

**FLORIDA 4-H CLUB FOUNDATION, INC.**

**FINANCIAL STATEMENTS**

**MARCH 31, 2021 AND 2020**

**FLORIDA 4-H CLUB FOUNDATION, INC.**  
**TABLE OF CONTENTS**  
**MARCH 31, 2021 AND 2020**

	<u>Page(s)</u>
<b>Independent Auditors' Report</b>	1 – 2
<b>Management's Discussion and Analysis</b>	3 – 6
<b>Financial Statements</b>	
Statements of Net Position	7
Statements of Revenues, Expenses and Changes in Net Position	8 – 9
Statements of Cash Flows	10
Notes to Financial Statements	11 – 18
<b>Independent Auditors' Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i></b>	19 – 20

## INDEPENDENT AUDITOR'S REPORT

To the Audit and Finance Committee,  
Florida 4-H Club Foundation, Inc.:

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

We have audited the accompanying financial statements of the Florida 4-H Club Foundation, Inc. (the Foundation), a direct-support organization and component unit of the University of Florida, as of and for the years ended March 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

The Foundation's 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.

- 1 -

121 Executive Circle  
Daytona Beach, FL 32114-1180  
Telephone: 386-257-4100

133 East Indiana Avenue  
DeLand, FL 32724-4329  
Telephone: 386-738-3300

5931 NW 1st Place  
Gainesville, FL 32607-2063  
Telephone: 352-378-1331

2477 Tim Gamble Place, Suite 200  
Tallahassee, FL 32308-4386  
Telephone: 850-386-6184

## ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of March 31, 2021 and 2020, 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.

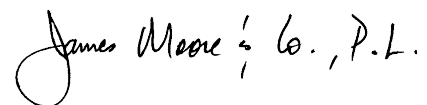
## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, 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 the 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 June 3, 2021, on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Foundation's internal control over financial reporting and compliance.



Gainesville, Florida  
June 3, 2021

**FLORIDA 4-H CLUB FOUNDATION, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
MARCH 31, 2021 AND 2020**

The Florida 4-H Club Foundation, Inc.'s (the Foundation) discussion and analysis is designed to assist the reader in focusing on an overview of financial activities, identify changes in the financial position, identify any material deviations from the financial plan, and identify issues and concerns. Since the Management Discussion and Analysis is intended to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the financial statements attached.

Incorporated in 1963, the Foundation is a tax-exempt non-profit foundation approved under Section 501(c)(3) of the Internal Revenue Code 170(b) (1). The Foundation is governed by a Board of Directors comprised of volunteer members and appointed University administration. Designated a Direct Support Organization, the Foundation is operated according to State University System rules, pursuant to Florida Statutes § 1004.24. It maintains a separate not-for-profit status and is authorized to receive, hold, invest, and administer property and make expenditures benefiting the University of Florida's 4-H Youth Development Program. The Foundation relies on contributions from the public and serves as fiscal agent for the Florida 4-H program activities. The Foundation manages funds for three residential camps and many state-level educational programs, competitive events, and recognition functions.

The Foundation's Mission: To passionately support Florida 4-H through advocacy, collaboration and funding.

The Foundation's Vision: To be the recognized champion of Florida 4-H.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

The annual report consists of a series of financial statements:

- The Balance Sheet and the Statement of Revenues, Expenses and Changes in Net Position provide information about the activities of the Foundation and present a longer-term view of the Foundation's financial position.
- The Statement of Cash Flows provides information regarding net cash from and used in 4-H programs and activities.

## **FINANCIAL ANALYSIS**

Operating revenues were \$155,822 for the fiscal year ending March 31, 2021, \$1,329,321 for the fiscal year ending March 31, 2020, and \$1,284,894 for the fiscal year ending March 31, 2019, generating an operating loss of (\$404,522), (\$180,016), and (\$273,096) respectively. Net cash flows from operations were (\$454,977), (\$139,497), and (\$244,791) respectively.

The following select information was derived from the Foundation's complete set of financial statements. It is presented to support management's analysis of the financial position and the results of operations that follow this information.

**FLORIDA 4-H CLUB FOUNDATION, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**MARCH 31, 2021 AND 2020**  
(Continued)

**The Foundation's Net Position**

	<b>2021</b>	<b>2020</b>	<b>2019</b>
<b>Total Assets</b>	<u>\$4,050,397</u>	<u>\$3,180,821</u>	<u>\$3,372,789</u>
<b>Total Liabilities</b>	\$26,117	\$121,953	\$63,230
<b>Net Position</b>			
Unrestricted	\$3,563,007	\$2,681,241	\$2,912,700
Restricted Expendable	<u>\$461,273</u>	<u>\$377,627</u>	<u>\$396,859</u>
<b>Total Liabilities and Net Position</b>	<u>\$4,050,397</u>	<u>\$3,180,821</u>	<u>\$3,372,789</u>

**The Foundation's Operations**

<b>Operating Revenue</b>			
Contributions	\$92,014	\$125,446	\$173,709
Other Operating Income	<u>\$63,808</u>	<u>\$1,203,875</u>	<u>\$1,111,185</u>
<b>Total Operating Revenues</b>	<u>\$155,822</u>	<u>\$1,329,321</u>	<u>\$1,284,894</u>
<b>Non-operating Revenues (Expenses)</b>	<u>\$1,157,527</u>	<u>(\$257,095)</u>	<u>\$118,644</u>
<b>Total Revenues</b>	<u>\$1,313,349</u>	<u>\$1,072,226</u>	<u>\$1,403,538</u>
<b>Operating Expenses</b>			
4-H Camping	\$280,305	\$720,753	\$747,744
4-H Programs	\$127,668	\$620,362	\$700,929
Scholarships	\$18,467	\$19,900	\$21,600
Management and General	\$133,904	\$144,085	\$79,719
Donor Stewardship/Cultivation	<u>\$0</u>	<u>\$4,237</u>	<u>\$7,998</u>
<b>Total Operating Expenses</b>	<u>\$560,344</u>	<u>\$1,509,337</u>	<u>\$1,557,990</u>
<b>Excess (Deficiency)</b>	<u>\$753,005</u>	<u>(\$437,111)</u>	<u>(\$154,452)</u>
<b>Net Transfers in</b>	<u>\$212,407</u>	<u>\$186,420</u>	<u>\$198,330</u>
<b>Net Changes</b>	<u>\$965,412</u>	<u>(\$250,691)</u>	<u>\$43,878</u>
<b>Beginning Net Position</b>	<u>\$3,058,868</u>	<u>\$3,309,559</u>	<u>\$3,265,681</u>
<b>Ending Net Position</b>	<u>\$4,024,280</u>	<u>\$3,058,868</u>	<u>\$3,309,559</u>

**FLORIDA 4-H CLUB FOUNDATION, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**MARCH 31, 2021 AND 2020**  
(Continued)

There are several areas that have changed and are note-worthy from 2020 to 2021. The following will explain these changes:

- Unrestricted Net Position and Non-operating Revenues (Expenses) – increased due to above average market growth in investments.
- Other Operating Income – decreased due to the COVID 19 Pandemic. All camps were closed and face to face statewide events were canceled for most of FY2021. Florida 4-H held various virtual events but very few had registration fees. This significantly reduced the revenue.
- Total Operating Expenses – also decreased due to the COVID 19 Pandemic. With the camps closed and face to face events canceled, the expenses were significantly reduced.
- Management and General – these expenses are mostly set cost so the COVID 19 Pandemic had very little effect on these expenses.

There are several areas that have changed and are note-worthy from 2019 to 2020. The following will explain these changes:

- Other Operating Income – increased due to utilizing 4-H Membership Fees for 4-H programs, Summer Camp food discounts and Camp Scholarships for underprivileged youth. Also utilized funding from University of Florida for 4-H traveling to state events in FY2020 but not in FY2019. All of which were administered from the Florida 4-H Foundation in FY2020.
- Non-Operating Revenues – decreased due to investments fluctuating from market volatility.
- Operating Expenses –
  - 4-H Programs – decreased due to moving the National 4-H Engagement campaign expenses to Management and General which was a better category for this expense. This area also decreased due to start-up funding in FY2019 for the Life Ready Program.
  - Management and General – increased due to moving the National 4-H Engagement campaign expenses from 4-H Programs which was a lesser suited category for this expense. This area also increased due to more funding for payroll from the University of Florida in FY2019.

**FLORIDA 4-H CLUB FOUNDATION, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**MARCH 31, 2021 AND 2020**  
(Continued)

**HOW THE FOUNDATION IMPACTS THE 4-H PROGRAM**

The Foundation is a Direct Support Organization to the University of Florida, with the sole purpose of supporting the statewide UF/IFAS Extension 4-H Youth Development Program through its fundraising efforts and fiscal agent responsibilities.

The directors of the Foundation serve three key roles in carrying out its mission:

- (1) Directors have a fiduciary responsibility to carry out the Foundation's mission and provide diligent stewardship of its assets.
- (2) Directors are responsible for the growth of the Foundation's assets through fundraising efforts and the development of resources to support Florida 4-H.
- (3) Directors are informed and positive advocates of the 4-H Foundation and the UF/IFAS Extension 4-H Youth Development Program it supports.

**CONTACTING THE FOUNDATION'S FINANCIAL MANAGEMENT**

This financial report is designed to provide the Foundation's Board of Directors, creditors, and the Board of Trustees of the University of Florida with a general overview of the Foundation's finances. If you have questions regarding this report or need additional information, please contact the Foundation's Office at (352) 294-2913.



**FLORIDA 4-H CLUB FOUNDATION, INC.**  
**STATEMENTS OF NET POSITION**  
**MARCH 31, 2021 AND 2020**

	<b>2021</b>	<b>2020</b>
<b><u>ASSETS</u></b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 139,380	\$ 194,642
Investments	3,870,861	2,788,169
Funds held with the University of Florida	128	112,601
Prepaid expenses	-	30,526
Accounts receivable	15,606	22,273
Inventory	24,422	32,610
Total current assets	4,050,397	3,180,821
<b>Total assets</b>	<b>\$ 4,050,397</b>	<b>\$ 3,180,821</b>
<b><u>LIABILITIES AND NET POSITION</u></b>		
<b>Current liabilities</b>		
Accounts payable and accrued expenses	\$ 24,598	\$ 43,644
Due to the University of Florida	-	73,540
Deposits	1,519	4,769
Total current liabilities	26,117	121,953
<b>Net position</b>		
Unrestricted	3,563,007	2,683,018
Restricted - expendable	461,273	375,850
Total net position	4,024,280	3,058,868
<b>Total liabilities and net position</b>	<b>\$ 4,050,397</b>	<b>\$ 3,180,821</b>

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

**FLORIDA 4-H CLUB FOUNDATION, INC.**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED MARCH 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<b>Operating revenue</b>		
Contributions	\$ 92,014	\$ 125,446
Registration fees	58,662	1,132,229
Canteen	395	5,455
Other operating revenue	4,751	66,191
Total operating revenue	<u>155,822</u>	<u>1,329,321</u>
<b>Operating expenses</b>		
Program expenses:		
Food and beverage	10,203	165,886
Salary and related expenses	190,550	437,164
Insurance	474	18,076
General program expenses	64,662	340,962
Canteen	3,110	16,234
General and administrative	23,685	30,842
Repairs and maintenance	55,574	100,466
Office supplies	2,656	6,308
Awards	31,408	66,801
Scholarships	18,467	19,900
Consulting/Judging	-	25,789
Travel	8,394	74,072
Donations	17,257	58,517
Management and general:		
Salary and related expenses	103,200	74,705
Insurance	160	160
Meetings and seminar expenses	1,395	8,764
General and administrative	27,821	33,654
Office supplies	725	1,573
Fundraising	-	3,447
Donor stewardship	-	4,237
Auditing and accounting	-	17,500
Repairs and maintenance	38	1,109
Travel	565	3,171
Total operating expenses	<u>560,344</u>	<u>1,509,337</u>
<b>Operating loss</b>	<u>(404,522)</u>	<u>(180,016)</u>

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

**FLORIDA 4-H CLUB FOUNDATION, INC.**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED MARCH 31, 2021 AND 2020**

(Continued)

	<b>2021</b>	<b>2020</b>
<b>Nonoperating revenue</b>		
Investment income (loss)	\$ 1,157,527	\$ (257,095)
Transfers from University of Florida Foundation	212,407	186,420
Total nonoperating revenue	1,369,934	(70,675)
<b>Change in net position</b>	965,412	(250,691)
<b>Net position, beginning of year</b>	3,058,868	3,309,559
<b>Net position, end of year</b>	\$ 4,024,280	\$ 3,058,868

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

**FLORIDA 4-H CLUB FOUNDATION, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED MARCH 31, 2021 AND 2020**

	<b>2021</b>	<b>2020</b>
<b>Cash flows from operating activities</b>		
Contributions received	\$ 92,014	\$ 125,446
Cash received from registration fees	62,079	1,141,862
Cash received from canteen	395	5,455
Payments to vendors	(330,193)	(936,934)
Payments for salaries and benefits	(284,023)	(541,517)
Cash received from other revenue	4,751	66,191
Net cash provide by (used in) operating activities	(454,977)	(139,497)
<b>Cash flows from investing activities</b>		
Transfers from University of Florida Foundation	212,407	186,420
Cash received from dividends and interest	218,208	51,891
Purchases of securities	(335,290)	(1,941,676)
Proceeds from sale of securities	304,390	1,376,114
Net cash provided by (used in) investing activities	399,715	(327,251)
<b>Net decrease in cash and cash equivalents</b>	(55,262)	(466,748)
<b>Cash and cash equivalents, beginning of year</b>	194,642	661,390
<b>Cash and cash equivalents, end of year</b>	\$ 139,380	\$ 194,642
<b>Reconciliation of operating loss to net cash used in operating activities</b>		
Operating loss	\$ (404,522)	\$ (180,016)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Changes in assets and liabilities:		
Accounts receivable	6,667	6,869
Prepaid expenses	30,526	(16,923)
Inventory	8,188	(8,150)
Accounts payable	(19,046)	(17,581)
Due to University of Florida	(73,540)	73,540
Camp deposits	(3,250)	2,764
Net cash used in operating activities	\$ (454,977)	\$ (139,497)

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