

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**



**For the Years Ended June 30, 2022 and 2021**

**CARROLL and COMPANY**  
**CERTIFIED PUBLIC ACCOUNTANTS**

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**CARROLL and COMPANY**  
**CERTIFIED PUBLIC ACCOUNTANTS**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
The Florida College System Foundation, Inc.  
Tallahassee, Florida

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statements of The Florida College System Foundation, Inc. (a nonprofit organization) (the Foundation) which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Florida College System Foundation, Inc. as of June 30, 2022 and 2021, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation 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 opinions.

***Responsibilities of Management for the Financial Statements***

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

To the Board of Directors  
The Florida College System Foundation, Inc.  
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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

To the Board of Directors  
The Florida College System Foundation, Inc.  
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We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control related matters that we identified during the audits.

***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of financial position by fund, activities by fund, and benefits to the college foundations on pages 24 – 28 are presented for purposes of additional analysis and are 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 the 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.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 22, 2023, 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 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 Foundation'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 Foundation's internal control over financial reporting and compliance.

*Carroll and Company*

February 22, 2023

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2022 and 2021**

---

**2022**

***ASSETS***

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 122,892	\$ 1,862,778	\$ 1,985,670
Accounts receivable, net	973	-0-	973
Grants receivable	-0-	566,567	566,567
Investments	<u>-0-</u>	<u>7,144,976</u>	<u>7,144,976</u>
TOTAL CURRENT ASSETS	<u>123,865</u>	<u>9,574,321</u>	<u>9,698,186</u>
<b>NONCURRENT ASSETS</b>			
Cash and cash equivalents restricted for endowment purposes	-0-	2,230	2,230
Investments restricted for endowment purposes	-0-	16,000,000	16,000,000
Equipment, net	<u>6,437</u>	<u>-0-</u>	<u>6,437</u>
TOTAL NONCURRENT ASSETS	<u>6,437</u>	<u>16,002,230</u>	<u>16,008,667</u>
TOTAL ASSETS	<u>\$ 130,302</u>	<u>\$25,576,551</u>	<u>\$25,706,853</u>

***LIABILITIES AND NET ASSETS***

<b>LIABILITIES</b>			
Accounts payable	\$ <u>-0-</u>	\$ <u>783</u>	\$ <u>783</u>
TOTAL LIABILITIES	<u>-0-</u>	<u>783</u>	<u>783</u>
NET ASSETS	<u>130,302</u>	<u>25,575,768</u>	<u>25,706,070</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 130,302</u>	<u>\$25,576,551</u>	<u>\$25,706,853</u>

See accompanying notes.

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**  
**June 30, 2022 and 2021**

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**2021**

***ASSETS***

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 111,568	\$ 2,470,229	\$ 2,581,797
Accounts receivable, net	1,054	-0-	1,054
Investments	<u>-0-</u>	<u>12,351,831</u>	<u>12,351,831</u>
TOTAL CURRENT ASSETS	<u>112,622</u>	<u>14,822,060</u>	<u>14,934,682</u>
<b>NONCURRENT ASSETS</b>			
Cash and cash equivalents restricted for endowment purposes	-0-	2,230	2,230
Investments restricted for endowment purposes	-0-	16,000,000	16,000,000
Equipment, net	<u>6,581</u>	<u>4,741</u>	<u>11,322</u>
TOTAL NONCURRENT ASSETS	<u>6,581</u>	<u>16,006,971</u>	<u>16,013,552</u>
TOTAL ASSETS	<u>\$ 119,203</u>	<u>\$ 30,829,031</u>	<u>\$ 30,948,234</u>

***LIABILITIES AND NET ASSETS***

<b>LIABILITIES</b>			
Accounts payable	\$ <u>1,053</u>	\$ <u>240</u>	\$ <u>1,293</u>
TOTAL LIABILITIES	<u>1,053</u>	<u>240</u>	<u>1,293</u>
NET ASSETS	<u>118,150</u>	<u>30,828,791</u>	<u>30,946,941</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 119,203</u>	<u>\$ 30,829,031</u>	<u>\$ 30,948,234</u>

See accompanying notes.

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**STATEMENTS OF ACTIVITIES**  
**For the Years Ended June 30, 2022 and 2021**

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**2022**

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
<b>SUPPORT AND REVENUE</b>			
Grants	\$ 10,000	\$ 950,000	\$ 960,000
In-kind contributions	180,546	-0-	180,546
Contributions	30,022	-0-	30,022
Other income	106	-0-	106
Investment return, net	16	(4,548,742)	(4,548,726)
Net assets released from restrictions	<u>1,654,281</u>	<u>(1,654,281)</u>	<u>-0-</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>1,874,971</u>	<u>(5,253,023)</u>	<u>(3,378,052)</u>
<b>OPERATING EXPENSES</b>			
Program services:			
Helios First Generation			
Scholars program	534,394	-0-	534,394
Florida Blue Scholarship Program	478,385	-0-	478,385
Dream Makers program	185,582	-0-	185,582
Other programs	410,769	-0-	410,769
Supporting services:			
Management and general	<u>253,689</u>	<u>-0-</u>	<u>253,689</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>1,862,819</u>	<u>-0-</u>	<u>1,862,819</u>
<b>CHANGE IN NET ASSETS</b>	12,152	(5,253,023)	(5,240,871)
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>118,150</u>	<u>30,828,791</u>	<u>30,946,941</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 130,302</u>	<u>\$25,575,768</u>	<u>\$25,706,070</u>

See accompanying notes.



**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**STATEMENTS OF ACTIVITIES (CONTINUED)**  
**For the Years Ended June 30, 2022 and 2021**

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**2021**

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
<b>SUPPORT AND REVENUE</b>			
Grants	\$ -0-	\$ 1,035,000	\$ 1,035,000
In-kind contributions	191,814	31,500	223,314
Contributions	20,000	-0-	20,000
Other income	-0-	37	37
Investment return, net	(1,195)	7,674,665	7,673,470
Net assets released from restrictions	<u>2,354,755</u>	<u>(2,354,755)</u>	<u>-0-</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>2,565,374</u>	<u>6,386,447</u>	<u>8,951,821</u>
<b>OPERATING EXPENSES</b>			
Program services:			
Helios First Generation			
Scholars program	507,369	-0-	507,369
Florida Blue Scholarship Program	442,318	-0-	442,318
Dream Makers program	171,933	-0-	171,933
Other programs	1,140,968	-0-	1,140,968
Supporting services:			
Management and general	<u>227,994</u>	<u>-0-</u>	<u>227,994</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>2,490,582</u>	<u>-0-</u>	<u>2,490,582</u>
<b>CHANGE IN NET ASSETS</b>	74,792	6,386,447	6,461,239
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>43,358</u>	<u>24,442,344</u>	<u>24,485,702</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 118,150</u>	<u>\$30,828,791</u>	<u>\$30,946,941</u>

See accompanying notes.

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**For the Years Ended June 30, 2022 and 2021**

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**2022**

	<b>Program Services</b>				<b>Supporting Services</b>	
	<b>Helios First Generation Scholars Program</b>	<b>Florida Blue Scholarship Program</b>	<b>Dream Makers Program</b>	<b>Other Programs</b>	<b>Management &amp; General</b>	<b>Total</b>
Awards and recognition	\$ 534,394	\$ 478,385	\$ 185,582	\$ 20,264	\$ 540	\$ 1,219,165
In-kind	-0-	-0-	-0-	-0-	180,546	180,546
Meetings and conferences	-0-	-0-	-0-	155,768	24,346	180,114
Consulting	-0-	-0-	-0-	111,750	-0-	111,750
Professional fees	-0-	-0-	-0-	79,030	-0-	79,030
Project and workgroups	-0-	-0-	-0-	29,064	-0-	29,064
Accounting and legal	-0-	-0-	-0-	-0-	17,896	17,896
Advertising	-0-	-0-	-0-	252	15,719	15,971
Office expenses	-0-	-0-	-0-	7,272	4,853	12,125
Travel	-0-	-0-	-0-	4,896	3,190	8,086
Miscellaneous	-0-	-0-	-0-	49	3,282	3,331
Depreciation	-0-	-0-	-0-	-0-	3,317	3,317
Communications	-0-	-0-	-0-	2,424	-0-	2,424
	<u>\$ 534,394</u>	<u>\$ 478,385</u>	<u>\$ 185,582</u>	<u>\$ 410,769</u>	<u>\$ 253,689</u>	<u>\$ 1,862,819</u>

*See accompanying notes.*

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES (CONTINUED)**  
**For the Years Ended June 30, 2022 and 2021**

**2021**

	<u>Program Services</u>				<u>Supporting Services</u>	
	<u>Helios First Generation Scholars Program</u>	<u>Florida Blue Scholarship Program</u>	<u>Dream Makers Program</u>	<u>Other Programs</u>	<u>Management &amp; General</u>	<u>Total</u>
Awards and recognition	\$ 507,369	\$ 442,318	\$ 171,933	\$ 899,868	\$ 4,803	\$ 2,026,291
In-kind	-0-	-0-	-0-	31,500	191,814	223,314
Project and workgroups	-0-	-0-	-0-	65,978	-0-	65,978
Consulting	-0-	-0-	-0-	51,500	750	52,250
Meetings and conferences	-0-	-0-	-0-	26,881	4,649	31,530
Advertising	-0-	-0-	-0-	29,616	269	29,885
Payroll	-0-	-0-	-0-	23,752	-0-	23,752
Accounting and legal	-0-	-0-	-0-	-0-	18,958	18,958
Office expenses	-0-	-0-	-0-	6,542	2,075	8,617
Communications	-0-	-0-	-0-	5,331	-0-	5,331
Depreciation	-0-	-0-	-0-	-0-	3,592	3,592
Miscellaneous	-0-	-0-	-0-	-0-	1,084	1,084
	<u>\$ 507,369</u>	<u>\$ 442,318</u>	<u>\$ 171,933</u>	<u>\$ 1,140,968</u>	<u>\$ 227,994</u>	<u>\$ 2,490,582</u>

See accompanying notes.

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**STATEMENTS OF CASH FLOWS**  
**For the Years Ended June 30, 2022 and 2021**

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	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (5,240,871)	\$ 6,461,239
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	3,317	3,592
Loss on disposal of equipment	1,568	-0-
Net realized and unrealized loss (gain) on investments	5,130,278	(7,160,473)
(Increase) decrease in:		
Accounts receivable, net	81	26,377
Grants receivable	(566,567)	300,067
Increase (decrease) in:		
Accounts payable	<u>(510)</u>	<u>(1,456)</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>(672,704)</u>	<u>(370,654)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(3,485,582)	(5,211,361)
Proceeds from sale of investments	3,231,159	6,205,707
Proceeds from maturity of investments	<u>331,000</u>	<u>250,000</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>76,577</u>	<u>1,244,346</u>
NET (DECREASE) INCREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(596,127)	873,692
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH BEGINNING OF YEAR	<u>2,584,027</u>	<u>1,710,335</u>
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH END OF YEAR	<u>\$ 1,987,900</u>	<u>\$ 2,584,027</u>

*See accompanying notes.*

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

***Nature of the Organization***

The Florida College System Foundation, Inc. (the Foundation) is a direct-support organization operated exclusively for charitable, cultural, scientific, and educational purposes. The mission of the Foundation is to secure and manage public and private resources to provide optimal benefit to Florida's 28 colleges, thereby supporting students who are seeking a higher education that will positively impact their lives and the future of their communities. In accordance with Florida Statute 1004.71, the State Board of Education permits the use of property, equipment, and personal services of the Division of Florida Colleges to assist in the operation of the Foundation.

***Basis of Accounting***

The Foundation's financial statements are presented on the accrual basis of accounting.

***Basis of Presentation***

In accordance with accounting principles generally accepted in the United States of America, the Foundation is required to report information regarding its financial position and activities according to the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor (or certain grantor) restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

***Revenue and Revenue Recognition***

Revenue is recognized when earned. Contributions are recognized when cash, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Revenue and Revenue Recognition (Continued)***

Unconditional promises to give are recognized as revenues or gains in the period received.

Conditional grants and contributions are recognized as revenues when the conditions on which they depend have been substantially met. Amounts received in advance of satisfaction of conditions are recorded as refundable advances.

Revenues received in advance of the period in which they are earned are deferred to subsequent years. Deferred revenues are recognized as income at the later of either the date collected or on the day the performance obligation has been fulfilled.

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

***Cash, Cash Equivalents, and Restricted Cash***

For purposes of the statements of cash flows, the Foundation considers all unrestricted highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the statements of cash flows to the sum of the corresponding amounts within the statements of financial position:

	<u><b>2022</b></u>	<u><b>2021</b></u>
Cash and cash equivalents	\$ 1,985,670	\$ 2,581,797
Cash and cash equivalents restricted for endowments	<u>2,230</u>	<u>2,230</u>
Total cash, cash equivalents and restricted cash	<u><u>\$ 1,987,900</u></u>	<u><u>\$ 2,584,027</u></u>

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Investments***

The Foundation carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the accompanying statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

***Equipment***

Equipment is carried at historical cost. The Foundation capitalizes equipment having a useful life of more than one year and a cost of at least \$1,000. Maintenance and repairs are charged to expense as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

***Income Taxes***

The Foundation is a not-for-profit tax-exempt organization under Internal Revenue Code Section 501(c)(3), and has been classified as an organization that is not a private foundation under Section 509(a)(1). The Foundation is exempt from income taxes, except for any taxes which may arise from unrelated business income. There was no federal income tax expense on unrelated business income for the years ended June 30, 2022 and 2021.

***Advertising***

The Foundation expenses advertising costs as incurred. Advertising expense totaled \$15,971 and \$29,885 for the years ended June 30, 2022 and 2021, respectively.

***Functional Allocation of Expenses***

The costs of providing various programs and other activities have been presented on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain expenses have been allocated among the programs and supporting services benefited, based on direct expenses related to the programs and activities.

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Estimates***

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

**NOTE B – INVESTMENTS**

Investments consist of highly diversified portfolios that include equities, bonds, and mutual funds administered by Capital City Trust Company and RBC Wealth Management. These investments are carried at fair value and consist of the following as of June 30, 2022 and 2021:

Description	2022			2021		
	Cost	Fair Market Value	Unrealized Appreciation (Depreciation)	Cost	Fair Market Value	Unrealized Appreciation (Depreciation)
Equities	\$ 8,559,206	\$16,585,539	\$ 8,026,333	\$ 9,333,708	\$22,115,048	\$12,781,340
Government and corporate bonds and fixed income mutual funds	7,262,395	6,559,437	(702,958)	6,231,178	6,236,783	5,605
<b>TOTAL</b>	<b>\$15,821,601</b>	<b>\$23,144,976</b>	<b>\$ 7,323,375</b>	<b>\$15,564,886</b>	<b>\$28,351,831</b>	<b>\$12,786,945</b>

Total investment return for the years ended June 30, 2022 and 2021 consists of the following:

	2022	2021
Investment income, net	\$ 581,552	\$ 512,997
Net realized gain on sale of investments	584,383	912,777
Net unrealized (loss) gain on investments	(5,714,661)	6,247,696
	<b>\$ (4,548,726)</b>	<b>\$ 7,673,470</b>

For the years ended June 30, 2022 and 2021, investment expenses in the amount of \$220,908 and \$196,744, respectively, are netted against investment income.



**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022**

**NOTE C – FAIR VALUE MEASUREMENTS**

The Foundation follows the provisions of the Financial Accounting Standards Board’s Accounting Standards Codification Topic 820, *Fair Value Measurements and Disclosures* (ASC 820). ASC 820 establishes a common definition for fair value to be applied to U.S. generally accepted accounting principles requiring use of fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The standard establishes a fair value hierarchy about the assumptions used to measure fair value and clarifies assumptions about risk and the effect of a restriction on the sale or use of an asset. This standard does not require any new fair value measurements, but rather applies to all other accounting pronouncements that require or permit fair value measurements.

ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (or exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

ASC 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The standard describes three levels of inputs that may be used to measure fair value:

*Level 1:* Observable inputs such as quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

*Level 2:* Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly. These include quoted prices of similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities 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 assets or liabilities.

*Level 3:* Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following table presents the financial instruments carried at fair value as of June 30, 2022:

	Level 1	Level 2	Level 3	Total
Equities	\$16,585,539	–	–	\$16,585,539
Government and corporate bonds and fixed income mutual funds	\$ 6,559,437	–	–	6,559,437
				<b>\$23,144,976</b>

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022**

**NOTE C – FAIR VALUE MEASUREMENTS (Continued)**

The following table presents the financial instruments carried at fair value as of June 30, 2021:

	Level 1	Level 2	Level 3	Total
Equities	\$22,115,048	–	–	\$22,115,048
Government and corporate bonds and fixed income mutual funds	\$ 6,236,783	–	–	6,236,783
				<b>\$28,351,831</b>

The fair value of financial instruments including cash and cash equivalents, accounts receivable, grants receivable, and accounts payable approximates carrying value, principally because of the short maturity of those items.

While the Foundation 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 D – PROPERTY AND EQUIPMENT**

Property and equipment included the following as of June 30, 2022 and 2021:

	Estimated Useful Lives	2022	2021
Property and equipment	5 – 7 years	\$ 13,299	\$ 18,565
Less: Accumulated depreciation		(6,862)	(7,243)
<b>PROPERTY AND EQUIPMENT, net</b>		<b>\$ 6,437</b>	<b>\$ 11,322</b>

**NOTE E – CONCENTRATIONS OF CREDIT RISK**

The Foundation maintains cash balances at two financial institutions and two investment firms. The demand deposit accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000 as of June 30, 2022 and 2021. The Foundation's uninsured bank balances totaled \$729,186 and \$1,223,837 as of June 30, 2022 and 2021, respectively.

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022**

**NOTE E – CONCENTRATIONS OF CREDIT RISK (Continued)**

The investment firms utilized by the Foundation are members of the Securities Investors Protection Corporation, which provides protection up to \$500,000. As of June 30, 2022 and 2021, the Foundation’s uninsured cash balances held by investment firms totaled \$341,802 and \$588,158, respectively.

**NOTE F – NET ASSETS RELEASED FROM RESTRICTIONS**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes specified by the donor. Amounts released during the years ended June 30, 2022 and 2021 are as follows:

	2022	2021
Helios First Generation Scholars Fund	\$ 534,394	\$ 507,369
Florida Blue Scholarship Fund	478,385	442,318
Student Success Center Fund	190,972	228,151
Dream Makers Fund	185,582	171,933
SSC 2.0 Fund	126,621	-0-
BMFG Dual Enrollment Fund	89,759	-0-
Gates Convening Fund	28,052	500
SSC Now Fund	20,516	1,004,484
	<b>\$ 1,654,281</b>	<b>\$ 2,354,755</b>

**NOTE G – NET ASSETS WITH TIME AND PURPOSE RESTRICTIONS**

Net assets with time and purpose restrictions of \$9,573,538 and \$14,826,561 as of June 30, 2022 and 2021, respectively, are restricted primarily for scholarship assistance.

**NOTE H – NET ASSETS PERPETUAL IN NATURE**

The Foundation’s endowments consist of four donor-restricted funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The Foundation does not hold any funds designated by the Board of Directors to function as endowments. Net assets with donor restrictions that are perpetual in nature consist of the endowment funds described in Note I.

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022**

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**NOTE I – ENDOWMENT FUNDS**

An endowed scholarship fund was established in 2004 with a contribution of \$2,500,000 from Florida Blue, formerly Blue Cross and Blue Shield of Florida, Inc. In 2005, the Foundation received matching funds from the State of Florida Dr. Philip Benjamin Matching Grant Program totaling \$2,500,000. The principal shall remain intact and is not subject to withdrawals. The investment return from the endowment is designated for scholarship assistance. The principal balance as of June 30, 2022 and 2021 totaled \$5,000,000.

The Dream Makers Endowment Fund was established in 1999 with an original contribution of \$1,000,000 from Bank of America, formerly NationsBank, and matching funds of \$1,000,000 from the State of Florida. The principal shall remain intact and is not subject to withdrawals. The investment return from the endowment is designated for scholarship assistance. The principal balance as of June 30, 2022 and 2021 totaled \$2,000,000.

A general endowment was established in 1994 with a contribution of \$2,230 from Florida Citrus Mutual. The principal shall remain intact and is not subject to withdrawals. The investment return from the endowment is designated for scholarship assistance. The principal balance as of June 30, 2022 and 2021 totaled \$2,230.

In December 2006, the Helios Education Foundation established an endowment fund with a contribution totaling \$4,500,000. During fiscal year 2008, the Foundation received a match totaling \$4,500,000 from the State of Florida Dr. Philip Benjamin Matching Grant Program. The principal is to remain intact and is not subject to withdrawals. The investment return from the endowment is designated for scholarship assistance. The principal balance as of June 30, 2022 and 2021 totaled \$9,000,000.

***Interpretation of Relevant Law***

The Foundation's Board of Directors understands that the Uniform Prudent Management of Institutional Funds Act (UPMIFA) applies to all not-for-profit organizations incorporated in the State of Florida as of July 1, 2012.

***Endowment Net Asset Composition***

Endowment net assets consist of the following as of June 30:

	<u>2022</u>	<u>2021</u>
With donor restrictions	<u>\$16,002,230</u>	<u>\$16,002,230</u>

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022**

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**NOTE I – ENDOWMENT FUNDS (Continued)**

***Changes in Endowment Net Assets***

Changes in endowment net assets during the years ended June 30, 2022 and 2021 were as follows:

	<u>2022</u>	<u>2021</u>
Balance at beginning of year	\$ 16,002,230	\$ 16,002,230
Investment return, net	-0-	-0-
Contributions	-0-	-0-
Appropriation of endowment assets for expenditure	-0-	-0-
Balance at end of year	<u>\$ 16,002,230</u>	<u>\$ 16,002,230</u>

***Endowment Spending Policy***

The Foundation’s Board-adopted spending policy is that endowed scholarship earnings are to be distributed annually based on the December 31 portfolio value including dividends, interest and realized and unrealized gains net of investment management fees. The annual distribution from the endowment funds is set at five percent (5%) of the average market value of the previous three (3) years year-end valuations. If market conditions are negative during the current year, then dividends and interest income may be used for that year for scholarship purposes. If dividends and interest income is greater than five percent (5%) of the spending policy, then the Board of Directors can vote to cap dividends and interest at five percent (5%). Carryover of unspent distributions and special payments in excess of the annual spending policy are allowable with the approval of the Board of Directors. In the event the distribution would touch the corpus, a super majority vote is required and grant agreement and donor approval is to be explored.

***Endowment Investment Policy***

The endowment investment policy adopted by the Foundation’s Board of Directors stipulates a target allocation of 65% equities and 35% fixed income. However, the Foundation reserves the right to alter these asset allocation guidelines at any time as the Foundation objectives and market conditions necessitate. The Finance and Investment Committee will review the overall asset allocation guidelines at least annually upon the start of each fiscal year. A fluctuation of up to 10% is allowed within asset categories. The Foundation seeks long-term growth of principal to preserve and grow Foundation assets and maximize scholarship awards to Florida’s colleges.

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022**

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**NOTE J – LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenses, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position, comprise the following:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 1,985,670	\$ 2,581,797
Accounts receivable, net	973	1,054
Grants receivable	566,567	-0-
Investments	7,144,976	12,351,831
Cash and cash equivalents restricted for endowment purposes	2,230	2,230
Investments restricted for endowment purposes	<u>16,000,000</u>	<u>16,000,000</u>
Total Financial Assets	25,700,416	30,936,912
Less: Financial assets with donor-imposed restrictions:		
Perpetual in nature	(16,002,230)	(16,002,230)
Time and purpose restrictions	<u>(9,574,321)</u>	<u>(14,822,060)</u>
Total financial assets available to meet cash needs for general expenses within one year	<u>\$ 123,865</u>	<u>\$ 112,622</u>

Management monitors cash availability on a regular basis prior to preparing its accounts payable disbursements.

**NOTE K – IN-KIND CONTRIBUTIONS**

The Foundation receives in-kind contributions of materials, equipment, services, and office space in connection with the Foundation's overall programs. In-kind contributions are reflected as support at their estimated fair market value when received and reflected as expense when utilized. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation.

During the years ended June 30, 2022 and 2021, the Foundation received donated services and office space from the Florida Department of Education of \$180,546 and \$223,314, respectively, that met the criteria for recognition in accordance with accounting principles generally accepted in the United States of America, and are therefore reflected in the accompanying financial statements.

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022**

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**NOTE L – UNCOLLECTIBLE ACCOUNTS RECEIVABLE**

During the fiscal years ended June 30, 2016 and 2017, the Foundation acted as the fiscal agent on behalf of the Governor’s Office related to the “Degrees to Jobs Summit” that was held in May 2016. As the fiscal agent, at the direction of the Governor’s Office, the Foundation expended funds totaling \$172,967 for the event. As of June 30, 2017, the Foundation had received reimbursements totaling \$95,000, leaving a receivable balance of \$77,967 as of that date. In December 2017 and August 2018, the Foundation received additional reimbursements of \$10,000 and \$25,000, respectively. Collection of the remaining balance is uncertain. Accordingly, an allowance for uncollectible accounts in the amount of \$42,967 remains as of June 30, 2022 and 2021, respectively.

**NOTE M – UNCERTAIN TAX POSITIONS**

Management is not aware of any activities that would jeopardize the Foundation’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, 2022 and 2021.

The Foundation is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods. The Foundation believes it is no longer subject to income tax examinations for fiscal years ending prior to June 30, 2019.

**NOTE N – SUBSEQUENT EVENTS**

The Foundation has evaluated subsequent events through February 22, 2023, the date which the financial statements were available to be issued.

**NOTE O – CHANGE IN ACCOUNTING PRINCIPLE**

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which is intended to improve transparency by requiring organizations to provide additional disclosures about contributions of nonfinancial assets. The Foundation implemented ASU 2020-07 during the year ended June 30, 2022, and has adjusted the presentation in the financial statements accordingly.

In November 2017, the FASB issued ASU 2017-14, *Income Statement – Reporting Comprehensive Income (Topic 220), Revenue Recognition (Topic 605), and Revenue from Contracts with Customers (Topic 606)*, which sets out to clarify the principles of recognizing revenue and to develop a common revenue standard. This ASU amends ASU 2014-09 and ASU 2015-14, which are not yet effective. The new standard applies to entities that enter into contracts with customers to transfer goods or services, except for contracts that are within the scope of other standards. The Foundation implemented ASU 2017-14 during the year ended June 30, 2021. The implementation of this standard had no effect on the Foundation’s recognition of revenues in these financial statements.

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022**

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**NOTE O – CHANGE IN ACCOUNTING PRINCIPLE (Continued)**

In August 2018, the FASB issued ASU 2018-13, *Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement*. The update modifies the disclosure requirements for fair value measurements. The Foundation implemented ASU 2018-13 during the year ended June 30, 2021. The implementation of this standard had no effect on the Foundation’s disclosure of fair value measurements in these financial statements.



## **SUPPLEMENTARY INFORMATION**

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**SCHEDULES OF FINANCIAL POSITION BY FUND**  
**June 30, 2022 and 2021**

	<u>2022</u>											
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions Purpose Restricted</u>						<u>Perpetual in Nature</u>				<u>Total of All Funds</u>
	<u>Operating Fund</u>	<u>Florida Blue Scholarship Fund</u>	<u>Helios First Generation Scholars Fund</u>	<u>Dream Makers Fund</u>	<u>SSC 2.0 Fund</u>	<u>BMFG Dual Enrollment Fund</u>	<u>Other Funds</u>	<u>Helios First Generation Scholars Fund</u>	<u>Florida Blue Scholarship Fund</u>	<u>Dream Makers Fund</u>	<u>Florida Citrus Fund</u>	
<b>CURRENT ASSETS</b>												
Cash and cash equivalents	\$ 122,892	\$ 526,399	\$ 858,412	\$ 300,697	\$ 157,378	\$ 10,458	\$ 9,434	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 1,985,670
Accounts receivable, net	973	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	973
Grants receivable	-0-	-0-	-0-	-0-	566,567	-0-	-0-	-0-	-0-	-0-	-0-	566,567
Investments	-0-	3,978,282	1,628,367	1,538,327	-0-	-0-	-0-	-0-	-0-	-0-	-0-	7,144,976
<b>TOTAL CURRENT ASSETS</b>	<u>123,865</u>	<u>4,504,681</u>	<u>2,486,779</u>	<u>1,839,024</u>	<u>723,945</u>	<u>10,458</u>	<u>9,434</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>9,698,186</u>
<b>NONCURRENT ASSETS</b>												
Cash and cash equivalents restricted for endowment purposes	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	2,230	2,230
Investments restricted for endowment purposes	-0-	-0-	-0-	-0-	-0-	-0-	-0-	9,000,000	5,000,000	2,000,000	-0-	16,000,000
Equipment, net	6,437	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	6,437
<b>TOTAL NONCURRENT ASSETS</b>	<u>6,437</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>9,000,000</u>	<u>5,000,000</u>	<u>2,000,000</u>	<u>2,230</u>	<u>16,008,667</u>
<b>TOTAL ASSETS</b>	<u>\$ 130,302</u>	<u>\$ 4,504,681</u>	<u>\$ 2,486,779</u>	<u>\$ 1,839,024</u>	<u>\$ 723,945</u>	<u>\$ 10,458</u>	<u>\$ 9,434</u>	<u>\$ 9,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,230</u>	<u>\$ 25,706,853</u>
<b>LIABILITIES</b>												
Accounts payable	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 566	\$ 217	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 783
<b>TOTAL LIABILITIES</b>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>566</u>	<u>217</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>783</u>
<b>NET ASSETS</b>												
Without donor restrictions	130,302	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	130,302
With donor restrictions												
Time and purpose restrictions	-0-	4,504,681	2,486,779	1,839,024	723,379	10,241	9,434	-0-	-0-	-0-	-0-	9,573,538
Perpetual in nature	-0-	-0-	-0-	-0-	-0-	-0-	-0-	9,000,000	5,000,000	2,000,000	2,230	16,002,230
<b>TOTAL NET ASSETS</b>	<u>130,302</u>	<u>4,504,681</u>	<u>2,486,779</u>	<u>1,839,024</u>	<u>723,379</u>	<u>10,241</u>	<u>9,434</u>	<u>9,000,000</u>	<u>5,000,000</u>	<u>2,000,000</u>	<u>2,230</u>	<u>25,706,070</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 130,302</u>	<u>\$ 4,504,681</u>	<u>\$ 2,486,779</u>	<u>\$ 1,839,024</u>	<u>\$ 723,945</u>	<u>\$ 10,458</u>	<u>\$ 9,434</u>	<u>\$ 9,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,230</u>	<u>\$ 25,706,853</u>

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**SCHEDULES OF FINANCIAL POSITION BY FUND (CONTINUED)**  
**June 30, 2022 and 2021**

	<u>2021</u>												
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions Purpose Restricted</u>						<u>With Donor Restrictions Perpetual in Nature</u>					<u>Total of All Funds</u>
	<u>Operating Fund</u>	<u>Florida Blue Scholarship Fund</u>	<u>Helios First Generation Scholars Fund</u>	<u>Dream Makers Fund</u>	<u>Gates Convening Fund</u>	<u>Student Success Center Fund</u>	<u>SSC Now Fund</u>	<u>Other Funds</u>	<u>Helios First Generation Scholars Fund</u>	<u>Florida Blue Scholarship Fund</u>	<u>Dream Makers Fund</u>	<u>Florida Citrus Fund</u>	
<b>CURRENT ASSETS</b>													
Cash and cash equivalents	\$ 111,568	\$ 732,257	\$ 1,075,046	\$ 418,453	\$ 28,052	\$ 186,355	\$ 20,632	\$ 9,434	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 2,581,797
Accounts receivable, net	1,054	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,054
Investments	-0-	6,859,335	2,881,503	2,610,993	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	12,351,831
<b>TOTAL CURRENT ASSETS</b>	<b>112,622</b>	<b>7,591,592</b>	<b>3,956,549</b>	<b>3,029,446</b>	<b>28,052</b>	<b>186,355</b>	<b>20,632</b>	<b>9,434</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>14,934,682</b>
<b>NONCURRENT ASSETS</b>													
Cash and cash equivalents restricted for endowment purposes	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	2,230	2,230
Investments restricted for endowment purposes	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	9,000,000	5,000,000	2,000,000	-0-	16,000,000
Equipment, net	6,581	-0-	-0-	-0-	-0-	4,741	-0-	-0-	-0-	-0-	-0-	-0-	11,322
<b>TOTAL NONCURRENT ASSETS</b>	<b>6,581</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>4,741</b>	<b>-0-</b>	<b>-0-</b>	<b>9,000,000</b>	<b>5,000,000</b>	<b>2,000,000</b>	<b>2,230</b>	<b>16,013,552</b>
<b>TOTAL ASSETS</b>	<b>\$ 119,203</b>	<b>\$ 7,591,592</b>	<b>\$ 3,956,549</b>	<b>\$ 3,029,446</b>	<b>\$ 28,052</b>	<b>\$ 191,096</b>	<b>\$ 20,632</b>	<b>\$ 9,434</b>	<b>\$ 9,000,000</b>	<b>\$ 5,000,000</b>	<b>\$ 2,000,000</b>	<b>\$ 2,230</b>	<b>\$ 30,948,234</b>
<b>LIABILITIES</b>													
Accounts payable	\$ 1,053	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 124	\$ 116	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 1,293
<b>TOTAL LIABILITIES</b>	<b>1,053</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>124</b>	<b>116</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>1,293</b>
<b>NET ASSETS</b>													
Without donor restrictions	118,150	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	118,150
With donor restrictions													
Time and purpose restrictions	-0-	7,591,592	3,956,549	3,029,446	28,052	190,972	20,516	9,434	-0-	-0-	-0-	-0-	14,826,561
Perpetual in nature	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	9,000,000	5,000,000	2,000,000	2,230	16,002,230
<b>TOTAL NET ASSETS</b>	<b>118,150</b>	<b>7,591,592</b>	<b>3,956,549</b>	<b>3,029,446</b>	<b>28,052</b>	<b>190,972</b>	<b>20,516</b>	<b>9,434</b>	<b>9,000,000</b>	<b>5,000,000</b>	<b>2,000,000</b>	<b>2,230</b>	<b>30,946,941</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 119,203</b>	<b>\$ 7,591,592</b>	<b>\$ 3,956,549</b>	<b>\$ 3,029,446</b>	<b>\$ 28,052</b>	<b>\$ 191,096</b>	<b>\$ 20,632</b>	<b>\$ 9,434</b>	<b>\$ 9,000,000</b>	<b>\$ 5,000,000</b>	<b>\$ 2,000,000</b>	<b>\$ 2,230</b>	<b>\$ 30,948,234</b>

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**SCHEDULES OF ACTIVITIES BY FUND**  
**For the Years Ended June 30, 2022 and 2021**

2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions Purpose Restricted</u>									<u>With Donor Restrictions Perpetual in Nature</u>				<u>Total of All Funds</u>
	<u>Operating Fund</u>	<u>Florida Blue Scholarship Fund</u>	<u>Helios First Generation Scholars Fund</u>	<u>Dream Makers Fund</u>	<u>Gates Convening Fund</u>	<u>Student Success Center Fund</u>	<u>SSC Now Fund</u>	<u>SSC 2.0 Fund</u>	<u>BMFG Dual Enrollment Fund</u>	<u>Other Funds</u>	<u>Helios First Generation Scholars Fund</u>	<u>Florida Blue Scholarship Fund</u>	<u>Dream Makers Fund</u>	<u>Florida Citrus Fund</u>	
SUPPORT AND REVENUE															
Grants	\$ 10,000	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 850,000	\$ 100,000	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 960,000
In-kind contributions	180,546	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	180,546
Contributions	30,022	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	30,022
Other income	106	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	106
Investment return, net	16	(2,608,526)	(935,376)	(1,004,840)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(4,548,726)
Net assets released from restrictions	<u>1,654,281</u>	<u>(478,385)</u>	<u>(534,394)</u>	<u>(185,582)</u>	<u>(28,052)</u>	<u>(190,972)</u>	<u>(20,516)</u>	<u>(126,621)</u>	<u>(89,759)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL SUPPORT AND REVENUE	<u>1,874,971</u>	<u>(3,086,911)</u>	<u>(1,469,770)</u>	<u>(1,190,422)</u>	<u>(28,052)</u>	<u>(190,972)</u>	<u>(20,516)</u>	<u>723,379</u>	<u>10,241</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(3,378,052)</u>
OPERATING EXPENSES															
Awards and recognition	1,219,165	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,219,165
In-kind	180,546	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	180,546
Meetings and conferences	180,114	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	180,114
Consulting	111,750	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	111,750
Payroll	79,030	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	79,030
Project and workgroups	29,064	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	29,064
Accounting and legal	17,896	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	17,896
Advertising	15,971	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	15,971
Office expenses	12,125	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	12,125
Travel	8,086	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	8,086
Miscellaneous	3,331	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3,331
Depreciation	3,317	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3,317
Communications	<u>2,424</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>2,424</u>
TOTAL OPERATING EXPENSES	<u>1,862,819</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>1,862,819</u>
CHANGE IN NET ASSETS	12,152	(3,086,911)	(1,469,770)	(1,190,422)	(28,052)	(190,972)	(20,516)	723,379	10,241	-0-	-0-	-0-	-0-	-0-	(5,240,871)
NET ASSETS, BEGINNING OF YEAR	<u>118,150</u>	<u>7,591,592</u>	<u>3,956,549</u>	<u>3,029,446</u>	<u>28,052</u>	<u>190,972</u>	<u>20,516</u>	<u>-0-</u>	<u>-0-</u>	<u>9,434</u>	<u>9,000,000</u>	<u>5,000,000</u>	<u>2,000,000</u>	<u>2,230</u>	<u>30,946,941</u>
NET ASSETS, END OF YEAR	<u>\$ 130,302</u>	<u>\$ 4,504,681</u>	<u>\$ 2,486,779</u>	<u>\$ 1,839,024</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 723,379</u>	<u>\$ 10,241</u>	<u>\$ 9,434</u>	<u>\$ 9,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,230</u>	<u>\$ 25,706,070</u>

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**SCHEDULES OF ACTIVITIES BY FUND (CONTINUED)**  
For the Years Ended June 30, 2022 and 2021

	<u>2021</u>												Total of All Funds
	Without Donor Restrictions	With Donor Restrictions Purpose Restricted						With Donor Restrictions Perpetual in Nature					
	Operating Fund	Florida Blue Scholarship Fund	Helios First Generation Scholars Fund	Dream Makers Fund	Gates Convening Fund	Student Success Center Fund	SSC Now Fund	Other Funds	Helios First Generation Scholars Fund	Florida Blue Scholarship Fund	Dream Makers Fund	Florida Citrus Fund	
SUPPORT AND REVENUE													
Grants	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 10,000	\$ -0-	\$ 1,025,000	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 1,035,000
In-kind contributions	191,814	-0-	-0-	-0-	-0-	31,500	-0-	-0-	-0-	-0-	-0-	-0-	223,314
Contributions	20,000	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	20,000
Other income	-0-	25	-0-	12	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	37
Investment return, net	(1,195)	3,486,518	2,816,486	1,371,661	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	7,673,470
Net assets released from restrictions	<u>2,354,755</u>	<u>(442,318)</u>	<u>(507,369)</u>	<u>(171,933)</u>	<u>(500)</u>	<u>(228,151)</u>	<u>(1,004,484)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL SUPPORT AND REVENUE	<u>2,565,374</u>	<u>3,044,225</u>	<u>2,309,117</u>	<u>1,199,740</u>	<u>9,500</u>	<u>(196,651)</u>	<u>20,516</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>8,951,821</u>
OPERATING EXPENSES													
Awards and recognition	2,026,291	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	2,026,291
In-kind	223,314	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	223,314
Project and workgroups	65,978	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	65,978
Consulting	52,250	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	52,250
Meetings and conferences	31,530	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	31,530
Advertising	29,885	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	29,885
Payroll	23,752	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	23,752
Accounting and legal	18,958	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	18,958
Office expenses	8,617	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	8,617
Communications	5,331	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	5,331
Depreciation	3,592	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3,592
Miscellaneous	1,084	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,084
TOTAL OPERATING EXPENSES	<u>2,490,582</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>2,490,582</u>
CHANGE IN NET ASSETS	74,792	3,044,225	2,309,117	1,199,740	9,500	(196,651)	20,516	-0-	-0-	-0-	-0-	-0-	6,461,239
NET ASSETS, BEGINNING OF YEAR	<u>43,358</u>	<u>4,547,367</u>	<u>1,647,432</u>	<u>1,829,706</u>	<u>18,552</u>	<u>387,623</u>	<u>-0-</u>	<u>9,434</u>	<u>9,000,000</u>	<u>5,000,000</u>	<u>2,000,000</u>	<u>2,230</u>	<u>24,485,702</u>
NET ASSETS, END OF YEAR	<u>\$ 118,150</u>	<u>\$ 7,591,592</u>	<u>\$ 3,956,549</u>	<u>\$ 3,029,446</u>	<u>\$ 28,052</u>	<u>\$ 190,972</u>	<u>\$ 20,516</u>	<u>\$ 9,434</u>	<u>\$ 9,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,230</u>	<u>\$ 30,946,941</u>

**THE FLORIDA COLLEGE SYSTEM FOUNDATION, INC.**  
**SCHEDULES OF BENEFITS TO THE COLLEGE FOUNDATIONS**  
**For the Years Ended June 30, 2022 and 2021**

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	<u>2022</u>	<u>2021</u>
Broward College	\$ 89,753	\$ 171,443
Chipola College	19,935	26,624
College of Central Florida	32,433	37,790
College of the Florida Keys	20,005	20,360
Daytona State College	42,009	63,269
Eastern Florida State College	38,608	60,617
Florida Gateway College	23,538	33,080
Florida Southwestern State College	44,443	91,642
Florida State College at Jacksonville	59,555	97,732
Gulf Coast State College	25,524	33,544
Hillsborough Community College	65,019	131,923
Indian River State College	39,920	64,486
Lake – Sumter State College	24,860	40,730
Miami Dade College	112,017	203,994
North Florida College	22,887	27,364
Northwest Florida State College	25,059	36,518
Palm Beach State College	60,888	106,343
Pasco – Hernando State College	37,252	62,524
Pensacola State College	34,501	55,414
Polk State College	35,599	70,257
Santa Fe College	36,834	46,584
Seminole State College of Florida	47,579	64,545
South Florida State College	23,869	31,094
St. Johns River State College	27,185	54,991
St. Petersburg College	67,003	109,784
State College of Florida, Manatee – Sarasota	34,435	60,044
Tallahassee Community College	35,560	48,103
Valencia College	<u>92,355</u>	<u>170,689</u>
	<u>\$ 1,218,625</u>	<u>\$ 2,021,488</u>

**REPORT REQUIRED UNDER  
*GOVERNMENT AUDITING STANDARDS***

**CARROLL and COMPANY**  
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FREDERICK CARROLL III  
FOUNDER (RETIRED)

**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 College System Foundation, Inc.  
Tallahassee, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Florida College System Foundation, Inc. (a nonprofit organization) (the Foundation), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 22, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Foundation's internal control over financial reporting (internal control) as a basis for designing 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 Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation'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.



To the Board of Directors  
The Florida College System Foundation, Inc.  
Page Two

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

### **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation'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 Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Carroll and Company*

February 22, 2023