

**THE FLORIDA STATE UNIVERSITY
COLLEGE OF BUSINESS
STUDENT INVESTMENT FUND, INC.
(A Component Unit of The Florida State University)
TALLAHASSEE, FLORIDA**



**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
JUNE 30, 2020 AND 2019**

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LANIGAN & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
MANAGEMENT CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Florida State University College of Business Student Investment Fund, Inc.
Tallahassee, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of The Florida State University College of Business Student Investment Fund, Inc. (the Fund), a direct support organization and component unit of The Florida State University, which comprise the statements of net position as of June 30, 2020 and 2019, and the related statements of revenues, expenses, and changes in net position, and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Fund as of June 30, 2020 and 2019, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 3 through 5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 21, 2020, on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.

Lanigan & Associates, PC

Tallahassee, Florida
July 21, 2020

**THE FLORIDA STATE UNIVERSITY COLLEGE OF BUSINESS STUDENT
INVESTMENT FUND, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2020 AND 2019**

The following management's discussion and analysis provides an overview of the financial performance of The Florida State University College of Business Student Investment Fund, Inc. (the Fund) for the fiscal years ended June 30, 2020 and 2019. This overview is required by Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*, as amended by GASB statement Nos. 37, 38, 63, and 65. It should be read in conjunction with the financial statements and notes to financial statements which follow this section. The management discussion and analysis, the financial statements, and the notes are the responsibility of the Fund's management.

OVERVIEW OF FINANCIAL STATEMENTS

The Fund's financial report includes three basic financial statements: the statement of net position, the statement of revenues, expenses, and changes in net position, and statement of cash flows. These financial statements are prepared in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). The financial statements focus on the financial condition of the Fund, results of operations, and cash flows of the Fund as a whole. The Fund uses the accrual basis of accounting for presentation of the financial statements.

The Statement of Net Position presents the financial position of the Fund at the end of the fiscal year and includes all of the assets and liabilities of the Fund. The change in net position – the difference between assets and liabilities – is one indicator of the current financial position of the Fund; however, other non-financial factors, such as stock market performance must also be considered when assessing the overall health of the Fund. The differences in net position that occur over time are a good indication of whether the overall financial condition of the Fund has improved or worsened. Assets and liabilities are reported at cost, approximating fair value, with exception to investments which are reported at fair market value. The Fund's assets are comprised almost entirely of investment holdings. Accordingly, the Fund's financial performance is closely tied to performance of domestic and international stock markets.

- The Fund's net position increased by \$61,867 for fiscal year 2020.
- Total ending net position was \$921,174, an increase over the previous year of approximately 7.2%.
- The Fund had total operating expenses of \$9,606 compared to operating revenues of \$71,473. Comparative figures for fiscal year 2019 are operating expenses of \$9,506 and operating revenues of \$66,688.

The statement of Revenues, Expenses, and Changes in Net Position presents the revenue and expense activity for the Fund. Revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid.

The Statement of Cash Flows provides information about the Fund’s financial results by reporting major sources and uses of cash and cash equivalents. This statement assists in evaluating the Fund’s ability to generate net cash flows, its ability to meet its financial obligations as they come due and its need for external financing.

BUDGETARY HIGHLIGHTS

The Fund’s budgeted amount of revenues for the year 2019-2020 were \$125,000. The actual revenues for the year were \$71,473 which represents an unfavorable variance of \$53,527 or approximately 43% compared to the projected revenue for the fiscal year. The unfavorable variance is primarily due to the downturn of the market during the 1st and 2nd quarters of 2020 in response to COVID-19.

ECONOMIC CONDITIONS AND OUTLOOK

The Fund can expect to see similar financial conditions in the market going forward and will likely face instances of volatility across multiple sectors of the financial markets. Management will continue to assess the market conditions under the economic impacts of COVID-19. Assuming no new contributions to the Fund, management’s focus will be to continue to grow the investment holdings of the fund and diversify in a way that gives appropriate consideration to presumed market volatility.

CONDENSED FINANCIAL INFORMATION

The following table shows condensed statements of net position as of June 30:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Assets	<u>\$ 4,359,941</u>	<u>\$ 4,067,126</u>	<u>\$ 3,796,481</u>
Liabilities	<u>3,438,767</u>	<u>3,207,819</u>	<u>2,994,356</u>
Unrestricted net position	<u><u>\$ 921,174</u></u>	<u><u>\$ 859,307</u></u>	<u><u>\$ 802,125</u></u>

The following table summarizes the Fund's activities for the fiscal years ended June 30:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Operating Revenues	\$ 71,473	\$ 66,688	\$ 100,149
Operating Expenses	9,606	9,506	7,295
Increase in net position	61,867	57,182	92,854
Net position, beginning of year	<u>859,307</u>	<u>802,125</u>	<u>709,271</u>
Total net position, end of year	<u><u>\$921,174</u></u>	<u><u>\$859,307</u></u>	<u><u>\$802,125</u></u>

REQUESTS FOR INFORMATION

Questions concerning the financial information included in this report or requests for additional information should be addressed to The Florida State University College of Business Student Investment Fund, Inc., 821 Academic Way, Tallahassee, FL 32306-1110.

**THE FLORIDA STATE UNIVERSITY COLLEGE OF BUSINESS
STUDENT INVESTMENT FUND, INC.
STATEMENTS OF NET POSITION
AS OF JUNE 30, 2020 AND 2019**

	2020	2019
ASSETS		
Cash and cash equivalents	\$ 61,801	\$ 13,246
Investments	4,298,140	4,053,880
Total assets	4,359,941	4,067,126
LIABILITIES		
Due to the Florida State University Foundation, Inc.	3,438,767	3,207,819
Total liabilities	3,438,767	3,207,819
NET POSITION		
Unrestricted	921,174	859,307
Total net position	\$ 921,174	\$ 859,307

**THE FLORIDA STATE UNIVERSITY COLLEGE OF BUSINESS
STUDENT INVESTMENT FUND, INC.
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

	2020	2019
REVENUES		
Interest and dividends	\$ 68,344	\$ 66,215
Net realized gains	284,572	34,001
Net unrealized gains (losses)	(50,494)	179,935
Less: current gains allocated to the Florida State University Foundation, Inc.	(230,949)	(213,463)
Total revenues	71,473	66,688
EXPEDITURES		
Investment fees and commissions	2,856	3,506
Professional fees	6,750	6,000
Total expenditures	9,606	9,506
Change in net position	61,867	57,182
Net position, beginning of year	859,307	802,125
Net position, end of year	\$ 921,174	\$ 859,307

**THE FLORIDA STATE UNIVERSITY COLLEGE OF BUSINESS
STUDENT INVESTMENT FUND, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash paid to vendors	\$ (6,750)	\$ (6,297)
Net cash (used in) operating activities	(6,750)	(6,297)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for investments	(2,076,498)	(2,659,046)
Cash proceeds from investments	2,131,803	2,652,345
Net cash provided by (used in) investing activities	55,305	(6,701)
Net increase (decrease) in cash and cash equivalents	48,555	(12,998)
Cash and cash equivalents at beginning of year	13,246	26,244
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 61,801	\$ 13,246
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
OPERATING INCOME	\$ 61,867	\$ 57,182
Adjustments to reconcile operating income to net cash used by operating activities:		
Net investment income	(299,565)	(276,942)
Change in assets and liabilities		
Increase in amount due to The Florida Statute University Foundation, Inc.	230,948	213,463
Net cash (used in) operating activities	\$ (6,750)	\$ (6,297)

**THE FLORIDA STATE UNIVERSITY COLLEGE OF BUSINESS
STUDENT INVESTMENT FUND, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019**

NOTE 1: <i>Summary of Significant Accounting Policies</i>
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Organization

The Florida State University College of Business, Student Investment Fund Inc. (the Fund) is a not-for-profit corporation organized and operated as a direct-support organization of the Florida State University under Section 1004.28, Florida Statutes, to enrich student education through active participation in financial markets. Students assist in stock management of a real portfolio, gaining hands-on money management experience.

Basis of Presentation

As a component unit of the University, the Fund prepares its financial statements according to the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements – and Management’s Discussion and Analysis – for Public Colleges and Universities*. This statement establishes accounting and financial reporting standards for public colleges and universities within the financial reporting guidelines of GASB statement No. 34, *Basic Financial Statements-and Management’s Discussion and Analysis -for State and Local Governments*. These standards require public institutions to present management’s discussion and analysis (MD&A), basic financial statements, notes to the financial statements, and required supplementary information other than MD&A.

These standards require the net position be classified into three categories as defined below:

- Net investment in capital assets – Consists of capital assets, net of accumulated depreciation, reduced by any outstanding balances of debt attributable to those assets. The fund did not have net investment in capital assets as of June 30, 2020 and 2019.

- Restricted – Consists of assets that have constraints placed upon their use either by external donors, creditors, or through laws, regulations, or constraints imposed by law through constitutional provisions or enabling legislation, reduced by any liabilities to be paid from these assets. Restricted net position consists of capital contributions received for specific future capital projects. The fund did not have any restricted net positions as of June 30, 2020 and 2019.

- Unrestricted – Consists of assets that are available to the Fund for any use.

NOTE 1: <i>Summary of Significant Accounting Policies (continued)</i>
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Reporting Entity

In 2018, the Florida legislature passed, and the governor signed into law Chapter 2018-004, Laws of Florida, a provision that changed Section 1004.28, Florida Statutes, which addresses university direct support organizations (DSO). With this change, the University Board of Trustees has to approve all DSO board members, and the University has control of the board of the DSO. As a result of these changes, these financial statements are presented under the GASB reporting model. This change in presentation did not have an effect on net position.

In defining the Fund for financial reporting purposes, management has applied the requirements of *Governmental Accounting Standards Board Statement (GASB) No. 14, the Financial Reporting Entity and GASB No. 61, the Financial Reporting Entity, Omnibus*. These statements establish the basis for the reporting entity and whether it is considered a component unit of another entity. The Fund would be a component unit of another entity if it is financially accountable to that unit. Financial accountability occurs when an entity appoints a voting majority of the board of the potential component unit and (1) is able to impose its will on the potential component unit and/or (2) is fiscally dependent and is in a relationship of financial benefit or burden with the potential component unit. An entity would also be considered financially accountable if the potential component unit is fiscally dependent and there is a financial benefit or burden relationship, regardless of whether the entity appoints the voting majority of the potential component unit's board. The Fund is a direct support organization of the Florida State University and has met the criteria necessary to be considered a component unit of the University.

Measurement Focus and Basis of Accounting

The Fund is presented as a component unit of the Florida State University. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when the liability is incurred, regardless of the timing of the related cash flows. Revenues, expenses, income, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Income Taxes

The Fund is a not-for-profit tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509(a)(1). The Fund is exempt from income taxes, except on net income from unrelated business activities. Accordingly, there is no provision for income taxes in these financial statements.

NOTE 1: Summary of Significant Accounting Policies (continued)

Cash Equivalents

The Fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Fund maintains a cash balance at one financial institution. Accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. As of June 30, 2020, and 2019, the Fund had no uninsured cash balances.

Investments

The Fund carries all investments in debt and equity securities with readily determinable fair values at their fair values based on quoted market prices in active markets. Unrealized gains and losses are included in the change in net position in the accompanying statement of revenues, expenses, and changes in net position. The following are required risk disclosures applicable to the Fund's investments:

Credit Risk — Credit risk exists when there is a possibility that the issuer or other counterparty to an investment may be unable to fulfill its obligations. The Fund does not have a formal investment policy with respect to credit risk.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investments in a single issuer. The fund's investment policy does not allow for investments in any one issuer that is more than 5 percent of total investments.

Custodial Credit Risk — For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Fund's investments are insured and registered in the Fund's name.

Interest Rate Risk — Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The Fund does not have a formal policy with respect to interest rate risk.

The Fund manages investments with focus on four main functions: long-term trading, short-term trading, risk management, and economic forecasting. The Fund aims to achieve portfolio returns in excess of a benchmark that combines the Financial Times Stock Exchange Global All Cap Index (80%) and the Barclays U.S. Aggregate Bond Index (20%). The Fund diversifies its investments among various financial instruments and asset categories and uses multiple investment strategies. Key decisions in this regard are made by the Fund's faculty advisors and student managers.

NOTE 1: *Summary of Significant Accounting Policies (continued)*

Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results may differ from those estimates.

Due to The Florida State University Foundation, Inc.

The Florida State University Foundation, Inc. (the Foundation) is the primary financial supporter of the Fund. In prior years, the Foundation invested \$2,000,000 in the Fund to support its program. Investment income is allocated between the Fund and the amount due to the Foundation based on their respective weighted average balances. The investment principal and accrued earnings of the Foundation may be withdrawn by the Foundation at its discretion.

Recent Accounting Pronouncements

The GASB has issued new accounting guidance or modifications to, or interpretations of, existing accounting guidance. The Fund has considered the new guidance and does not believe it will have a material impact on the Fund's reported financial position or activities in the near term.

NOTE 2: *Fair Value Measurements*

The Fund prepares its financial statements according to the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*. This statement addresses accounting and financial reporting issues related to fair value measurements. Fair value is defined as 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.

In determining the fair value, the Fund uses various methods including market, income and cost approaches. Based on these approaches, the Fund often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated or generally unobservable inputs. The Fund uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on observability of the inputs used in the valuation techniques, the Fund is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values.

NOTE 2: Fair Value Measurements (continued)

The Fund categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and are disclosed in one of the following three categories:

- Level 1 inputs are quoted prices in active markets for identical assets.
- Level 2 inputs are observable, either directly or indirectly, such as quoted prices for similar assets, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the same term of the asset. The Fund has no investments valued using level 2 inputs.
- Level 3 inputs are significant unobservable inputs. The Fund has no investments valued using level 3 inputs.

All transfers between fair value hierarchy levels are recognized by the Fund at the end of each reporting period. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment. The inputs or methodology used for valuing financial instruments are not necessarily an indication of the risks associated with investment in those instruments.

The Fund's investments carried at fair value as of June 30, 2020 and 2019 are summarized as follows:

June 30, 2020				
Investment type	Level 1	Level 2	Level 3	Total
Stocks	\$4,108,815	\$ -	\$ -	\$4,108,815
Mutual funds	189,325	-	-	189,325
	\$4,298,140	\$ -	\$ -	\$4,298,140

June 30, 2019				
Investment type	Level 1	Level 2	Level 3	Total
Stocks	\$3,872,692	\$ -	\$ -	\$3,872,692
Mutual funds	181,188	-	-	181,188
	\$4,053,880	\$ -	\$ -	\$4,053,880

The fair value of cash and cash equivalents approximates carrying value, principally because of the short maturity of this item. While the Fund believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value as of the reporting date.

NOTE 3: *Due to The Florida State University*

As of June 30, 2020 and 2019, The Florida State University Foundation, Inc. has invested \$2,000,000 in the Fund. Net earnings of the Fund have increased the value of this investment to \$3,438,767 and \$3,207,819 as of June 30, 2020 and 2019, respectively. The allocation of current gains to the Foundation was \$230,949 and \$213,463, respectively, for the years ended June 30, 2020 and 2019.

NOTE 4: *Uncertain Tax Positions*

Management is not aware of any activities that would jeopardize the Fund's tax-exempt status, and believes it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements as of and for the years ended June 30, 2020 and 2019.

The Fund is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods.

NOTE 5: *Subsequent Events*

Subsequent events were reviewed through July 21, 2020, which is the date which the financial statements were available to be issued. In early 2020, an outbreak of a novel strain of coronavirus (COVID-19) emerged globally. As a result, events have occurred domestically in the United States and globally, including mandates from federal, state and local authorities, leading to an overall decline in economic activity. The ultimate impact of the epidemic on the 2020 financial performance of the Fund cannot be reasonably estimated at this time.

**REPORTS REQUIRED UNDER
*GOVERNMENTAL AUDITING STANDARDS***

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
MANAGEMENT CONSULTANTS

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

To the Board of Directors
The Florida State University College of Business Student Investment Fund, Inc.
Tallahassee, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Florida State University College of Business Student Investment Fund, Inc. (the Fund), a direct support organization and component unit of The Florida State University, which comprise the statements of net position as of June 30, 2020 and 2019, and the related statements of revenues, expenses, and changes in net position, and cash flows for the years then ended and the related notes to the financial statements, which collectively comprise the Fund’s basic financial statements and have issued our report thereon dated July 21, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fund’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund’s internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Lanigan & Associates, PC

Tallahassee, Florida
July 21, 2020