\$ -	\$ 79,210,377
A multiple draw term note payable to CLI Capital, in the original amount equal to or less than \$25,000,000; requiring monthly payments of principal and interest; beginning September 1, 2020 at monthly LIBOR plus 1.00% (8.00% at June 30, 2023) until November 2024. This note is secured by a subordinate interest in the corresponding land and School facility.	-	18,943,548

NOTE 10 – NOTES PAYABLE (continued)

A multiple draw term note payable to CIT Bank, N.A., in the original amount equal to or less than \$18,960,000; requiring monthly principal plus interest installments commencing on October 10, 2021; bearing interest at the greater of 4.90% per annum or the 4.25% (plus) the 5-Year Treasury Rate (4.90% at June 30, 2024). The maturity date is October 31, 2025. This note is secured by a senior and first priority mortgage and Assignment of Rents and Security Agreement and Fixture Filing in favor of Holder, encumbering certain real property located in Louisiana.	17,020,999	17,623,434
A multiple draw term note payable to PNC Bank, National Association, in the original amount equal to or less than \$18,530,521; requiring monthly principal plus interest installments commencing on April 1, 2022; payments of interest every month; beginning November 2020 at monthly LIBOR plus 3.50% (8.60% at June 30, 2023). Matures October 1, 2023. This note is secured by a subordinate interest in the corresponding land and School facility.	-	16,678,953
A multiple draw term note payable to Regions Commercial Equipment Finance, LLC, in the original amount equal to or less than \$145,000,000; requiring semi-annual payments of interest; beginning August 15, 2017 at monthly LIBOR plus 1.30% until August 15, 2023 (6.67% at June 30, 2024). The note is secured by a first and prior lien and security interest on any real property securing the Master Indenture of Trust and any other security pledged by the School.	63,195,223	7,719,072
A term note payable to Building Hope Finance, in the original amount of \$7,969,479; maturing August 1, 2027; bearing interest at a rate per annum equal to 1.04% paid monthly until the maturity date when the entire amount hereof, principal and accrued interest then remaining unpaid, shall be then due and payable. The note is secured on a subordinate basis by pledged revenues under the Master Indenture of Trust dated as of September 1, 2020.	7,673,694	7,969,479
A multiple draw term note payable to Home Bank, N.A., in the original amount equal to or less than \$11,211,655; requiring monthly payments of interest at a rate equal to 4.25%. The note is secured by a subordinate interest in the corresponding land and School facility. Matures August 1, 2025. Classified as current due to a violation of loan covenants.	10,595,626	10,864,830

NOTE 10 – NOTES PAYABLE (continued)

A multiple draw term note payable to Regions Capital Advantage, in the original amount equal to or less than \$6,000,000; requiring quarterly payments of interest; bearing interest of 3.48%; maturing July 1, 2029. The note is secured by any mortgage, lien, charge, encumbrance, pledge or other security interest upon property owned by the School.	-	3,658,537
A term note payable to BlueHub Loan Fund, Inc., in the original amount of \$4,913,034; maturing October 1, 2025; bearing interest at a rate per annum of 6.00%. All accrued and unpaid interest will be payable monthly commencing January 15, 2021 until the conversion date of December 15, 2021. Commencing on the conversion date and thereafter, borrower shall pay monthly installments of principal plus interest. One final installment of all outstanding principal and unpaid interest shall be due and payable by the maturity date. This note is secured by a multiple indebtedness mortgage, security agreement and pledge of leases and rents for real property recorded with the mortgage records office in the parish of East Baton Rouge, State of Louisiana.	4,695,343	4,785,764
A term note payable to Building Hope Finance, in the original amount of \$8,155,501; maturing March 1, 2028; bearing interest at a rate per annum equal to 1.09% paid monthly until the maturity date when the entire amount of, principal and accrued interest, shall be then due and payable. This note is secured by pledged revenues under the Master Indenture of Trust dated March 1, 2021.	7,888,300	8,155,501
A term note payable to Charter Fund, Inc., in the original amount of \$2,200,000; with a \$2,200,000 balloon payment at the end of the term, including interest at 1.00% through June 30, 2026. This note is unsecured and subordinate to all other debt obligations of IPS.	2,200,000	2,200,000
A term note payable to BlueHub Loan Fund, Inc., in the original amount of \$2,000,000; maturing April 1, 2026; bearing interest at a rate per annum equal to 6.00%. Borrower shall pay principal plus interest monthly. One final installment of the entire outstanding principal balance and all accrued interest shall be due and payable by the maturity date. This note is secured by a multiple indebtedness mortgage, security agreement and pledge of leases and rents recorded with the Mortgage Records Office in the parish of East Baton Rouge, State of Louisiana, which relates to property located at 1500 North Airway Drive, Baton Rouge, Louisiana.	1,893,916	1,931,751
A term note payable to Frost Bank, in the original amount of \$1,600,000; requiring monthly payments of principal and interest at 4.83%, until maturity on February 1, 2027. This loan is unsecured and subordinate to all other debt obligations of the School.	-	814,795

NOTE 10 – NOTES PAYABLE (continued)

A term note payable to CSGF Facility Fund III, in the original amount of \$1,800,000; maturing April 1, 2026; with a \$900,000 balloon payment on February 28, 2021 and the remainder of the principal due semi-annually beginning July 2024 until the full principal amounts are due at maturity. This note is unsecured and subordinate to all other debt obligations of IPS.	900,000	900,000
A multiple draw term note payable to Regions Commercial Equipment Finance, LLC, in the original amount equal to or less than \$40,000,000; requiring monthly payments of interest; at monthly LIBOR plus 1.40% (6.77% at June 30, 2024) maturing August 15, 2023. The note is secured by a first and prior lien and security interest on any real property securing the Master Indenture of Trust and any other security pledge by the School.	40,000,000	40,000,000
A term note payable to Building Hope Finance, in the original amount of \$8,152,777; maturing September 1, 2024; bearing interest at a rate per annum of 1.09% until the maturity date when the entire amount of, principal and accrued interest, shall be due and payable. This note is secured by pledged revenues and the mortgage.	8,000,758	8,152,777
A term note payable to Building Hope Finance, in the original amount of \$7,715,788; maturing April 1, 2029; bearing interest at a rate per annum equal to 1.15%. Principal and interest paid monthly until the maturity date when the entire amount hereof, principal and accrued interest remaining unpaid, shall be then due and payable. This note is secured by pledged revenues and the mortgage dated April 27, 2022.	1,673,337	3,251,408
A term note payable to Building Hope Finance, in the original amount of \$9,280,594; maturing June 1, 2029; bearing interest at a rate per annum equal to 1.23%, principal and interest paid monthly when the entire amount hereof, principal and accrued interest remaining unpaid, shall be then due and payable. This note is secured by pledged revenues and the mortgage dated June 24, 2022.	1,122,047	2,817,539
A term note payable to Building Hope Finance, in the original amount of \$8,155,501; maturing May 1, 2028; bearing interest at a rate per annum equal to 1.09% until the maturity date when the entire amount hereof, principal and accrued interest then remaining unpaid, shall be then due and payable. This note is secured by pledged revenues under the Master Indenture of Trust dated July 15, 2021.	7,888,300	8,155,501

NOTE 10 – NOTES PAYABLE (continued)

A term note payable to Building Hope Finance, in the original amount of \$8,155,501; maturing February 28, 2027; bearing interest at a rate per annum equal to 1.07% until the maturity date when the entire amount hereof, principal and accrued interest, shall be then due and payable. This note is secured by pledged revenues under the Master Indenture of Trust dated February 28, 2022.	1,531,803	1,580,089
A multiple draw term note payable to CLI Capital, in the original amount equal to or less than \$18,600,000; maturing December 1, 2026. The note shall bear interest at a rate of prime rate plus 1.00%; however, no less than 5.50% nor more than 8.00% on unpaid principal. On November 1, 2023, all unpaid accrued interest was capitalized and added to the loan balance. Beginning December 1, 2023, monthly principal and interest payments will be payable and continue until December 1, 2026 when the entire balance of principal and interest is payable in full.	-	382,032
A term note payable to PNC Bank, National Association, in the original amount of \$17,308,316; maturing July 1, 2024. The outstanding and unpaid principal amount of the note shall bear interest at a rate per annum equal to LIBOR plus 350 basis points (8.60% at June 30, 2023) and shall be paid each payment date until July 1, 2024. This note is secured under the Master Indenture of Trust and Security agreement dated March 1, 2021.	-	14,944,224
A term note payable to Central Bank & Trust Co., in the original amount of \$16,912,500; maturing October 15, 2027. Borrower shall make payments of interest only at a rate of 4.25% per annum. The outstanding principal and all accrued but unpaid interest thereon shall be due on the maturity date. This note is secured by a commercial mortgage and assignment of leases and rent and fixture filing from borrower on certain real property held in Hamilton County, Ohio.	16,455,423	16,371,733
A term note payable to BlueHub Loan Fund, Inc., in the original amount of \$11,000,000; maturing July 30, 2027; bearing interest at a rate per annum equal to 6.00%. All accrued and unpaid interest will be payable monthly commencing November 1, 2021 until March 15, 2023. Commencing on March 15, 2023 and thereafter, borrower shall pay principal plus interest. One final installment of the entire outstanding principal balance and all accrued interest shall be due and payable by the maturity date. This note is secured on a subordinate basis by a commercial mortgage and assignment of leases and rent and fixture filing from borrower on certain real property held in Hamilton County, Ohio.	10,768,472	10,955,815

NOTE 10 – NOTES PAYABLE (continued)

A term note payable to Home Bank, NA, in the original amount of \$745,630; maturing September 29, 2028; bearing interest at 5.00%; monthly payments of principal and interest. This note is secured by collateral.	492,207	583,167
A term note payable to Home Bank, NA, in the original amount of \$22,539; maturing October 18, 2028; requiring monthly payments of principal and interest, including interest at 5.00% and continuing until the note is paid in full. This note is secured by collateral.	14,877	17,874
A multiple draw term note payable to Texas Capital Bank, in the original amount equal to, or less than, \$32,000,000 during the draw period; requiring quarterly payments of interest beginning March 30, 2023, and continuing regularly and quarterly thereafter at SOFR + 1.35% (6.68% at June 30, 2024) maturing June 30, 2025. The note is secured by any mortgage, lien, charge, encumbrance, pledge or other security interest upon property owned.	32,000,000	32,000,000
A term loan to Regions Commercial Equipment, LLC, in the original amount of \$1,105,000; requiring monthly payments in the amount of \$14,636, including interest at 3.07% through maturity in July 2023; secured by the corresponding buses acquired.	-	14,116
A term loan to Regions Commercial Equipment, LLC, in the original amount of \$2,952,500; requiring monthly payments in the amount of \$29,809, including interest at 3.94% through maturity in September 2026; secured by the corresponding portable buildings acquired.	-	1,089,502
A term loan to Regions Commercial Equipment, LLC, in the original amount of \$382,500; requiring semi-annual payments of principal and interest; bearing interest at 3.85% through maturity in August 2024; secured by the corresponding buses acquired.	-	116,634
A term loan to Regions Commercial Equipment, LLC, in the original amount of \$1,490,700; requiring monthly payments in the amount of \$16,112, including interest at 5.41% through maturity in June 2028; secured by the corresponding buses acquired.	-	845,326
A term loan to Regions Commercial Equipment, LLC, in the original amount of \$1,173,000; requiring semi-annual payments of principal and interest; bearing interest at 3.42% through maturity in August 2026; secured by the corresponding buses acquired.	-	622,452
A term loan to Regions Commercial Equipment, LLC, in the original amount of \$223,629; requiring semi-annual payments of principal and interest; bearing interest at 2.98% through maturity in February 2025; secured by the corresponding buses acquired.	-	93,570

NOTE 10 – NOTES PAYABLE (continued)

A term loan to Regions Commercial Equipment, LLC, in the original amount of \$1,147,582; requiring semi-annual payments of principal and interest; bearing interest at 2.77% through maturity in February 2025; secured by the corresponding buses acquired.	-	445,871
A term loan to Regions Commercial Equipment, LLC, in the original amount of \$342,683; requiring semi-annual payments of principal and interest; bearing interest at 1.67% through maturity in August 2025; secured by the corresponding buses acquired.	-	175,052
A term loan to Regions Commercial Equipment, LLC, in the original amount of \$2,475,000; requiring semi-annual payments of principal and interest; bearing interest at 1.93% through maturity in August 2027; secured by the corresponding buses acquired.	-	1,629,680
A term loan to Regions Commercial Equipment, LLC, in the original amount of \$2,928,935; requiring semi-annual payments of principal and interest; bearing interest at 2.62% through maturity in August 2028; secured by the corresponding buses acquired.	-	2,511,386
A term loan to Regions Commercial Equipment, LLC, in the original amount of \$319,576; requiring semi-annual payments of principal and interest; bearing interest at 2.24% through maturity in August 2026; secured by the corresponding buses acquired.	-	251,433
A term loan to Regions Commercial Equipment, LLC, in the original amount of \$33,345; requiring semi-annual payments of principal and interest; bearing interest at 4.66% through maturity in February 2027; secured by the corresponding buses acquired.	-	28,483
A term loan to Regions Commercial Equipment, LLC, in the original amount of \$2,164,960; requiring semi-annual payments of principal and interest; bearing interest at 4.55% through maturity in February 2029; secured by the corresponding buses acquired.	-	1,895,167
A term loan to Regions Commercial Equipment, LLC, in the original amount of \$221,235; requiring semi-annual payments of principal and interest; bearing interest at 4.31% through maturity in August 2027; secured by the corresponding buses acquired.	-	201,279
A term note payable to Charter Asset Management Fund LP in the original amount of \$3,000,000; maturing August 31, 2024 at the interest rate of prime rate plus 3.20% (11.49% at June 30, 2024). Principal of \$8,000 plus interest due monthly beginning July 2023.	1,580,163	3,000,000

NOTE 10 – NOTES PAYABLE (continued)

A term note payable to PNC Bank, National Association, in the original amount of \$14,841,833; maturing March 1, 2024; the outstanding and unpaid principal shall bear interest at a rate per annum equal to LIBOR plus 4.50% (8.60% at June 30, 2023). Principal plus interest shall be due and payable in monthly installments until March 1, 2024. This note is secured under the Master Indenture and Security Agreement dated March 1, 2021.	-	14,733,556
A purchase agreement payable to Regions Commercial Equipment Finance effective August 1, 2018 for 14 buses in the amount of \$704,800; maturing August 1, 2025, with an interest rate per annum of 5.41%. Principal and interest payments due monthly.	136,673	246,290
A purchase agreement payable to Regions Commercial Equipment Finance effective July 22, 2019 for 9 buses in the amount of \$486,900; maturing August 15, 2026, with an interest rate of 4.17%. Semi-annual principal and interest payments.	190,992	261,598
A purchase agreement payable to Regions Commercial Equipment Finance effective August 30, 2019 for 1 bus in the amount of \$52,000, maturing September 15, 2026, with an interest rate of 3.70%. Principal and interest payments due monthly.	20,187	27,415
A purchase agreement payable to Regions Commercial Equipment Finance entered into as of January 6, 2020 for 2 buses in the amount of \$90,000, maturing January 1, 2027, with an interest rate of 4.02%. Principal and interest payments due monthly.	36,231	49,224
A purchase agreement payable to Regions Commercial Equipment Finance entered into as of July 30, 2020 for 2 vans in the amount of \$50,000, maturing August 1, 2025, with an interest rate of 2.48%. Principal and interest payments due monthly.	12,273	22,466
A purchase agreement payable to Regions Commercial Equipment Finance effective December 10, 2019 in the amount of \$300,000, maturing October 1, 2027, with an interest rate of 2.77%. Principal and interest payments due monthly.	165,475	212,017
A purchase agreement payable to Regions Commercial Equipment Finance effective July 28, 2022 for 2 buses in the amount of \$255,550, maturing August 1, 2029, with an interest rate of 5.17%. Principal and interest payments due monthly.	-	229,923
A purchase agreement payable to Regions Commercial Equipment Finance entered into as of July 29, 2022 for 2 buses in the amount of \$255,500, maturing August 1, 2019, with an interest rate of 5.17%. Principal and interest payments due monthly.	-	229,923

NOTE 10 – NOTES PAYABLE (continued)

A purchase agreement payable to Regions Commercial Equipment Finance entered into as of July 22, 2022 for a pickup truck in the amount of \$59,630, maturing August 1, 2027, with an interest rate of 5.32%.	38,639	49,827
A purchase agreement payable to Regions Commercial Equipment Finance entered into as of July 22, 2022 for 12 passenger buses in the amount of \$719,580, maturing July 1, 2029, with an interest rate of 5.38%. Principal and interest payments due monthly.	548,899	639,753
A purchase agreement payable to Regions Commercial Equipment Finance entered in 2022 for 9 passenger buses in the amount of \$625,095, maturing July 1, 2029, with an interest rate of 5.38%. Principal and interest payments due monthly.	476,822	555,747
A term note payable for the purpose of acquiring, constructing, equipping and improving educational facilities located in Jacksonville, Florida in the amount of \$9,280,594 with a maturity date of February 28, 2029. IPS shall make quarterly principal payments and monthly interest payments. Interest on amounts outstanding will be payable monthly at a rate of 1.31% per annum.	9,280,594	9,280,594
A term note payable to Equitable Facilities Fund, Inc., in the original amount of \$17,500,000; maturing November 1, 2050 and interest and principal payable in monthly installments on each payment date starting November 1, 2022. Interest on amounts outstanding will be payable at a rate of 4.70% per annum.	16,463,720	16,771,319
A term note payable to Regions Commercial Equipment Finance, in the amount of \$750,000 maturing September 1, 2027 with a 5.83% per annum rate. Interest paid monthly, commencing October 1, 2023 until September 1, 2027.	622,401	750,000
A purchase agreement payable to Regions Commercial Equipment Finance entered in September 2023 for 2 passenger buses in the amount of \$236,928, maturing September 1, 2030, with an interest rate of 6.36%. Principal and interest payments due monthly.	215,998	-
A multiple draw term note payable to CLI Capital, in the original amount equal to or less than \$18,400,000; maturing January 18, 2027. The note shall bear interest at prime rate plus 1% per annum 8% at June 30, 2023. The purpose of this loan is to finance the purchase, construction, renovation and equipment of certain educational facilities located at Lenox Avenue and Lane Avenue in the City of Jacksonville, Florida. The note is secured by any mortgage, rents, or other security interest upon the property owned.	-	2,782,418

NOTE 10 – NOTES PAYABLE (continued)

Total	265,799,392	380,430,221
Less current portion	(105,502,063)	(121,559,784)
Less debt issuance costs	<u>(1,116,726)</u>	<u>(1,414,997)</u>
Total notes payable – long-term	<u>\$ 159,180,603</u>	<u>\$ 257,455,440</u>

The future minimum payments for notes payable as of June 30, 2024 are as follows:

2025	\$ 105,502,063
2026	28,727,970
2027	59,378,211
2028	26,346,229
2029	16,841,757
Thereafter	<u>29,003,162</u>
Total	<u>\$ 265,799,392</u>

Interest cost, including amortization of debt issuance costs, incurred for the years ended June 30, 2024 and 2023 totaled \$15,014,446 and \$7,695,792, respectively, of which \$14,864,340 and \$4,967,727 was expensed and \$150,106 and \$2,728,065 was capitalized for the years ended June 30, 2024 and 2023, respectively.

Covenants: The note agreements establish debt coverage ratios ranging from 1.05%-1.25% and a required number of days of cash on hand ranging from 30-60 days. Management believes the School is in compliance with these covenants and all other applicable covenants contained in the loan agreements during the year ended June 30, 2024 and 2023, except for a technical default on the Home Bank N. A. loan during fiscal year 2024 due to surrendering a charter in Louisiana. As a result of the default, the note payable has been classified as current.

NOTE 11 – LEASES

The School has 217 operating leases for office space and storage facilities, laptops, copiers, musical instruments, water dispensers, postage meters, and GPS trackers.

The School evaluated its lease portfolio and did not identify any residual value guarantees related to its leases. Additionally, the School determined that it would not exercise the renewal options on copier leases. The office and storage facility leases contain renewal options which were evaluated individually in regard to the likelihood of renewal.

The following table shows the components of lease cost for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Finance lease cost:		
Amortization of right-of-use assets	\$ 26,657	\$ 31,307
Interest on lease liabilities	716	892
Operating lease cost	5,211,262	5,668,751
Short-term lease cost	854,407	191,188
Variable lease cost	<u>32,740</u>	<u>32,920</u>
Total lease cost	<u>\$ 6,125,782</u>	<u>\$ 5,925,058</u>

NOTE 11 – LEASES (continued)

Other information for leases:

	<u>2024</u>	<u>2023</u>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for finance leases	\$716	\$892
Operating cash flows for operating leases	\$5,213,145	\$5,673,738
Financing cash flows for finance leases	\$27,246	\$32,028

The following table provides the weighted-average term and discount rates for both operating and finance leases outstanding as of June 30, 2024 and 2023:

<u>2024</u>	<u>OPERATING</u>	
Weighted-average remaining lease term	3.11 years	
Weighted-average discount rate	2.96%	
<u>2023</u>	<u>OPERATING</u>	<u>FINANCE</u>
Weighted-average remaining lease term	1.48 years	1.29 years
Weighted-average discount rate	2.74%	2.64%

Reconciliation of the undiscounted cash flows related to operating to the discounted amount reported in the statement of financial position as of June 30, 2024:

<u>UNDISCOUNTED CASH FLOWS DUE</u>	<u>OPERATING</u>
2025	\$ 910,666
2026	398,549
2027	254,635
2028	168,886
2029	<u>2,266</u>
Total undiscounted cash flows	1,735,002
Less present value discount	<u>(63,311)</u>
Total present value of lease liabilities	<u>\$ 1,671,691</u>

NOTE 12 – NONFINANCIAL CONTRIBUTIONS

The School recognized the following nonfinancial contributions:

CONTRIBUTED NONFINANCIAL ASSETS	MONETIZED OR UTILIZED IN PROGRAMS/ACTIVITIES	DONOR RESTRICTIONS	VALUATION TECHNIQUES AND INPUTS	<u>2024</u>	<u>2023</u>
Food commodities	Provided to students.	Federal program.	Value provided by USDA.	\$978,637	\$1,131,892
Other donated goods	Utilized for fundraising events.	None.	Fair value estimated using the donor's selling price or retail value.	96,650	35,500
Other donated goods	Utilized for construction.	None.	Fair value estimated using current rates for similar services.	-	5,500
Total contributed nonfinancial assets				<u>\$1,075,287</u>	<u>\$1,172,892</u>

NOTE 13 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted as follows:

	<u>2024</u>	<u>2023</u>
Subject to expenditure for specified purpose:		
Foundation School Program – charter school activities	\$ 420,458,607	\$ 306,653,999
Child Nutrition Program	18,820,951	22,537,852
Permian Basin Region	12,408,138	14,714,859
Fort Worth Region	3,082,642	7,444,430
Campus Activity Funds	2,795,792	2,895,341
College Matriculation	1,672,063	1,470,658
Expansion	1,137,332	1,017,298
Austin Region	1,006,003	1,388,662
Houston Region	623,169	2,454,680
Healthy Kids Here	465,247	746,514
Area of Greatest Need	221,536	100,070
Accelerate Great Schools – Ohio Region	-	8,096,525
Other	<u>323,836</u>	<u>3,430,330</u>
Total subject to expenditure for specified purpose	463,015,316	372,951,218
Endowment subject to spending policy	<u>391,081</u>	<u>384,806</u>
Total net assets with donor restrictions	<u>\$ 463,406,397</u>	<u>\$ 373,336,024</u>

NOTE 14 – ENDOWMENT

In 2023, IDEA established a donor-restricted endowment fund to provide scholarship opportunities for students graduating high school from IDEA Public Schools and attending a college or university.

Changes in donor-restricted endowment funds are as follows:

	<u>WITH DONOR RESTRICTIONS</u>		
	<u>ACCUMULATED</u>	<u>REQUIRED TO BE</u>	<u>TOTAL</u>
	<u>NET INVESTMENT</u>	<u>MAINTAINED IN</u>	
	<u>RETURN</u>	<u>PERPETUITY</u>	
Endowment net assets, June 30, 2023	\$ (704)	\$ 385,510	\$ 384,806
Contributions		6,667	6,667
Net investment return	<u>(392)</u>	<u>-</u>	<u>(392)</u>
Endowment net assets, June 30, 2024	<u>\$ (1,096)</u>	<u>\$ 392,177</u>	<u>\$ 391,081</u>

Donor-restricted endorsement funds are maintained in accordance with explicit donor stipulations and are subject to the Texas Uniform Prudent Management of Institutional Funds Act (TUPMIFA). TUPMIFA provides guidelines about what constitutes prudent spending and explicitly requires consideration of preservation of the fund. The Board of Directors has interpreted the TUPMIFA as requiring a focus on the entirety of donor-restricted endowment funds, including original gift amounts and net appreciation, allowing for the prudent uses, benefits, purposes, and duration for which the fund was established, subject to explicit donor stipulations.

As a result of this interpretation, the School classifies contributions to an endowment plus any donor-stipulated accumulations as *net assets with donor restrictions* required to be maintained in perpetuity. This amount is not reduced by investment losses or by appropriation and spending. The portion of the endowment not required to be maintained in perpetuity is also classified as *net assets with donor restrictions* until appropriated in accordance with spending policies and used for the stipulated purpose, if any.

An endowment fund is *underwater* if the fair value of the fund’s investments falls below the amount required to be maintained in perpetuity because of declines in the fair value of investments and/or continued appropriation and spending in accordance with prudent spending. At June 30, 2024 and 2023, there was a deficit of \$1,096 and \$704, respectively.

Investment Policy

The endowment assets are maintained in investment accounts. The Endowment Committee is developing an investment policy to be approved by the Board of Directors for investment composition and objectives.

Spending Policy

Annually, the Endowment Committee shall recommend to the Board of Directors, the distributions to be made from the endowment fund, taking into consideration the investment growth of the fund over the previous year, the new gifts added to the fund, the distributions previously made, the need for distributions and such other factors as the Endowment Committee deems relevant. There is no obligation to make distributions from the endowment fund in any given year.

NOTE 15 – GOVERNMENT GRANTS

The School is party to agreements with government agencies. Should these agreements not be renewed, a replacement for this source of support may not be forthcoming and related expenses would not be incurred. Sources of significant government revenue recognized include the following:

	<u>2024</u>	<u>2023</u>
State grants:		
Foundation School Program	\$ 878,815,870	\$ 777,894,817
State of Florida – School of Hope	30,888,386	24,875,482
Other	<u>-</u>	<u>5,707,909</u>
Total state grants	<u>909,704,256</u>	<u>808,478,208</u>
Federal grants:		
U. S. Department of Education	165,259,045	98,474,149
U. S. Department of Agriculture	86,657,091	86,469,370
U. S. Department of Health and Human Services	-	1,151,054
Title XIX – School Health and Related Services	<u>4,535,972</u>	<u>7,888,050</u>
Total federal grants	<u>256,452,108</u>	<u>193,982,623</u>
Total state and federal grants	<u>\$ 1,166,156,364</u>	<u>\$ 1,002,460,831</u>

The grants from government funding sources require fulfillment of certain conditions as set forth in the grant contracts and are subject to review and audit by the awarding agencies. Such reviews and audits could result in the discovery of unallowable activities and unallowable costs. Consequently, any of the funding sources may, at their discretion, request reimbursement for expenses or return of funds as a result of non-compliance by the School with the terms of the contracts.

NOTE 16 – REVENUE FROM CONTRACTS WITH CUSTOMERS

Performance obligations from contracts with customers are satisfied over time, other than food service fees, which are satisfied at a point in time. Revenue recognized over time is recognized ratably as services are rendered over the term of the agreement using the output method. Food service fees are recognized as meals are provided to students. The employee leasing and management fees are derived from agreements with other charter schools in Louisiana, Florida, and Ohio. Academic support, shared service and food service fees are derived from customers in Texas. The revenue is included in management fees and other revenue in the statement of activities.

The following table disaggregates the School's revenue based on the timing of satisfaction of performance obligations for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Performance obligations satisfied over time:		
Management fees	\$ 75,018,671	\$ 69,752,345
Other	<u>1,326,456</u>	<u>98,541</u>
Total	76,345,127	69,850,886
Performance obligations satisfied at a point in time:		
Food service and other fees	<u>5,945,672</u>	<u>4,605,040</u>
Total revenue from contracts with customers	<u>\$ 82,290,799</u>	<u>\$ 74,455,926</u>

NOTE 16 – REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

The performance obligations related to the employee leasing services are transferred to the customer over time and the revenue is recognized on the basis of reimbursement of actual costs incurred by IPS. Management and shared services fees, academic support fees, and food service fee revenue are recognized on the basis of negotiated contracts for these goods and services.

NOTE 17 – RETIREMENT PLANS

The School’s full-time employees participate in the Teacher Retirement System of Texas (TRS), a public employee retirement system. The TRS Plan is a cost-sharing, multiemployer, defined-benefit pension plan which has a plan year from September 1 to August 31. All risks and costs are not shared by the School, but are the liability of the State of Texas. TRS plan contributions rates are effective with TRS eligible compensation paid on or after September 1 of each plan year.

TRS Plan contribution rates are as follows:

	TRS PLAN <u>2024 PLAN YEAR</u>	TRS PLAN <u>2023 PLAN YEAR</u>
Member retirement contribution	8.25%	8.00%
State of Texas contribution	8.25%	8.00%
IDEA’s public education employer contribution	1.9%	1.8%

IDEA is required to pay the State of Texas’s contribution during the first 90 days of employment of a new TRS Plan member.

TRS plan assets, obligation and funded status of August 31 are as follows:

	TRS PLAN <u>2023 PLAN YEAR</u>	TRS PLAN <u>2022 PLAN YEAR</u>
Plan assets	\$213.5 billion	\$207.6 billion
Accumulated benefit obligations	\$255.9 billion	\$243.6 billion
Funded status	73.2%	75.6%

Texas Public School Retired Employees Group Insurance Program (TRS-Care), is a multi-employer, cost-sharing, defined benefit plan with plan year from September 1 to August 31, TRS-Care provides health insurance coverage for retirees who are members of the TRS pension system with at least 10 years of service credit in the TRS pension system. TRS-Care Plan contribution rates are effective for TRS-eligible compensation paid on or after September 1 of each plan year.

TRS-Care plan contributions rates are as follows:

	TRS-CARE PLAN <u>2024 PLAN YEAR</u>	TRS-CARE PLAN <u>2023 PLAN YEAR</u>
Member TRS-Care contribution	0.65%	0.65%
State of Texas contribution	1.25%	1.25%
IDEA’s TRS-Care contribution	0.75%	0.75%

NOTE 17 – RETIREMENT PLANS (continued)

	TRS-CARE PLAN <u>2023 PLAN YEAR</u>	TRS-CARE PLAN <u>2022 PLAN YEAR</u>
Plan assets	\$4.1 billion	\$3.3 billion
Accumulated benefit obligations	\$26.0 billion	\$27.1 billion
Funded status	14.94%	11.52%

The risks of participating in a multiemployer, defined benefit plan are different from single-employer plan because (a) amounts contributed to a multiemployer plan by one employer may be used to provide benefits to employees of other participating employers and (b) if an employer stops contributing to TRS, unfunded obligation of TRS may be required to be borne by the remaining employers. There is no withdrawal penalty for leaving TRS.

IDEA recognized expense of \$36.8 million during the year ended June 30, 2024 and \$30.6 million during the year ended June 30, 2023 for contributions to TRS and TRS-Care plans. IDEA's contributions do not represent more than 5% of TRS's or TRS-Care's total plan contributions. The State of Texas matched approximately \$24.2 million on behalf of IDEA's employees in 2024 with respect to these plans.

Supplemental retirement payments: The School and IPS offer a voluntary section 403(b) plan for all employees to make elective contributions to the plan. The School is not required to match any employee contributions and made no matching contributions for the years June 30, 2024 and 2023.

IPS has adopted an employer-paid section 403(b) plan for eligible employees in top management positions to make elective contributions to this plan. IPS provides a 1-to-1 match on employee contributions up to 10% of the employee's annual salary. Employer contributions to the plan totaled \$1,549,432 and \$1,409,606 for the years ended June 30, 2024 and 2023, respectively.

NOTE 18 – COMMITMENTS AND CONTINGENCIES

At June 30, 2023, IDEA had outstanding construction commitments related to the construction of School facilities in the amount of approximately \$59.0 million.

In fiscal year 2020, Accelerated Greater Schools (AGS) awarded a conditional contribution of \$37,500,000. The initial grant of \$37,500,000 was awarded to IDEA for the operating and operating of six IDEA public schools in the Cincinnati area. At the time, IPS had not yet earned its 501(c)(3) status; in September 2023, the grant agreement was amended and updated, substituting IPS as the grantee, and reflecting that there were two IPS schools in Cincinnati, rather than six (as indicated in the original grant agreement). As the grant is for opening and operating IDEA public schools in the Cincinnati area, IDEA recognizes it as an agency transaction beginning fiscal year 2024, therefore no revenue or expenses are reflected in the statement of activities. For a period of at least twenty (20) years after the final disbursement of the grant (the Term) the grantee shall operate tuition-free charter campuses in Cincinnati. In accordance with the agreement, if at any time during the Term an event of default occurs, AGS has the right to send written notice to IPS within 120 days of such event of default exercising its option to purchase each campus funded with proceeds from this grant (the Property).

If during the Term of the agreement, IPS receives a bona fide third-party offer to purchase all or any part of the Property on terms that are acceptable to IPS, in IPS's sole discretion, within five business days after IPS's receipt of the offer, IPS shall notify AGS in writing of the terms of the offer. AGS shall have 30 days to notify IPS that AGS elects to purchase the Property on the same terms as the offer.

IDEA Public Schools

Consolidating Statement of Financial Position as of June 30, 2024

	IDEA CHARTER	MISD IN-DISTRICT CHARTER	ELIMINATIONS	TOTAL IDEA PUBLIC SCHOOLS, INC.	IPS ENTERPRISES, INC.	ELIMINATIONS	TOTAL
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 344,538,373	\$ 3,514,907	\$ -	\$ 348,053,280	\$ 13,431,749	\$ -	\$ 361,485,029
Cash and cash equivalents – held in trust	83,624,815	-	-	83,624,815	-	-	83,624,815
Government grant receivables	232,029,420	1,030,378	-	233,059,798	5,904,733	-	238,964,531
Contributions receivable, net	688,427	-	-	688,427	-	-	688,427
Accounts receivable	794,475	14,392	-	808,867	347,389	-	1,156,256
Accounts receivable from affiliates	-	-	-	-	11,347,103	-	11,347,103
Intercompany receivables	552,375	-	(67,335)	485,040	-	(485,040)	-
Prepaid expenses	731,922	-	-	731,922	1,868,778	-	2,600,700
Other current assets	<u>697,939</u>	<u>8,894</u>	<u>-</u>	<u>706,833</u>	<u>-</u>	<u>-</u>	<u>706,833</u>
Total current assets	<u>663,657,746</u>	<u>4,568,571</u>	<u>(67,335)</u>	<u>668,158,982</u>	<u>32,899,752</u>	<u>(485,040)</u>	<u>700,573,694</u>
Fixed assets:							
ROU asset – operating leases	1,588,171	75,167	-	1,663,338	-	-	1,663,338
Property and equipment, net	<u>1,292,562,365</u>	<u>2,853,674</u>	<u>-</u>	<u>1,295,416,039</u>	<u>240,042,871</u>	<u>-</u>	<u>1,535,458,910</u>
Total fixed assets	<u>1,294,150,536</u>	<u>2,928,841</u>	<u>-</u>	<u>1,297,079,377</u>	<u>240,042,871</u>	<u>-</u>	<u>1,537,122,248</u>
Other noncurrent assets:							
Cash and cash equivalents – held in trust	43,372,595	-	-	43,372,595	45,636,402	-	89,008,997
Contributions receivable, net	160,705	-	-	160,705	-	-	160,705
Cash and cash equivalents – held for endowment	<u>396,952</u>	<u>-</u>	<u>-</u>	<u>396,952</u>	<u>-</u>	<u>-</u>	<u>396,952</u>
Total other noncurrent assets	<u>43,930,252</u>	<u>-</u>	<u>-</u>	<u>43,930,252</u>	<u>45,636,402</u>	<u>-</u>	<u>89,566,654</u>
TOTAL ASSETS	<u>\$ 2,001,738,534</u>	<u>\$ 7,497,412</u>	<u>\$ (67,335)</u>	<u>\$ 2,009,168,611</u>	<u>\$ 318,579,025</u>	<u>\$ (485,040)</u>	<u>\$ 2,327,262,596</u>

(continued)

IDEA Public Schools

Consolidating Statement of Financial Position as of June 30, 2024

(continued)

	IDEA CHARTER	MISD IN-DISTRICT CHARTER	ELIMINATIONS	TOTAL IDEA PUBLIC SCHOOLS, INC.	IPS ENTERPRISES, INC.	ELIMINATIONS	TOTAL
LIABILITIES AND NET ASSETS							
Current liabilities:							
Accounts payable	\$ 11,644,566	\$ 57,266	\$ -	\$ 11,701,832	\$ 2,558,753	\$ -	\$ 14,260,585
Accounts payable to affiliates			-	-	8,777,535	-	8,777,535
Accrued wages, benefits, and taxes	55,924,017	531,902	-	56,455,919	3,730,467	-	60,186,386
Accrued interest payable	21,045,310	-	-	21,045,310	887,040	-	21,932,350
Accrued expenses	7,952,604	57,453	-	8,010,057	1,318,691	-	9,328,748
Refundable advances	9,842,927	365	-	9,843,292	2,651,776	-	12,495,068
Intercompany payables		67,335	(67,335)		485,040	(485,040)	-
Other liabilities	1,532,797	4,969	-	1,537,766	3,577,078	-	5,114,844
Due to U. S. Department of Education – current portion	7,894,032	-	-	7,894,032	-	-	7,894,032
Bonds payable – current portion	24,630,000	-	-	24,630,000	-	-	24,630,000
Notes payable – current portion	80,839,184	-	-	80,839,184	24,662,879	-	105,502,063
Operating leases payable – current portion	891,906	18,760	-	910,666	-	-	910,666
Total current liabilities	222,197,343	738,050	(67,335)	222,868,058	48,649,259	(485,040)	271,032,277
Long-term liabilities:							
Due to U. S. Department of Education	11,626,599	-	-	11,626,599	-	-	11,626,599
Bonds payable, net	1,249,784,436	-	-	1,249,784,436	165,283,908	-	1,415,068,344
Notes payable, net	54,289,605	-	-	54,289,605	104,890,998	-	159,180,603
Operating leases payable	704,618	56,407	-	761,025	-	-	761,025
Total long-term liabilities	1,316,405,258	56,407	-	1,316,461,665	270,174,906	-	1,586,636,571
TOTAL LIABILITIES	1,538,602,601	794,457	(67,335)	1,539,329,723	318,824,165	(485,040)	1,857,668,848
Net assets:							
Without donor restrictions	500,913	5,954,782	-	6,455,695	(268,344)	-	6,187,351
With donor restrictions	462,635,020	748,173	-	463,383,193	23,204	-	463,406,397
Total net assets	463,135,933	6,702,955	-	469,838,888	(245,140)	-	469,593,748
TOTAL LIABILITIES AND NET ASSETS	\$ 2,001,738,534	\$ 7,497,412	\$ (67,335)	\$ 2,009,168,611	\$ 318,579,025	\$ (485,040)	\$ 2,327,262,596

IDEA Public Schools

Consolidating Statement of Activities for the year ended June 30, 2024

	IDEA CHARTER	MISD IN-DISTRICT CHARTER	TOTAL IDEA PUBLIC SCHOOLS, INC.	IPS ENTERPRISES, INC.	ELIMINATION	TOTAL
REVENUE AND OTHER SUPPORT:						
Local support:						
Grants – cash and financial assets	\$ 1,237,269	\$ 42,460	\$ 1,279,729	\$ 286,552	\$ -	\$ 1,566,281
Grant reversions	(6,424,466)	-	(6,424,466)	-	-	(6,424,466)
Contributions	1,456,441	-	1,456,441	-	-	1,456,441
Contributions of nonfinancial assets	96,950	-	96,950	-	-	96,950
Management fees	3,563,558	10,779,333	14,342,891	64,239,338	(3,563,558)	75,018,671
Rental income	-	-	-	22,314,566	-	22,314,566
Net investment return	7,615,650	-	7,615,650	1,991,571	-	9,607,221
Other revenue	<u>9,595,224</u>	<u>11,014</u>	<u>9,606,238</u>	<u>4,645</u>	<u>-</u>	<u>9,610,883</u>
Total local support	<u>17,140,626</u>	<u>10,832,807</u>	<u>27,973,433</u>	<u>88,836,672</u>	<u>(3,563,558)</u>	<u>113,246,547</u>
State program revenue:						
Foundation School Program	847,660,815	-	847,660,815	-	-	847,660,815
Other state aid	<u>31,155,055</u>	<u>-</u>	<u>31,155,055</u>	<u>30,888,386</u>	<u>-</u>	<u>62,043,441</u>
Total state program revenue	<u>878,815,870</u>	<u>-</u>	<u>878,815,870</u>	<u>30,888,386</u>	<u>-</u>	<u>909,704,256</u>
Federal program revenue:						
ESEA Title I – Part A	47,820,190	224,531	48,044,721	-	-	48,044,721
ESEA Title II – Part A Teacher/Principal Training	5,767,474	15,916	5,783,390	-	-	5,783,390
ESEA Title III – Part A Language Acquisition	1,995,602	-	1,995,602	-	-	1,995,602
ESEA Title IV – Part A	49,709	-	49,709	-	-	49,709
TCLAS High Quality After School	515,615	-	515,615	-	-	515,615
IDEA B Formula – Special Education	11,295,359	-	11,295,359	-	-	11,295,359
IDEA B Preschool – Special Education	11,379	-	11,379	-	-	11,379
ESEA Title V – Part B Charter Schools	8,730,591	-	8,730,591	-	-	8,730,591
Energy Equity Initiative	82,877	-	82,877	-	-	82,877

(continued)

IDEA Public Schools

Consolidating Statement of Activities for the year ended June 30, 2024

(continued)

	IDEA CHARTER	MISD IN-DISTRICT CHARTER	TOTAL IDEA PUBLIC SCHOOLS, INC.	IPS ENTERPRISES, INC.	ELIMINATION	TOTAL
School-based Mental Health	\$ 412,500	\$ -	\$ 412,500	\$ -	\$ -	\$ 412,500
Teacher Incentive Fund	(17,005)	-	(17,005)	-	-	(17,005)
Lone Star STEM Cycle 2 Year 1	(15,351)	-	(15,351)	-	-	(15,351)
ELC Reopening Schools	(64,673)	-	(64,673)	-	-	(64,673)
ARP Homeless II	22,601	-	22,601	-	-	22,601
Twenty-First Century Community Learning Centers	1,727,477	-	1,727,477	-	-	1,727,477
Education Innovation and Research	562,171	-	562,171	16,382	-	578,553
Elementary and Secondary School Emergency Relief Fund II	(36,390)	(45,490)	(81,880)	-	-	(81,880)
Elementary and Secondary School Emergency Relief Fund III	87,927,297	863,084	88,790,381	-	-	88,790,381
Child Nutrition	85,450,343	1,206,748	86,657,091	-	-	86,657,091
IDEA Comprehensive Health Professions SSA, Title XIX – School Health and Related Services	(2,602,799)	-	(2,602,799)	-	-	(2,602,799)
	<u>4,535,970</u>	<u>-</u>	<u>4,535,970</u>	<u>-</u>	<u>-</u>	<u>4,535,970</u>
Total federal program revenue	<u>254,170,937</u>	<u>2,264,789</u>	<u>256,435,726</u>	<u>16,382</u>	<u>-</u>	<u>256,452,108</u>
Total revenue and other support	<u>1,150,127,433</u>	<u>13,097,596</u>	<u>1,163,225,029</u>	<u>119,741,440</u>	<u>(3,563,558)</u>	<u>1,279,402,911</u>
EXPENSES:						
Program services:						
Instructional and instructional-related services	542,723,535	6,153,660	548,877,195	41,129,876	(20,753)	589,986,318
Instructional and school leadership	120,982,891	1,659,317	122,642,208	15,633,918	(523,512)	137,752,614
Support services – student (pupil)	192,671,098	1,408,150	194,079,248	12,889,979	(515,213)	206,454,014
Support services – nonstudent based	83,036,063	819,909	83,855,972	7,188,838	-	91,044,810
Ancillary services	<u>1,942,522</u>	<u>9,596</u>	<u>1,952,118</u>	<u>31,174,938</u>	<u>(30)</u>	<u>33,127,026</u>
Total program services	<u>941,356,109</u>	<u>10,050,632</u>	<u>951,406,741</u>	<u>108,017,549</u>	<u>(1,059,508)</u>	<u>1,058,364,782</u>

(continued)

IDEA Public Schools

Consolidating Statement of Activities for the year ended June 30, 2024

(continued)

	IDEA CHARTER	MISD IN-DISTRICT CHARTER	TOTAL IDEA PUBLIC SCHOOLS, INC.	IPS ENTERPRISES, INC.	ELIMINATION	TOTAL
Support services:						
Administrative support services	\$ 44,272,856	\$ 16,795	\$ 44,289,651	\$ 4,574,311	\$ (2,057,914)	\$ 46,806,048
Support services – nonstudent based	31,523,776	4,967	31,528,743	1,033,456	(395,896)	32,166,303
Fundraising	<u>4,073,732</u>	<u>(2,276)</u>	<u>4,071,456</u>	<u>70,004</u>	<u>(50,240)</u>	<u>4,091,220</u>
Total support services	<u>79,870,364</u>	<u>19,486</u>	<u>79,889,850</u>	<u>5,677,771</u>	<u>(2,504,050)</u>	<u>83,063,571</u>
Total expenses	<u>1,021,226,472</u>	<u>10,070,118</u>	<u>1,031,296,590</u>	<u>113,695,321</u>	<u>(3,563,558)</u>	<u>1,141,428,353</u>
OTHER INCREASES (DECREASES) IN NET ASSETS:						
Net gain (loss) on disposal of assets	367,935	(8,608)	359,327	-	-	359,327
Net unrealized/realized gains on investments	415,360	-	415,360	-	-	415,360
Loss on impairment of assets	(8,500,000)	-	(8,500,000)	(4,113,688)	-	(12,613,688)
Loss on valuation of government grants receivable	(23,000,000)	-	(23,000,000)	-	-	(23,000,000)
Donation to affiliates	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,183,095)</u>	<u>-</u>	<u>(6,183,095)</u>
CHANGE IN NET ASSETS	98,184,256	3,018,870	101,203,126	(4,250,664)	-	96,952,462
Net assets, beginning of year	<u>364,951,677</u>	<u>3,684,085</u>	<u>368,635,762</u>	<u>4,005,524</u>	<u>-</u>	<u>372,641,286</u>
Net assets, end of year	<u>\$ 463,135,933</u>	<u>\$ 6,702,955</u>	<u>\$ 469,838,888</u>	<u>\$ (245,140)</u>	<u>\$ -</u>	<u>\$ 469,593,748</u>

IDEA Public Schools

Consolidating Statement of Cash Flows for the year ended June 30, 2024

	IDEA CHARTER	MISD IN-DISTRICT CHARTER	IPS ENTERPRISES, INC.	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:				
Change in net assets	\$ 98,184,256	\$ 3,018,870	\$ (4,250,664)	\$ 96,952,462
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation	52,962,173	281,160	5,230,916	58,474,249
Loss on impairment of land held for sale	8,500,000	-	4,113,688	12,613,688
Loss on valuation of contributions receivable	1,856,104	-	-	1,856,104
Amortization of premium and debt issuance costs	(6,869,982)	-	1,074,164	(5,795,818)
Amortization of operating leases	4,837,083	169,730	-	5,006,813
Loss on valuation of government grant receivables	23,000,000	-	-	23,000,000
Net realized and unrealized gains on investments	(415,360)	-	-	(415,360)
Gain on disposal of property and equipment	(258,321)	-	-	(258,321)
Changes in current assets and liabilities:				
Government grant receivables	(1,733,696)	(258,705)	(2,758,631)	(4,751,032)
Contributions receivable	1,499,981	-	-	1,499,981
Accounts receivable	(556,609)	15,723	15,492,631	14,951,745
Prepaid expenses	3,492,892	-	(341,807)	3,151,085
Other current assets	143,108	225	535,000	678,333
Accounts payable	2,638,186	(107,659)	5,668,509	8,199,036
Accrued wages, benefits, and taxes	3,994,651	41,076	2,229,774	6,265,501
Accrued interest payable	(485,074)	-	84,181	(400,893)
Accrued expenses	(2,947,988)	(89,251)	(11,670,979)	(14,708,218)
Refundable advances	5,056,083	5,104	2,216,837	7,278,024
Intercompany receivable/payable	515,301	431,630	(946,931)	-
Other liabilities	(963,259)	-	(1,602,007)	(2,565,266)
Operating lease liabilities	(9,591,131)	(169,761)	-	(9,760,892)
Net cash provided by operating activities	<u>182,858,398</u>	<u>3,338,142</u>	<u>15,074,681</u>	<u>201,271,221</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Construction and purchase of property and equipment	(88,091,245)	(1,342,163)	(19,547,205)	(108,980,613)
Proceeds from maturity of certificates of deposit	25,045,690	-	-	25,045,690
Proceeds from sale of investments	<u>16,778,920</u>	<u>-</u>	<u>-</u>	<u>16,778,920</u>
Net cash used by investing activities	<u>(46,266,635)</u>	<u>(1,342,163)</u>	<u>(19,547,205)</u>	<u>(67,156,003)</u>

(continued)

IDEA Public Schools

Consolidating Statement of Cash Flows for the year ended June 30, 2024

(continued)

	IDEA CHARTER	MISD IN-DISTRICT CHARTER	IPS ENTERPRISES, INC.	TOTAL
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from borrowings of long-term debt	\$ 421,418,770	\$ -	\$ 120,949,214	\$ 542,367,984
Principal payments on long-term debt	(389,842,777)	(32,871)	(77,222,531)	(467,098,179)
Payments of debt issuance costs	-	-	(4,897,136)	(4,897,136)
Payments on finance leases	<u>(57,162)</u>	<u>-</u>	<u>-</u>	<u>(57,162)</u>
Net cash provided (used) by financing activities	<u>31,518,831</u>	<u>(32,871)</u>	<u>38,829,547</u>	<u>70,315,507</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS				
	168,110,594	1,963,108	34,357,023	204,430,725
Cash and cash equivalents, beginning of year	<u>303,822,141</u>	<u>1,551,799</u>	<u>24,711,128</u>	<u>330,085,068</u>
Cash and cash equivalents, end of year	<u>\$ 471,932,735</u>	<u>\$ 3,514,907</u>	<u>\$ 59,068,151</u>	<u>\$ 534,515,793</u>
<i>Reconciliation of cash and cash equivalents:</i>				
Cash and cash equivalents	\$ 344,538,373	\$ 3,514,907	\$ 13,431,749	\$ 361,485,029
Cash and cash equivalents – held in trust	83,624,815	-	-	83,624,815
Cash and cash equivalents – noncurrent – held in trust	43,372,595	-	45,636,402	89,008,997
Cash and cash equivalents – held for endowment	<u>396,952</u>	<u>-</u>	<u>-</u>	<u>396,952</u>
Total cash and cash equivalents	<u>\$ 471,932,735</u>	<u>\$ 3,514,907</u>	<u>\$ 59,068,151</u>	<u>\$ 534,515,793</u>
<i>Supplemental disclosure of cash flow information:</i>				
Cash paid for interest	\$57,066,971	\$3,152	\$14,964,280	\$72,034,403
Right-of-use assets obtained in exchange for new lease obligations:				
Operating lease obligations		\$74,924		\$74,924

IDEA Public Schools

Schedule of Activities for Individual Charter School for the years ended June 30, 2024 and 2023

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	2024 TOTAL	2023 TOTAL
REVENUE AND OTHER SUPPORT:				
Local support:				
5720 Local revenues realized as a result of services rendered to other school districts	\$ 3,563,558	\$ -	\$ 3,563,558	\$ -
5740 Other revenue from local sources	(25,000)	12,194,286	12,169,286	14,406,367
5750 Other revenue from other activities	-	1,407,782	1,407,782	346,503
Total local support	<u>3,538,558</u>	<u>13,602,068</u>	<u>17,140,626</u>	<u>14,752,870</u>
State program revenue:				
5810 Foundation School Program Act revenue	-	847,660,815	847,660,815	777,894,817
5820 State program revenue distributed by the Texas Education Agency	-	6,962,835	6,962,835	5,707,367
5830 State revenues – other agencies	-	24,192,220	24,192,220	542
Total state program revenue	<u>-</u>	<u>878,815,870</u>	<u>878,815,870</u>	<u>783,602,726</u>
Federal program revenue:				
5920 Federal revenue distributed by the Texas Education Agency	-	239,414,044	239,414,044	172,279,081
5930 Federal revenue distributed by other State of Texas government agencies	-	7,588,558	7,588,558	8,172,047
5940 Federal revenue distributed directly from the federal government	-	7,168,335	7,168,335	11,522,740
Total federal program revenue	<u>-</u>	<u>254,170,937</u>	<u>254,170,937</u>	<u>191,973,868</u>
Net assets released for purpose restrictions	<u>1,048,347,181</u>	<u>(1,048,347,181)</u>	<u>-</u>	<u>-</u>
Total revenue and other support	<u>1,051,885,739</u>	<u>98,241,694</u>	<u>1,150,127,433</u>	<u>990,329,464</u>

(continued)

IDEA Public Schools

Schedule of Activities for Individual Charter School for the years ended June 30, 2024 and 2023 *(continued)*

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	2024 TOTAL	2023 TOTAL
EXPENSES:				
11 Instruction	\$ 477,323,391	\$ -	\$ 477,323,391	\$ 446,738,895
12 Instructional resources and media services	5,876,777	-	5,876,777	5,749,063
13 Curriculum and instructional staff development	11,079,382	-	11,079,382	2,636,147
21 Instructional leadership	32,906,448	-	32,906,448	44,085,021
23 School leadership	88,076,306	-	88,076,306	88,115,865
31 Guidance, counseling and evaluation services	44,027,207	-	44,027,207	37,154,450
32 Social work services	1,564,635	-	1,564,635	2,407,720
33 Health services	7,444,740	-	7,444,740	7,136,814
34 Student (pupil) transportation	41,667,020	-	41,667,020	35,695,326
35 Food services	87,616,656	-	87,616,656	81,720,030
36 Cocurricular/extracurricular activities	10,350,667	-	10,350,667	11,869,922
41 General administration	42,681,494	-	42,681,494	44,364,964
51 Plant maintenance and operations	71,199,674	-	71,199,674	67,711,722
52 Security and monitoring services	10,789,239	-	10,789,239	6,199,707
53 Data processing services	32,571,001	-	32,571,001	24,641,058
61 Community services	1,942,493	-	1,942,493	1,445,781
71 Debt service	50,035,610	-	50,035,610	46,757,363
81 Fundraising	<u>4,073,732</u>	<u>-</u>	<u>4,073,732</u>	<u>2,248,644</u>
Total expenses	<u>1,021,226,472</u>	<u>-</u>	<u>1,021,226,472</u>	<u>956,678,492</u>
Net gain on disposal of assets	367,935	-	367,935	207
Net unrealized gains on investments	415,360	-	415,360	590,695
Loss on impairment of assets	(8,500,000)	-	(8,500,000)	-
Loss on valuation of grant receivables	<u>(23,000,000)</u>	<u>-</u>	<u>(23,000,000)</u>	<u>-</u>
Change in net assets before repayment of grant funds	(57,438)	98,241,694	98,184,256	34,241,874
Repayment of grant funds to U. S. Department of Education	<u>-</u>	<u>-</u>	<u>-</u>	<u>(28,000,000)</u>
CHANGE IN NET ASSETS	(57,438)	98,241,694	98,184,256	6,241,874
Net assets, beginning of year	<u>558,351</u>	<u>364,393,326</u>	<u>364,951,677</u>	<u>358,709,803</u>
Net assets, end of year	<u>\$ 500,913</u>	<u>\$ 462,635,020</u>	<u>\$ 463,135,933</u>	<u>\$ 364,951,677</u>

IDEA Public Schools

Schedule of Expenses for Individual Charter School for the years ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Expenses:		
6100 Payroll costs	\$ 682,068,051	\$ 635,871,017
6200 Professional and contracted services	91,989,902	89,364,402
6300 Supplies and materials	115,450,389	110,959,249
6400 Other operating costs	81,682,520	73,726,475
6500 Debt	<u>50,035,610</u>	<u>46,757,349</u>
Total expenses	<u>\$ 1,021,226,472</u>	<u>\$ 956,678,492</u>

IDEA Public Schools

Schedule of Assets for Individual Charter School for the year ended June 30, 2024

ASSET CLASSIFICATION	OWNERSHIP INTEREST			TOTAL
	LOCAL	STATE	FEDERAL	
Cash	\$ 32,786,331	\$ 520,797,459	\$ (81,651,055)	\$ 471,932,735
Property and equipment:				
1510 Land and improvements	-	147,807,048	18,900	147,825,948
1520 Building and improvements	-	1,206,068,189	27,126	1,206,095,315
1531 Vehicles	-	30,457,728	210,697	30,668,425
1539 Furniture and equipment	-	23,953,453	14,659,929	38,613,382
1580 Construction in progress	-	<u>195,975,807</u>	<u>3,723,901</u>	<u>199,699,708</u>
Total property and equipment	-	<u>1,604,262,225</u>	<u>18,640,553</u>	1,622,902,778
Accumulated depreciation	-	-	-	<u>(330,340,413)</u>
Property and equipment, net	-	-	-	<u>1,292,562,365</u>
Right of use assets:				
1554 Operating lease for buildings	-	1,759,892	-	1,759,892
1559 Operating leases for furniture and equipment	-	<u>7,466,634</u>	-	<u>7,466,634</u>
Total operating leases	-	<u>9,226,526</u>	-	<u>9,226,526</u>
Accumulated amortization	-	-	-	<u>(7,638,355)</u>
Operating leases, net	-	-	-	<u>1,588,171</u>
Total assets	<u>\$ 32,786,331</u>	<u>\$ 2,134,286,210</u>	<u>\$ (63,010,502)</u>	
Total assets, net				<u>\$ 1,766,083,271</u>

IDEA Public Schools

Charter #108807

Use of Funds Report – Select State Allotment Programs for the year ended June 30, 2024

Section A: Compensatory Education Programs	Responses
Did your LEA expend any state compensatory education program state allotment funds during the district’s fiscal year?	Yes
Does the LEA have written policies and procedures for its state compensatory education program?	Yes
List the total state allotment funds received for state compensatory education programs during the district’s fiscal year.	\$100,826,093
List the actual direct program expenditures for state compensatory education programs during the LEA’s fiscal year. (PICs 24, 26, 28, 29, 30, 34)	\$45,126,111
Section B: Bilingual Education Programs	Responses
Did your LEA expend any bilingual education program state allotment funds during the LEA’s fiscal year?	Yes
Does the LEA have written policies and procedures for its bilingual education program?	Yes
List the total state allotment funds received for bilingual education programs during the LEA’s fiscal year.	\$18,829,189
List the actual direct program expenditures for bilingual education programs during the LEA’s fiscal year. (PICs 25, 35)	\$17,409,800

IDEA Public Schools

Schedule of Related Party Transactions for the year ended June 30, 2024

<u>RELATED PARTY NAME</u>	<u>NAME OF RELATION TO THE RELATED PARTY</u>	<u>RELATIONSHIP</u>	<u>TYPE OF TRANSACTION</u>	<u>DESCRIPTION OF TERMS AND CONDITIONS</u>	<u>SOURCE OF FUNDS USED</u>	<u>PAYMENT FREQUENCY</u>	<u>TOTAL PAID DURING FISCAL YEAR</u>	<u>PRINCIPAL BALANCE DUE</u>
Print Globe	Vanessa Barry	Spouse	Check	None	State/Local	Various	\$ 6,023	\$ -
Total							\$ 6,023	\$ -

IDEA Public Schools

Schedule of Related Party Compensation and Benefits for the year ended June 30, 2024

<u>RELATED PARTY NAME</u>	<u>NAME OF RELATION TO THE RELATED PARTY</u>	<u>RELATIONSHIP</u>	<u>COMPENSATION OR BENEFIT</u>	<u>PAYMENT FREQUENCY</u>	<u>DESCRIPTION</u>	<u>SOURCE OF FUNDS USED</u>	<u>TOTAL PAID DURING FISCAL YEAR</u>
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None

IDEA Public Schools

Budgetary Comparison Schedule for Individual Charter School for the year ended June 30, 2024

	BUDGETED AMOUNTS		VARIANCE WITH ORIGINAL BUDGET	NOTE	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	NOTE
	ORIGINAL	FINAL					
REVENUE:							
Local support:							
5720 Local revenues realized as a result of services rendered to other school districts	\$ -	\$ -	\$ -		\$ 3,563,558	\$ 3,563,558	15
5740 Other revenue from local sources	11,542,158	11,847,258	305,100		12,169,286	322,028	
5750 Other revenue from other activities	<u>233,872</u>	<u>233,872</u>	<u>-</u>		<u>1,407,782</u>	<u>1,173,910</u>	16
Total local support	<u>11,776,030</u>	<u>12,081,130</u>	<u>305,100</u>		<u>17,140,626</u>	<u>5,059,496</u>	
State program revenue:							
5810 Foundation School Program Act revenue	810,187,440	831,700,136	21,512,696		847,660,815	15,960,679	
5820 State program revenue distributed by the Texas Education Agency	11,100,564	14,153,151	3,052,587	1	6,962,835	(7,190,316)	17
5830 State revenues – other agencies	<u>-</u>	<u>-</u>	<u>-</u>		<u>24,192,220</u>	<u>24,192,220</u>	18
Total state program revenue	<u>821,288,004</u>	<u>845,853,287</u>	<u>24,565,283</u>		<u>878,815,870</u>	<u>32,962,583</u>	
Federal program revenue:							
5920 Federal revenue distributed by the Texas Education Agency	304,552,312	341,679,921	37,127,609	2	239,414,044	(102,265,877)	19
5930 Federal revenue distributed by other State of Texas government agencies	10,000,000	10,000,000	-		7,588,558	(2,411,442)	20
5940 Federal revenue distributed directly from the federal government	<u>9,042,937</u>	<u>10,032,937</u>	<u>990,000</u>	3	<u>7,168,335</u>	<u>(2,864,602)</u>	21
Total federal program revenue	<u>323,595,249</u>	<u>361,712,858</u>	<u>38,117,609</u>		<u>254,170,937</u>	<u>(107,541,921)</u>	
Total revenue	<u>1,156,659,283</u>	<u>1,219,647,275</u>	<u>62,987,992</u>		<u>1,150,127,433</u>	<u>(69,519,842)</u>	

(continued)

IDEA Public Schools

Budgetary Comparison Schedule for Individual Charter School for the year ended June 30, 2024

(continued)

	BUDGETED AMOUNTS		VARIANCE WITH ORIGINAL BUDGET	NOTE	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	NOTE
	ORIGINAL	FINAL					
EXPENSES:							
11 Instruction	\$ 458,781,365	\$ 508,466,256	\$ 49,684,891	4	\$ 477,323,391	\$ 31,142,865	
12 Instructional resources and media services	3,259,170	4,689,322	1,430,152	5	5,876,777	(1,187,455)	22
13 Curriculum and instructional staff development	2,926,390	12,561,644	9,635,254	6	11,079,382	1,482,262	23
21 Instructional leadership	94,338,370	58,959,486	(35,378,884)	7	32,906,448	26,053,038	24
23 School leadership	91,782,787	94,044,783	2,261,996		88,076,306	5,968,477	
31 Guidance, counseling and evaluation services	43,078,759	38,048,121	(5,030,638)	8	44,027,207	(5,979,086)	25
32 Social work services	3,267,974	3,253,990	(13,984)		1,564,635	1,689,355	26
33 Health services	6,804,282	7,171,800	367,518		7,444,740	(272,940)	
34 Student (pupil) transportation	43,379,677	39,659,738	(3,719,939)		41,667,020	(2,007,282)	
35 Food services	96,280,906	99,824,158	3,543,252		87,616,656	12,207,502	27
36 Cocurricular/extracurricular Activities	7,099,340	9,604,618	2,505,278	9	10,350,667	(746,049)	
41 General administration	95,104,789	93,216,250	(1,888,539)		42,681,494	50,534,756	28
51 Plant maintenance and Operations	101,790,853	82,077,566	(19,713,287)	10	71,199,674	10,877,892	29
52 Security and monitoring services	7,534,166	11,869,113	4,334,947	11	10,789,239	1,079,874	
53 Data processing services	25,689,401	31,939,143	6,249,742	12	32,571,001	(631,858)	
61 Community services	1,368,833	2,144,159	775,326	13	1,942,493	201,666	
71 Debt service	43,415,739	49,536,612	6,120,873	14	50,035,610	(498,998)	
81 Fundraising	<u>2,601,624</u>	<u>2,539,242</u>	<u>(62,382)</u>		<u>4,073,732</u>	<u>(1,534,490)</u>	30
Total expenses	<u>1,128,504,425</u>	<u>1,149,606,001</u>	<u>21,101,576</u>		<u>1,021,226,472</u>	<u>128,379,529</u>	

(continued)

IDEA Public Schools

Budgetary Comparison Schedule for Individual Charter School for the year ended June 30, 2024

(continued)

	BUDGETED AMOUNTS		VARIANCE WITH ORIGINAL BUDGET	NOTE	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	NOTE
	ORIGINAL	FINAL					
Net gain on disposal of assets	\$ -	\$ -	\$ -		\$ 367,935	\$ 367,935	31
Unrealized gain on investments	-	-	-		415,360	415,360	31
Loss on impairment of assets	-	-	-		(8,500,000)	(8,500,000)	31
Loss on valuation of government grant receivables	-	-	-		(23,000,000)	(23,000,000)	31
CHANGE IN NET ASSETS	28,154,858	70,041,274	41,886,416		98,184,256	28,142,982	
Net assets, beginning of year	<u>364,951,677</u>	<u>364,951,677</u>	-		<u>364,951,677</u>	-	
Net assets, end of year	<u>\$ 393,106,535</u>	<u>\$ 434,992,951</u>	<u>\$ 41,886,416</u>		<u>\$ 463,135,933</u>	<u>\$ 28,142,982</u>	

IDEA Public Schools

Budgetary Variance Explanations for the year ended June 30, 2024 (unaudited)

The following is an explanation of the 10% variances from original budget to final budget reported on the Budgetary Comparison Schedule:

1. The Supply Chain Assistance grant was originally budgeted as a state grant in 5820, but was later determined to be a federal grant and was reclassified to 5930.
2. The budget for 5920 was increased as the plan was to spend down the available ESSER awards.
3. The final budget for 5940 was increased for the UTRGV Grant for Mental Health of \$900,000.
4. The Instruction final budget increased \$12 million for payroll, \$16 million for contract services, and \$13 million for supplies across TIA implementation, federal fund carryforward utilization, technology lease buyout, and enhancement of CTE tech program equipment.
5. Instructional resources and media services budget was increased for an increase in the number of computer labs.
6. Curriculum and instructional staff development budget increased as final budget reflected corrections for coding on instructional coaches and similar positions.
7. Instructional leadership budget decreased as positions were reclassified to function 11 and 13 to align classification with job descriptions.
8. Guidance, counseling, and evaluation services budget decreased with the elimination of counseling positions as a result of ESSER funding ending.
9. Cocurricular/extracurricular activities budget increased for projected increase participation in sports for playoffs and tournaments and an increase in technology after school programs.
10. Plant maintenance and operations budget decreased as a sustainability plan was developed and reducing amount of painting for campus refresh.
11. Security and monitoring services budget increased in response to additional security initiatives.
12. Data processing services budget increased for new A. W. Brown campus and planned technology initiatives.
13. Community services budget increased from additional Title I funding for parent engagement and hiring new position.
14. Debt service budget increased to match projections of interest expense.
15. Local support for revenue rendered to other schools exceeded the budget as the revenue was netted against the payroll expense in the budget for services provided by IDEA to IPS.
16. Other revenue from other activities exceeded budget as there was increased student and parent engagement resulting in an increase in student activity funds.

(continued)

IDEA Public Schools

Budgetary Variance Explanations for the year ended June 30, 2024 (unaudited) *(continued)*

17. State program revenue distributed by the Texas Education Agency were less than budgeted as the Safety and Facilities Enhancement (SAFE) Grant, Cyle 1 was not utilized.
18. State revenues of other agencies exceeded the budget as on-behalf payments made by the State of Texas to the TRS retirement plan were not budgeted.
19. Federal revenue distributed by the Texas Education Agency was less than budget as IDEA had large unused awards for ESSER, CNP, Title I-IV, IDEA B, Teacher and School Leader Incentive Grants and 21st Century Community Learning Centers that were not able to be utilized in fiscal year 2024.
20. Federal revenue distributed by other State of Texas government agencies was less than budget due to a decrease in the School Health and Related Services due to a decrease in the Random Moment Time Study percentage being decreased by the State of Texas.
21. Federal revenue distributed directly from the federal government was less than budget due to forfeiting the CSP grants as a result of the lack of expansion.
22. Instructional resources and media services is over budget as IDEA spent more on Title I Part A than was budgeted.
23. Curriculum and instructional staff development is under budget as a result of savings from open positions.
24. Instructional leadership is under budget as a result of savings from open positions.
25. Guidance, counseling and evaluation services are over budget as a result of ESSER funding phasing out so staffing adjustments being made to the reduce number of counselors reflected in the budget. Actual number of counselors retained through the end of the year exceeded the initial estimates resulting in a budget overage.
26. Social services is under budget as there was a reduction of social workers except for one region who used discretionary funds to fund the costs.
27. Food services is under budget as a result of lower participation by the students in the food service program.
28. General administrative is under budget as corrections were made to code personnel to the correct functions codes which was not reflected in the budget and savings from open positions.
29. Plant maintenance and operations is under budget due to sustainability plan and reduction of expenditures.
30. Fundraising is over budget as there was an increase of 4 FTE's and contract services as fundraising for expansion has been initiated.
31. Gains and losses are over and under budget as gains and losses are not budgeted.

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2024 (unaudited)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
IDEA Public Schools Block A Lot 1 Hatcher SA Survey Abstract 1792	1900 Thomas Rd., Haltom City, TX 76117	\$ 26,984,489	\$ -	\$ 26,984,489	\$ -
Tract 1B03	3621 NW Loop 820, Fort Worth, TX 76106	706,161	-	706,161	-
Seminary Twin Drive-in Theatre Lot 1R	2935 E. Seminary Dr., Fort Worth, TX 76119	26,800,283	-	26,800,283	-
IPS Addition Block 4 Lot 1	3000 Cherry Lane, Fort Worth, TX 76116	23,384,396	-	23,384,396	-
Anderson, J R Addition Block 1 Lot 1	1640 Altamesa Blvd., Fort Worth, TX 76134	36,808,530	-	36,808,530	-
Emilia Subdivision Blk 23, 0.643 Acres out of 1.659 Acres	205 Railroad St., Brownsville, TX 78520	9,259	-	9,259	-
Lot 34 Blk 6 Citrus Gardens Subdivision 1 (Vol 8 pg 5) 1.190	36298 Chachalaca Bend, Los Fresnos, TX 78566	307,970	-	307,970	-
Lot 34 Blk 6 Citrus Gardens Subdivision 1 (Vol 8 pg 5) 0.6860 Acres	36270 Chachalaca Bend, Los Fresnos, TX 78566	90,152	-	90,152	-
Lot 34 Blk 6 Citrus Gardens Subdivision 1 (Vol 8 pg 5) 0.984 Acres	36298 Chachalaca Bend, Los Fresnos, TX 78566	29,520	-	29,520	-
Lot 34 Blk 6 Citrus Gardens Subdivision 1 (Vol 8 pg 5) 3.380 Acres	36298 Chachalaca Bend, Los Fresnos, TX 78566	383,437	-	383,437	-
Lot 34 Blk 6 Citrus Gardens Subdivision 1 (Vol 8 pg 5) 8.070 Acres Resaca Pt	36298 Chachalaca Bend, Los Fresnos, TX 78566	46,593	-	46,593	-
Lot 34 Blk 6 Citrus Gardens Subdivision 1 (Vol 8 pg 5) N 4.5050 Acres	36298 Chachalaca Bend, Los Fresnos, TX 78566	211,782	-	211,782	-
Lot 34 Blk 6 Citrus Gardens Subdivision 1 (Vol 8 pg 5) 2.50 Acres	36298 Chachalaca Bend, Los Fresnos, TX 78566	316,040	-	316,040	-
Citrus Gardens Subdivision No 4 Sec 3 Lots 19, 17.8300 Acres, .5 miles north on tract 43	36298 Chachalaca Bend, Los Fresnos, TX 78566	82,018	-	82,018	-
Citrus Gardens Subdivision No 3 Sec 3 Lot 20 Tract 43 Rd	36298 Chachalaca Bend, Los Fresnos, TX 78566	43,424	-	43,424	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2024 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
El Jardin Resubdivision W 21.00 Acres of E 42 Acres of Lot 8 BLK 104	6200 Dockberry Rd., Brownsville, TX 78521	\$ 518,369	\$ -	\$ 518,369	\$ -
El Jardin Resubdivision 19.7682 Acres of E 42 Acres of Lot 8 BLK 104	2800 S. Dakota Ave., Brownsville, TX 78521	518,369	-	518,369	-
Abst 2 - Palo Alto Gr 1, 1.1612 Acres out of 18.09 Acres of Block 40	1000 Sports Park Blvd., Brownsville, TX 78526	-	-	-	-
Abst 2 - Unsubdivided Share 12 Tract A-1 Acres 85.7	280 Fish Hatchery Rd., Brownsville, TX 78520	960,605	-	960,605	-
Survey - Petersburg BLK 2 E .500 Acres of 37.110 Acres	3301 Wilson Rd., Harlingen, TX 78552	119,158	-	119,158	-
Survey - Petersburg BLK 2 E 36,610 Acres of 37.110 Acres	24240 Wilson Rd., Harlingen, TX 78552	8,960,816	-	8,960,816	-
Lot 34 Blk 6 Citrus Gardens Subdivision 1 (Vol 8 pg 5) 1.640 Acres	36298 Chachalaca Bend, Los Fresnos, TX 78566	49,200	-	49,200	-
Lot 1 IDEA Academy San Benito Subdivision (2011 C1-3034 B Filed 7/23/10)	2151 Russell Lane, San Benito, TX 78586	2,840,255	-	2,840,255	-
Lot 1 Blk 1 IDEA Academy Sports Park Subdivision (2021 Subd Plat C1-4056 & 4057 CCMR Filed 8/14/20)	6650 Old Alice Rd., Brownsville, TX 78526	2,880,795	-	2,880,795	-
Espiritu Santo Grant Share 22, 20.00 Acres out of 100.366 Acres out of 173.7 Acres Survey 34	4395 Paredes Line Rd., Brownsville, TX 78526	8,027,321	-	8,027,321	-
PT Reserve A University Plaza Subdivision PH (c1-2788B CCMR Files 3-14-07), 20.3 Acres	30 Palm Blvd., Brownsville, TX 78520	11,956,195	-	11,956,195	-
Lot 1 Blk IDEA Academy Robindale Subdivision (2019 Plat C1-3731 & 3732 CCMR Filed 6/8/2018)	3802 Ruben M. Torres, Brownsville, TX 78521	9,560,034	-	9,560,034	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2024 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
11.73 Acres in Sec 1 Blk 39 T25 Tahoe Lakes Addition	Lamesa Rd & I-20, Midland, TX 79701	\$ 2,043,840	\$ -	\$ 2,043,840	\$ -
TRS 2B & 2J Abst 1515 WCRR CO Sec 6 Blk 4	2010 Spears Rd., Houston, TX 77067	13,960,485	-	13,960,485	-
RES A Blk Crosby IDEA School	5627 S. Lake Houston Pky., Houston, TX 77049	6,572,344	-	6,572,344	-
Lot 1-2 Bluestein PARK PHS 1	5816 Wilcab Rd., Austin, TX 78721	38,029,232	-	38,029,232	-
Lot 1 K/N Subdivision	9504 N. IH. Hwy. 35, San Antonio, TX 78753	11,097,894	-	11,097,894	-
Abs A0397 Hunt M, 4. Acres	1438 E. Yager Lane, Austin, TX 78753	1,139,687	-	1,139,687	-
Abs 397 Survey 88 Hunt M, Acres 9.050	1438 E. Yager Lane, Austin, TX 78753	1,971,090	-	1,971,090	-
IDEA Pflugerville	1901 Wells Branch Pky., Pflugerville, TX 78660	3,669,896	-	3,669,896	-
Lot 4 Bluestein Park PHS 1	3708 Bluestein Dr., Austin, TX 78721	410,984	-	410,984	-
Lot 3 Bluestein Park PHS 1	3702 Bluestein Dr., Austin, TX 78721	440,724	-	440,724	-
15.0176 Acres of Lot 1 Blk A IDEA School at Rundberg-Showplace	700 Showplace Lane, Austin, TX 78753	5,553,967	-	5,553,967	-
9.3622 Acres of Lot Blk A Riverside Vargas	1701 Vargas Rd., Austin, TX 78741	33,053,493	-	33,053,493	-
Lot 1 Texas Twenty #2 Subdivision	1700 E. Slaughter Lane, Austin, TX 78747	25,468,627	-	25,468,627	-
4.8336 Acres of Lot 2A Easton Park Sec 1B Amended	7325 McKinney Falls Pky., Austin, TX 78744	-	-	-	-
Lot 1 Blk A IDEA - Yager Academy	1438 E. Yager Lane, Austin, TX 78753	1,971,090	-	1,971,090	-
6.3094 Acres of Lot 1A Easton Park Section 1B Amended	7325 McKinney Falls Pky., Austin, TX 78744	-	-	-	-
Lot 1 Blk A IDEA Greenlawn Subdivision- (9.8985 Acres in Travis County)(1-D-1)	3301 Greenlawn Blvd., Round Rock, TX 78664	4,417,816	-	4,417,816	-
55 Ysleta Track 8-B (2.00 Acres)	9050 Escobar Dr., El Paso, TX 79907	19,000	-	19,000	-
Blk 1 Rio Vista School Lot 1	210 N. Rio Vista Rd., Socorro, TX 79927	20,289,420	-	20,289,420	-
Blk 1 Wallenberg #1 Lot 1	405 Wallenberg Dr., El Paso, TX 79912	4,542,892	-	4,542,892	-
Blk 1 Tierra Del Este #88 Lot 1 (School Site)	15101 Edgemere Blvd., El Paso, TX 79938	800,000	-	800,000	-
Blk 22 Horizon Town Center #3 Lot 29	201 Horizon Crossing St., Horizon City, TX 79928	15,194,517	-	15,194,517	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2024 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
Blk 56 Mesquite Hills #10 Lot 1	11881 Dyer St., El Paso, TX 79934	\$ 802,000	\$ -	\$ 802,000	\$ -
55 Ysleta 5-C-2 (0.1240 Acres) & 6-C-2 (0.5903 Acres) (0.7143 Acres)	9050 Escobar Dr., El Paso, TX 79907	6,786	-	6,786	-
55 Ysleta Track 7-C-2 (10.4857 Acres)	9050 Escobar Dr., El Paso, TX 79907	99,614	-	99,614	-
55 Ysleta 5-C-3 (0.3914 Acres) 0 & 6-C-3 (1.2726 Acres)	9050 Escobar Dr., El Paso, TX 79907	144,968	-	144,968	-
55 Ysleta TR 7-C-3 (2.4552 Acres)	9050 Escobar Dr., El Paso, TX 79907	64,169	-	64,169	-
Caledonian Estates Unit No. 2 All Lot 26, E429.09' Lot 27 & S589.40' Lots 34 & 35 27.52 Acres GR 26.28 Acres	3300 E. Texas Rd., Edinburg, TX 78542	480,240	-	480,240	-
Caledonian Estates Unit No. 2 E7.00 Acres Lot 30 6.82 Acres Net	3300 E. Texas Rd., Edinburg, TX 78542	122,760	-	122,760	-
Valley Orchards S11.58 Acres Lot F & S11.11 Acres Lot G 21.80 Acres Net	401 S. 1 ST St., Donna, TX 78537	5,971,203	-	5,971,203	-
Alsbury, Hanson Survey Abstract 31 Tract3A01C & TR 4B	NE Renfro Street, Burleson, TX 76028	3,166,752	-	3,166,752	-
West Tract AN Irr Tract 19.52 Acres FT 152 EXC 8.64 Acres N540'-E700' 10.88 Acres Net	2321 W. Pike Blvd., Weslaco, TX 78596	480,240	-	480,240	-
Steel Horse Industrial Park Lot 11	5802 N. Gumwood St., Pharr, TX 78577	-	-	-	-
RGV Professional Center Condominiums (2 ND AMND) Building B Unit 8	505 Angelita Dr., Suite 8, Weslaco, TX 78599	429,484	-	429,484	-
RGV Professional Center Condominiums (2 ND AMND) Building B Unit 9	505 Angelita Dr., Suite 9, Weslaco, TX 78599	438,642	-	438,642	-
RGV Professional Center Condominiums (2 ND AMND) Building B Unit 10	505 Angelita Dr., Suite 10, Weslaco, TX 78599	445,582	-	445,582	-
RGV Professional Center Condominiums (2 ND AMND) Building B Unit 11	505 Angelita Dr., Suite 11, Weslaco, TX 78599	319,094	-	319,094	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2024 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
IDEA Public School Lot 1	1600 S. Schuerbach, Mission, TX 78572	\$ 7,268,975	\$ -	\$ 7,268,975	\$ -
IDEA San Juan Lot 1	600 W. Sioux Rd., San Juan, TX 78589	21,937,853	-	21,937,853	-
IDEA Public Schools - McAllen Lot 1	201 N. Bentsen Rd., McAllen, TX 78501	11,331,259	-	11,331,259	-
IDEA Quest Lot 1	14001 Russell Rd., Edinburg, TX 78541	10,283,735	-	10,283,735	-
IDEA Public School Weslaco Lot 1	1000 E. Pike Blvd., Weslaco, TX 78596	13,489,698	-	13,489,698	-
IDEA Public School Headquarters Lot 1	2115 W. Pike Blvd., Weslaco, TX 78596	6,395,213	-	6,395,213	-
IDEA Public School Holland Lot 1	2706 N. Holland Ave., Mission, TX 78574	10,573,622	-	10,573,622	-
IDEA Tres Lagos	5200 Tres Lagos Blvd., McAllen, TX 78504	13,569,395	-	13,569,395	-
IDEA North Pharr Lot 1	1000 E. Owassa Rd., Pharr, TX 78577	13,265,630	-	13,265,630	-
IDEA Public School Elsa Lot 1	411 S. Fannin St., Elsa, TX 78543	19,308,158	-	19,308,158	-
Hidalgo Canal Co - VV An Irr Tract N808.30'-E1251.79' Lot 1 Blk 2 18.49 Acres GR 18.15 Acres Net	Arena Drive, Hidalgo, TX 78557 (empty lot)	-	-	-	-
IDEA Public Schools South McAllen Lot 1	5400 S. Ware Rd., McAllen, TX 78503	21,798,086	-	21,798,086	-
IDEA - Palmview an Irr 24.95 Acres Tract-S1326.74' Lot 1 23.63 Acres Net	4100 N. Schuerbach Rd., Mission, TX 78572	15,074,226	-	15,074,226	-
IDEA Toros Lot 1	3300 E. Texas Rd., Edinburg, TX 78542	480,240	-	480,240	-
IDEA Public Schools La Joya Lot 1	725 E. Expressway 83, La Joya, TX 78560	-	-	-	-
IDEA - Palmview an Irr 2.04 Acres Tract-N370.76'-W479.48' Lot 1 1.82 Acres Net	4100 N. Schuerbach Rd., Mission, TX 78572	91,171	-	91,171	-
Mid Valley Industrial Park No. 8 Lot 2	2931 Sugar Cane Dr., Weslaco, TX 78599	7,785,094	-	7,785,094	-
Boys and Girls Club Lot 3	2553 Roegiers Rd., Edinburg, TX 78541	332,227	-	332,227	-
Boys and Girls Club Lot 4, 6 & 7	2553 Roegiers Rd., Edinburg, TX 78541	5,064,941	-	5,064,941	-
Alamo Country Club PH 3 Lot 1	325 Kansas Rd., Alamo, TX 78516	6,763,002	-	6,763,002	-
IDEA Public School #2 BNG A 20.07 Acres Tract	600 E. Las Milpas Rd., Pharr, TX 78577	16,441,298	-	16,441,298	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2024 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
NCB 592 Blk 7 Lot 2 Exc NW Irr 5.69 Ft	226 N. Hackberry, San Antonio, TX 78202	\$ 5,210,930	\$ -	\$ 5,210,930	\$ -
NCB 1450 Blk 19 Lot 12 (Springview Unit-3 Phase III)	2806 Harney St., San Antonio, TX 78203	146,970	-	146,970	-
NCB 1450 Blk 19 Lot 13 (Springview Unit-3 Phase III)	2802 Harney St., San Antonio, TX 78203	126,540	-	126,540	-
NCB 1450 Blk 19 Lot 14 (Springview Unit-3 Phase III) NCB 1450 Blk	2803 Harney St., San Antonio, TX 78203	141,670	-	141,670	-
NCB 1450 Blk 19 Lot 15 (Springview Unit-3 Phase III)	619 Fisk St., San Antonio, TX 78203	100,340	-	100,340	-
NCB 1450 Blk 19 Lot 16 (Springview Unit-3 Phase III)	615 Fisk St., San Antonio, TX 78203	91,990	-	91,990	-
NCB 1450 Blk 19 Lot 17 (Springview Unit-3 Phase III)	611 Fisk St., San Antonio, TX 78203	91,990	-	91,990	-
NCB 1450 Blk 19 Lot 18 (Springview Unit-3 Phase III)	607 Fisk St., San Antonio, TX 78203	92,520	-	92,520	-
NCB 1450 Blk 19 Lot 19 (Springview Unit-3 Phase III)	603 Fisk St., San Antonio, TX 78203	93,280	-	93,280	-
CB 5051 A Lot N IRR 1788.78 FT of 27	6445 Walzem Rd., San Antonio, TX 78239	590,940	-	590,940	-
CB5081C (IDEA-Converse), Blk 1 Lot 2	5160 Martinez Converse, Converse, TX 78109	-	-	-	-
NCB 9483 Blk Lot 90	6911 S. Flores St., San Antonio, TX 78221	673,335	-	673,335	-
NCB 12962 Blk Lot S IRR 31.18' of W IRR 413.83' of 1 (2.158), NE TRI 36.23' of S 399.12' of 1 (0.088), 4A (0.2)	7011 San Pedro Ave., San Antonio, TX 78216	1,724,490	-	1,724,490	-
NCB 14165 Blk 7 Lot 4	2825 Majestic Dr., San Antonio, TX 78228	47,340	-	47,340	-
NCB 14165 Blk 7 Lot 5 GIS 2.713 Acres	2814 Majestic Dr., San Antonio, TX 78228	262,360	-	262,360	-
NCB 15858 Blk 15 Lot 1	3100 Majestic Dr., San Antonio, TX 78228	283,980	-	283,980	-
NCB 11186 Blk 1 Lot 17	2523 W. Ansley Blvd., San Antonio, TX 78224	11,730,430	-	11,730,430	-
IDEA Public Schools 1301 E Commerce Street Inv	1301 E. Commerce St., San Antonio, TX 78205	1,000	-	1,000	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2024 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
NCB 8244 Blk 3 Lot 25 (IDEA Public School-Commerce)	222 SW 39 th St., San Antonio, TX 78237	\$ 605,930	\$ -	\$ 605,930	\$ -
NCB 594 Blk 5 Lot 19 (IDEA Carver PH II Subdivision)	1511 E. Commerce St., San Antonio, TX 78205	-	-	-	-
NCB 17172 (Waters Edge Business Park), Block 1 Lot 17	1210 Horal Dr., San Antonio, TX 78227	1,557,190	-	1,557,190	-
NCB 17359 Blk 4 Lot 34 (IDEA Feather Ridge)	13427 Judson Rd., San Antonio, TX 78233	16,533,950	-	16,533,950	-
NCB 1521 Blk 8 Lot 2 (IDEA Eastside)	2519 Martin Luther King, San Antonio, TX 78203	-	-	-	-
NCB 15252 (IDEA Pearsall), Block 2 Lot 4	5555 Old Pearsall Rd., San Antonio, TX 78242	13,710,950	-	13,710,950	-
NCB 10615 (IDEA W W White), Lot 80	926 S. WW White Road, San Antonio, TX 78220	-	-	-	-
NCB 8244 Blk 3 Lot E Irr 112 FT of 26 (IDEA Monterrey Park)	222 SW 39 th St., San Antonio, TX 78237	513,730	-	513,730	-
NCB 9483 Lot 120 (IDEA South Flores Expansion)	6919 S. Flores St., San Antonio, TX 78221	6,341,280	-	6,341,280	-
CB 5197E Blk 30 Lot 4 (IDEA Marbach)	10434 Marbach Rd., San Antonio, TX 78245	15,070,330	-	15,070,330	-
NCB 17639 (IDEA Culebra), Lot 16	10138 Culebra Rd., San Antonio, TX 78251	18,622,910	-	18,622,910	-
NCB 18160 P-3 (2.296) CB 5983 (73.8209 Acres)	4500 W. Pue Road, San Antonio, TX 78245	-	-	-	-
Abs: 153 Sur: T Herrera 6.3290 Acres	Maske Rd., Schertz, TX 78154 (empty lot)	185,284	-	185,284	-
Abs: 153 Sur: T Herrera 4.4760 Acres	Maske Rd., Schertz, TX 78154 (empty lot)	131,037	-	131,037	-
Abs: 153 Sur: T Herrera 5.65 Acres	Maske Rd., Schertz, TX 78154 (empty lot)	165,406	-	165,406	-
Abs: 153 Sur: T Herrera 6.675 Acres	Maske Rd., Schertz, TX 78154 (empty lot)	195,414	-	195,414	-
Abs: 259 Sure: William H Pate 12.1550 Acres	2072 FM 725, New Braunfels, TX 78130	1,622,243	-	1,622,243	-
S12118 - IDEA Greenlawn, Lot 1 (PT), Acres 2.715, (R587628/REF)	3001 Greenlawn Blvd., Round Rock, TX 78664	415,815	-	415,815	-
A W0181 A W0292 - Hornsby, M Sur., Acres 11.431, (R508760 MH) (Pro EX 02/14/20-12/31/20)	205 N. Bagdad Rd., Leander, TX 78641	1,715,777	-	1,715,777	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2024 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
A W0181 A W0292 - Hornsby, M Sur., Acres 5.098, (PRO EX 02/14/20- 12/31/20)	251 N. Bagdad Rd., Leander, TX 78641	\$ 1,243,586	\$ -	\$ 1,243,586	\$ -
S8752 - Greener Acres, Lot 2, Acres 4.197 (PRO EX 02/14/20. 12/31/20)	Hero Way & 251 N. Bagdad, Leander, TX 78641	1,023,799	-	1,023,799	-
Travis County Reference - S12118 IDEA Greenlawn, Lot 1 (PT), Acres 9.962 (R587627/GWI)	3001 Greenlawn Blvd., Round Rock, TX 78664	2,989	-	2,989	-
Henderson Block 49 all of Block (12.33 Acres)	3401 W. 5 th St., Odessa, TX 79763	610,770	-	610,770	-
Parks Bell Ranch North Block 5 Lot 8 (18.98)	7300 E. Yukon Rd., Odessa, TX 79765	8,072,510	-	8,072,510	-
Acres: 32.390, E/PT, SEC: 24, Blk: 40-TIS IDEA Academy S/D Lot 1 (vacant lot)	Holiday Hill Rd., Midland, TX 79707 (empty lot)	-	-	-	-
Public High School	2803 Monarch Lane, Rio Grande City, TX 78582	10,626,040	-	10,626,040	-
IDEA Kyle Academy, Block A, Lot 1, Acres 12.79	640 Philomena Dr., Kyle, TX 78640	19,361,600	-	19,361,600	-
NCB 1450 Blk 19 Lot 13 (Springview Lehigh Plaza Lot 49-7.583ACS, Lot 50 – 9.479 ACS, Lot 51-.747ACS 17.971 AC GR 17.293 AC NET	2700 W. Wisconsin Rd., Edinburg, TX 78539	1,842,212	-	1,842,212	-
Tracts 6 & 10 ABST 543 A Mays	21423 Aldine Westfield Rd., Humble, TX 77338	4,716,338	-	4,716,338	-
Tracts 33,34,35A & 35B ABST 513	0 N. Sam Houston Parkway, Humble, TX 77396	6,316,200	-	6,316,200	-
Acres 14.810 Blk 083 Lot 011A	Tilden Street N., Midland, TX 79706	281,390	-	281,390	-
Johannsen Survey #185 ABST2789 TR 3 12.1644 AC	5980 Johannsen Road, El Paso, TX 79932	531,171	-	531,171	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2024 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
AW0021 Addison Wm 14.854 AC Bohemian Colony Lands 3.449 ACS SE COR LT 3 SEC 4	Rockride Lane, Georgetown, TX 78626 Ayers Street, Corpus Christi, TX 78417	\$ 610,770 300,477	\$ - -	\$ 610,770 300,477	\$ - -
Bowman, Joseph Survey Abstract 81 Tract 1E1	3631 NW Loop 820, Fort Worth, TX 76106	164,439	-	164,439	-
Lexington Center 11.579 ACS LT 1 BLK 9	5333 Ayers Street, Corpus Christi, TX 78417	1,042,914	-	1,042,914	-
Flour Bluff & Enc From GDN Tract 14.091 ACS LT 7 SEC 20	7001 Saratoga Blvd., Corpus Christi, TX 78414	1,657,445	-	1,657,445	-
Flour Bluff & Enc From GDN Tract .61 ACS LOT 7 BLOCK 20	7002 Saratoga Blvd., Corpus Christi, TX 78414	183	-	183	-
Survey-Petersburg BLK 2 E 70' X 120' Canal Right of Way	3301 Wilson Rd., Harlingen, TX 0 Skinner Rd., Houston, TX 77093	330 19,359,522	- -	330 19,359,522	- -
RES A BLK 1 Little York IDEA School Supplies Furniture Fixtures & Equipment At 2115 W Pike Blvd (Headquarter)	2115 W. Pike Weslaco, TX 78596	1,544,678	-	1,544,678	-
IDEA HARVEY E NAJIM PUBLIC SCHOOL 926 S WW White Rd Furn Fixt Equip Sup LI	926 WW White Rd., San Antonio, TX 78220	1,302,500	-	1,302,500	-
IDEA Public School 226 N Hackbery Furn Fixt Eqpt Sup	226 N. Hackberry, San Antonio, TX 78202	795,780	-	795,780	-
IDEA Public School 2519 Martin Luther King Dr Furn Fixt Eqpt Sup	2519 Martin Luther King Dr., San Antonio, TX 78220	10,500	-	10,500	-
Redbird Business Center BLK d/6050 TR1 ACS 78804	5701 Red Bird Center Dr. Dallas, TX, 75237	12,657,760	-	12,657,760	-
McDuff Redbird Blk H/6045 Lot 1 ACS 1.02	6901 S. Westmoreland Rd. Dallas, TX, 75237	-	-	-	-
Total		\$ 760,340,780	\$ -	\$ 760,340,780	\$ -