

**THE FOUNDATION FOR LEE COUNTY
PUBLIC SCHOOLS, INC.**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2023



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**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
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YEAR ENDED JUNE 30, 2023**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
The Foundation for Lee County Public Schools, Inc.
Fort Myers, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The Foundation for Lee County Public Schools, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then 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 Foundation for Lee County Public Schools, Inc. as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Change in Accounting Principle

As discussed in Note 3 to the financial statements, in 2023, The Foundation for Lee County Public Schools, Inc. adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-of-use asset and corresponding liability for all operating and finance leases with lease terms greater than one year. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

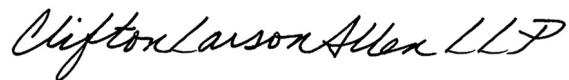
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of activity revenue and schedule of changes in net assets 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 audit 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 GAAS. 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 August 22, 2023, on our consideration of The Foundation for Lee County Public Schools, Inc.'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 for Lee County Public Schools, Inc.'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 for Lee County Public Schools, Inc.'s internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Fort Myers, Florida
August 22, 2023

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023

ASSETS

Cash and Cash Equivalents	\$ 3,325,760
Certificates of Deposit	531,675
Accounts Receivable	30,829
Investments	119,866
Office Equipment and Furnishings, Net of Accumulated Depreciation of \$90,383	3,813
Florida Prepaid Scholarships	1,931,237
Other Assets	5,000
	<u>5,000</u>
Total Assets	\$ 5,948,180

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts Payable and Accrued Expenses	\$ 59,907
	<u>59,907</u>
Total Liabilities	59,907

NET ASSETS

Without Donor Restrictions:	
Administration	37,327
Equipment and Furnishings	3,813
Total Without Donor Restrictions	<u>41,140</u>

With Donor Restrictions:	
Bonita Springs High School	236,882
C ³ College and Career	312,286
Collegium	8,260
Classroom Grants	86,564
Education Resource Center	94,195
FutureMakers	161,556
Golden Apple	20,947
Other Programs	545,638
Sanibel School	319,127
Student Advocacy and Mentoring	198,290
Southwest Florida Theatrical Society	11,040
Take Stock in Children	3,852,348
Total With Donor Restrictions	<u>5,847,133</u>

Total Net Assets	5,888,273
Total Liabilities and Net Assets	\$ 5,948,180

See accompanying Notes to Financial Statements.

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023**

CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS

Revenues:

Contributions	\$ 70,103
In-Kind Contributions	238,946
Interest Income	6,907
Total Revenue Without Restrictions	315,956

Net Assets Released from Restrictions	
Satisfaction of Program Restrictions	2,777,845

Total Revenue Without Restrictions and Other Support Without Restrictions	3,093,801
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EXPENSES

Program Services	2,962,851
Management and General	220,083
Total Expenses	3,182,934

DECREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(89,133)
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CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS

Contributions	4,553,360
Interest Income	7,171
Net Assets Released from Restrictions	(2,777,845)

INCREASE IN NET ASSETS WITH DONOR RESTRICTIONS	1,782,686
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CHANGE IN NET ASSETS	1,693,553
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Net Assets - Beginning of Year	4,194,720
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NET ASSETS - END OF YEAR	\$ 5,888,273
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See accompanying Notes to Financial Statements.

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023

EXPENSES	Programs						
	Golden Apple	Classroom Grants	Collegium	Take Stock in Children	C3 College and Career	Student Advocacy and Mentoring	Sanibel School
Accounting and Tax Preparation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administrative Expenses	-	-	-	-	20	-	-
Allegretti Scholarship	-	-	-	-	-	-	-
Angela Mates Scholarship	-	-	-	-	-	-	-
Awards	26,250	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-	1,475
Betty Smith Carriere Scholarship	-	-	-	-	-	-	-
Bonita Springs High School	-	-	-	-	1,240	-	-
Bonita Bay AAA Scholarship	-	-	-	-	-	-	-
Conferences	-	-	-	-	957	-	-
Decorations and Flowers	9,975	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	-	-	-
Employee Salaries and Benefits	59,447	41,930	39,418	258,520	84,399	73,535	-
Environmental Education	-	-	-	-	-	-	-
Fort Myers High School Needy Student Fund	-	-	-	-	-	-	-
Golden Futures Scholarship	18,147	-	-	-	-	-	-
Grants	-	75,745	-	-	-	-	-
Harborside	500	-	3,100	-	-	-	-
Hurricane Ian Relief Fund (HIRF)	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Jeff Sommer Scholarships	-	-	-	-	-	-	-
Kids Tag Art	-	-	-	-	-	-	-
KTA Grant	-	-	-	-	-	-	-
Lead Like a Girl	-	-	-	-	-	2,323	-
Marketing	17	13	9	54	18	15	-
Meals and Lodging	46,514	-	34,533	75	1,676	-	-
Meetings	-	21	92	95	188	60	-
Mentor Background Checks	-	-	-	2,398	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Music	400	-	-	-	-	-	-
Name Tags - Sponsor Boards	478	42	-	74	-	-	-
New Teacher Social Expense	-	-	-	-	-	-	-
Office Supplies and Equipment	1,888	1,151	1,050	5,809	1,594	1,277	-
Postage	80	7	-	391	4	6	-
Printing	8,908	109	82	958	216	201	-
Production and Set Design	21,024	-	-	-	-	-	-
Program Costs	1,693	500	657	540	1,380	960	-
Reception	-	1,809	-	-	-	-	-
Related Events - Golden Apple	4,780	-	-	-	-	-	-
Resiliency	-	-	-	-	11,465	-	-
Richard Hagy Scholarships	-	-	-	-	-	-	-
Rotary Golf	-	-	-	67	-	-	-
Sanibel School Fund	-	-	-	-	-	-	132,222
School Grants for the Arts	-	(740)	-	-	-	-	-
Selection Committee	140	-	-	-	-	-	-
Shadow Wood Scholarship	-	-	-	-	-	-	-
Special Events	-	-	-	-	713	-	-
State of our Schools Breakfast	-	-	-	-	-	-	-
STEM Education	-	-	-	-	3,151	-	-
STAMP Scholarships	-	-	-	-	-	6,788	-
Stemtastic	-	-	-	-	1,282	-	-
Suncoast C.U. Scholarships	-	-	-	-	-	-	-
SWFL Theatrical Society Expenses	-	-	-	-	-	-	-
Take Stock in Children 5 K Expenses	-	-	-	26,498	-	-	-
Take Stock in Children Auction	-	-	-	-	-	-	-
Take Stock in Children Receptions	-	-	-	10,243	-	-	-
Take Stock in Children Scholarships	-	-	-	273,900	2,150	-	-
Telephone	450	352	250	1,470	491	401	-
Travel	230	9	1,033	2,515	281	124	-
Website	425	333	236	1,390	464	379	-
In-Kind Expenses	62,707	6,033	8,150	45,440	11,885	10,447	-
Total Expenses	\$ 264,053	\$ 127,314	\$ 88,610	\$ 630,437	\$ 123,574	\$ 96,516	\$ 133,697

See accompanying Notes to Financial Statements.

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
YEAR ENDED JUNE 30, 2023

EXPENSES	Programs					Support Services		
	Bonita Springs High School	Education Resource Center	Future Makers	Southwest Florida Theatrical Society	Other Programs	Total	Management and General	Total
Accounting and Tax Preparation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,278	\$ 22,278
Administrative Expenses	-	-	-	-	-	20	14,599	14,619
Allegretti Scholarship	-	-	-	-	7,316	7,316	-	7,316
Angela Mates Scholarship	-	-	-	-	1,047	1,047	-	1,047
Awards	-	-	-	-	-	26,250	-	26,250
Bank Charges	-	-	-	-	-	1,475	1,901	3,376
Betty Smith Carriere Scholarship	-	-	-	-	2,432	2,432	-	2,432
Bonita Springs High School	5,945	-	-	-	-	7,185	-	7,185
Bonita Bay AAA Scholarship	4,723	-	-	-	-	4,723	-	4,723
Conferences	-	-	-	-	-	957	400	1,357
Decorations and Flowers	-	-	-	-	-	9,975	-	9,975
Depreciation	-	-	-	-	645	645	-	645
Dues and Subscriptions	-	-	-	-	-	-	5,642	5,642
Employee Salaries and Benefits	-	41,665	60,966	-	-	659,880	99,714	759,594
Environmental Education	-	-	-	-	22,696	22,696	-	22,696
Fort Myers High School Needy Student Fund	-	-	-	-	9	9	-	9
Golden Futures Scholarship	-	-	-	-	-	18,147	-	18,147
Grants	-	-	-	-	-	75,745	-	75,745
Harborside	-	-	-	-	-	3,600	-	3,600
Hurricane Ian Relief Fund (HIRF)	-	-	-	-	1,147,026	1,147,026	-	1,147,026
Insurance	-	-	-	-	(73)	(73)	5,353	5,280
Jeff Sommer Scholarships	-	-	-	-	2,000	2,000	-	2,000
Kids Tag Art	-	-	-	-	4,870	4,870	-	4,870
KTA Grant	-	-	-	-	19,500	19,500	-	19,500
Lead Like a Girl	-	-	-	-	-	2,323	-	2,323
Marketing	-	10	12	-	-	148	19	167
Meals and Lodging	-	339	-	-	-	83,137	1,167	84,304
Meetings	-	-	-	-	-	456	209	665
Mentor Background Checks	-	-	-	-	-	2,398	-	2,398
Miscellaneous	-	299	-	-	7,171	7,470	-	7,470
Music	-	-	-	-	-	400	-	400
Name Tags - Sponsor Boards	-	-	-	-	-	594	162	756
New Teacher Social Expense	-	-	-	-	2,531	2,531	-	2,531
Office Supplies and Equipment	-	43,789	1,168	-	-	57,726	2,304	60,030
Postage	-	20	-	-	-	508	1,622	2,130
Printing	-	88	165	-	-	10,727	187	10,914
Production and Set Design	-	-	-	-	-	21,024	-	21,024
Program Costs	-	-	-	-	-	5,730	61	5,791
Reception	-	-	-	-	-	1,809	-	1,809
Related Events - Golden Apple	-	-	-	-	-	4,780	-	4,780
Resiliency	-	-	-	-	-	11,465	-	11,465
Richard Hagy Scholarships	-	-	-	-	11,573	11,573	-	11,573
Rotary Golf	-	-	-	-	-	67	-	67
Sanibel School Fund	-	-	-	-	-	132,222	-	132,222
School Grants for the Arts	-	-	-	-	-	(740)	-	(740)
Selection Committee	-	-	-	-	-	140	-	140
Shadow Wood Scholarship	-	-	-	-	40,483	40,483	-	40,483
Special Events	-	-	-	-	-	713	-	713
State of our Schools Breakfast	-	-	-	-	-	-	6,389	6,389
STEM Education	-	-	-	-	-	3,151	-	3,151
STAMP Scholarships	-	-	-	-	-	6,788	-	6,788
Stemtastic	-	-	-	-	-	1,282	-	1,282
Suncoast C.U. Scholarships	-	-	-	-	2,014	2,014	-	2,014
SWFL Theatrical Society Expenses	-	-	-	7,200	-	7,200	-	7,200
Take Stock in Children 5 K Expenses	-	-	-	-	-	26,498	-	26,498
Take Stock in Children Auction	-	-	-	-	18,555	18,555	-	18,555
Take Stock in Children Receptions	-	-	-	-	-	10,243	-	10,243
Take Stock in Children Scholarships	-	-	-	-	-	276,050	-	276,050
Telephone	-	279	335	-	-	4,028	519	4,547
Travel	-	127	1,446	-	-	5,765	506	6,271
Website	-	264	316	-	-	3,807	2,466	6,273
In-Kind Expenses	-	20,570	8,481	-	10,648	184,361	54,585	238,946
Total Expenses	\$ 10,668	\$ 107,450	\$ 72,889	\$ 7,200	\$ 1,300,443	\$ 2,962,851	\$ 220,083	\$ 3,182,934

See accompanying Notes to Financial Statements.

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 1,693,553
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation Expense	645
Net Depreciation in Fair Value of Investments	17,395
Donated Assets Held for Sale	24,740
Interest Income Rolled into Certificates of Deposit	(6,214)
Increase in Accounts Receivable	(1,229)
Increase in Prepaid Scholarships	(141,530)
Increase in Accounts Payable and Accrued Expenses	4,268
Net Cash Provided by Operating Activities	1,591,628

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Investments	(137,261)
Net Cash Provided by Investing Activities	(137,261)

Cash and Cash Equivalents - Beginning of Year	1,871,393
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CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 3,325,760
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See accompanying Notes to Financial Statements.

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 NATURE AND PURPOSE OF THE FOUNDATION

The Foundation for Lee County Public Schools, Inc. (the Foundation) is a nonprofit organization which affords community interaction and financial support for the enrichment of educational programs within the School District of Lee County (the District). The Foundation is organized and operates as a direct-support organization of the District and is a component unit of the District.

A brief description of the Foundation's activities that support its program is as follows:

Administration (AD) – Administration includes fund-raisers, Business Partners/State of our Schools, and other activities and special events not specifically identified in other programs.

A-Team (AT) – The A-Team Challenge is a televised academic competition created to honor academic excellence and achievement and to foster pride and spirit of competition among high school students, teachers, and coaches.

Bonita Springs High School Fund (BS) – The Bonita Springs High School reflects contributions received and related expenditures made specifically for the Bonita Springs High School.

College and Career Initiatives (CC) – In collaboration with local Lee County businesses, we offer various opportunities to educate students and educators in the district. Our programs give them the opportunity to learn about local career fields focused on STEM and educational requirements for those careers.

Our College and Career Center prepares Lee County public school students for post-secondary education, technical training, or entering the workforce. This is accomplished through scholarship search, ACT prep, financial literacy, and career exploration.

Classroom Grants (CG) – The Classroom Grants Program offers educators the ability to apply for and receive funds to offer unique learning opportunities and experiences for their students.

Collegium for the Advancement of Education (TR) – The Collegium for the Advancement of Education is the teacher development element of the Golden Apple program that offers opportunities for networking, as well as educational opportunities to a select group of educators.

Education Resource Center (RC) – The Center collects new and used donated items to benefit teachers, students, and schools at no cost to them.

Estero Education Initiative (OP) – The Estero Education Initiative reflects contributions received and related expenditures made specifically for the Estero Schools.

Fort Myers High School Fund (OP) – The Fort Myers High School Fund reflects contributions received and related expenditures made specifically for the Fort Myers High School.

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 NATURE AND PURPOSE OF THE FOUNDATION (CONTINUED)

FutureMakers (FM) – The FutureMakers Program inspires more high school seniors to take the next step after graduation, whether it is a university, college, or technical/vocational training through presentations and financial aid workshops.

Golden Apple (GA) – The Golden Apple Teacher Recognition Program gives a high level of recognition to outstanding classroom teachers. This program presents many opportunities to Lee County educators. The Program also includes Academy of Teachers.

Kids Tag Art (OP) – Lee County Kids Tag Art is an educational fundraising project created in partnership with the Lee County Tax Collectors Office and designed to benefit the art classrooms in Lee County District Schools. This program has historically been offered annually to each elementary school's fifth-grade students.

Other Programs (OP) – At this time, Other Programs includes Discretionary Fund, Access Homeless Fund, Environmental Education (Edison Fairs), Rotary Golf Fundraiser, New Teachers Social, Partners in Education Academy, Jeff Sommer Memorial Scholarships, Suncoast C. U. Scholarships, Allegretti Foundation Scholarships, Richard Hagy Memorial Scholarships, Shevach Scholarships, and Shadow Wood Scholarships.

S.O.S. Enrichment Program (OP) – Support Our Students (S.O.S.) Program provides a unique opportunity for students of low-income families. This community-based initiative offers high school students exceptional learning opportunities, cultural arts, and career enrichment activities that inspire them to discover, embrace, and appreciate their self-worth. It also includes six weeks of subsidized work experience. We have teamed with community partners who offer job/internship opportunities to qualified students.

Sanibel School (SS) – The Sanibel School reflects contributions received and related expenditures made specifically for the Sanibel School.

Student Advocacy & Mentoring (SA) – This program works with at-risk, low-income students in the District by offering resources and volunteer mentors to assist students completing their high school education and continuing post-secondary education.

Southwest Florida Theatrical Society – This program provides for an annual theatrical competition.

Take Stock in Children (SC) – This scholarship program provides educational scholarships and mentoring to low income at-risk students.

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Net Asset Classifications

Net assets, revenues, gains, and losses are classified based on 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 – represents funds which are fully available to be utilized in any Foundation activity or for supporting services, and those resources invested in equipment and furnishings.

Net Assets With Donor Restrictions – represents funds which are restricted by donors for specific purposes. The restrictions are satisfied either by the passage of time or by actions of the Foundation.

All contributions are considered available for unrestricted use unless specifically restricted by the donor or subject to other legal restrictions.

Contributions

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. The discounts on those amounts are computed using an imputed interest rate applicable to the year in which the promise is to be received.

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services and In-Kind Contributions

Donations of personal property are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use, or the use of proceeds derived from the sales of such assets, are reported as restricted contributions. At the time of sale, the Foundation records any gain or loss related to the sale of the donated asset.

Donated services are recognized only if services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically be purchased if not provided by donation. Donated services meeting the requirement for recognition in the financial statements are recorded at the fair market value of professional services rendered.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking, savings, and money market accounts and certificates of deposits with original maturities of three months or less. At times, cash balances with financial institutions exceed Federal Deposit Insurance Corporation (FDIC) limits.

Certificates of Deposits

Certificates of deposit with original maturities greater than three months are shown at the original amount deposited plus accrued interest, which approximates fair value because of the short-term nature of these deposits (one-year or less).

Investments

Investments are originally recorded at cost if purchased, or if donated, at fair market value on the date received. The Foundation carries investments at fair value determined by quoted market prices. Investment income may be either with or without donor-imposed restrictions. Net investment return/(loss) is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Fair Value Measurements

The Foundation categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement. Assets and liabilities valued at fair value are categorized based on the inputs to the valuation techniques as follows:

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurement (Continued)

Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities. The inputs include those traded on an active exchange, such as the New York Stock Exchange, as well as U.S. Treasury and other U.S. government and agency mortgage-backed securities that are traded by dealers or brokers in active over-the-counter markets.

Level 2 – Financial assets and liabilities are valued using inputs and quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data. Level 2 includes private collateralized mortgage obligations, municipal bonds, and corporate debt securities.

Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset or inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset. Level 3 includes private equity, venture capital, hedge funds, and real estate.

Concentration of Credit Risks

The Foundation's policy is to place its cash with high credit quality financial institutions. Cash and cash equivalents consist of bank deposits which, at times, may exceed federally insured limits. The Foundation maintains its cash deposit accounts in institutions which are insured by either the FDIC or the National Credit Union Administration, both of which provide coverage on balances up to \$250,000 per depositor per institution.

The uncollateralized combined bank balance comprised of demand deposits is subject to custodial credit risk as it exceeds the FDIC limits by \$1,834,261 for the year ended June 30, 2023. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash or cash equivalents.

Office Equipment and Furnishings

Office equipment and furnishings have been recorded at cost. The Foundation has a capitalization threshold of \$500. Depreciation is recorded using the straight line method over the estimated useful life of the asset.

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as a foundation that is not a private foundation under Section 509(a)(2).

The Foundation follows the income tax standard for uncertain tax positions and has evaluated its tax positions and determined it has no uncertain tax positions as of June 30, 2023.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing the program and various other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the activities and supporting services benefited. Salaries and benefits are allocated based on the direct amount of time each person spends in each program. Other expenses, such as supplies, printing and copying, or services required for conducting the programs are charged based on the direct invoice cost of the items or services. Rent (Donated Facility Usage) is allocated to various programs and administration accounts based on the salary percentages of employees by location. Fundraising costs are considered immaterial and have been included in program services.

Leases

The Foundation determines if an arrangement is a lease at inception. As of June 30, 2023, the Foundation has not entered into any material leases. However, if an arrangement should be identified as a material lease, operating leases would be included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases would be included in right-of-use assets – financing and lease liability – financing in the statement of financial position.

ROU assets represent the Foundation's right to use an underlying asset for the lease term and lease liabilities represent the Foundation's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Foundation has elected to recognize payments for short-term leases with a term of 12 months or less as expense as incurred and these leases will not be included as lease liabilities or ROU assets on the statement of financial position.

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

Individual lease contracts may not provide information about the discount rate implicit in the lease. In these instances, the Foundation has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of the lease liabilities.

The Foundation has elected not to separate nonlease components from lease components and instead will account for each separate lease component and the nonlease component as a single lease component.

Subsequent Events

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through August 22, 2023, the date the financial statements were available to be issued.

NOTE 3 ADOPTION OF NEW ACCOUNTING STANDARDS

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, *Leases* (Topic 842). This new standard increases transparency and comparability among organizations by requiring the recognition of ROU assets and lease liabilities on the statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Foundation adopted the requirements of the guidance effective July 01, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption.

The Foundation has elected to adopt the package of practical expedients available in the year of adoption. The Foundation has elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing the impairment of the Foundation's ROU assets.

The adoption of the new standard resulted in no material change to the financial statements as of June 30, 2023.

In September 2020, the FASB issued ASU 2020-27, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This new standard improves the transparency of contributed nonfinancial assets through enhancements to presentation and disclosure. The accounting standard does not change the recognition and measurement of nonfinancial assets.

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 4 LIQUIDITY

The Foundation receives significant contributions with donor restrictions to be used in accordance with the associated purpose restrictions. The Foundation considers contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include administrative and general expenses, fundraising expenses, and program expenses expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Foundation's fiscal year.

The Foundation routinely monitors liquidity to meet its operating needs. In addition to financial assets available to meet general expenditures, the Foundation operates with a balanced operating budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

The table below presents financial assets available for general expenditures within one year at June 30, 2023:

Financial Assets at Year-End:	
Cash and Cash Equivalents	\$ 3,325,760
Certificates of Deposit	531,675
Accounts Receivable	30,829
Investments	119,866
Total	<u>4,008,130</u>
Less: Net Assets With Donor Restrictions	(5,847,133)
Prepaid Expenses Included in Net Assets With Donor Restrictions	<u>1,931,237</u>
Financial Assets Available to Meet General Expenditures within One Year	<u><u>\$ 92,234</u></u>

NOTE 5 INVESTMENTS

Investments at June 30, 2023 consist of the following:

	<u>Cost</u>	<u>Fair Value</u>
Equity Securities	\$ 65,082	\$ 67,523
Fixed Income	26,000	25,640
Alternative Fund	46,179	26,703
Total Investments	<u><u>\$ 137,261</u></u>	<u><u>\$ 119,866</u></u>

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 FAIR VALUE MEASUREMENTS

The Foundation uses fair value measurements to record fair value adjustments to certain assets and liabilities to determine fair value disclosures. For additional information on how the Foundation measures fair value, refer to Note 2 – Summary of Significant Accounting Policies. The following table presents the fair value hierarchy for the balances of the assets and liabilities of the Foundation measured at fair value on a recurring basis as of June 30, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
Equity Securities	\$ 67,523	\$ -	\$ -	\$ 67,523
Fixed Income	25,640	-	-	25,640
Alternative Fund	-	-	26,703	26,703
Total	<u>\$ 93,163</u>	<u>\$ -</u>	<u>\$ 26,703</u>	<u>\$ 119,866</u>

The following tables present additional information about assets measured at fair value using Level 3 inputs for the year ended June 30, 2023:

<u>Instrument</u>	<u>Fair Value</u>	<u>Principal Valuation Technique</u>	<u>Unobservable Inputs</u>
Alternative Fund	\$ 26,703	Market price of underlying inputs at close of business	Value of underlying assets
Purchases	\$ -		
Interest Income, Dividend, and Gains (Losses)	-		
Transfers In	26,703		
Transfers Out	-		

NOTE 7 FLORIDA PREPAID SCHOLARSHIPS

The Foundation, through its donors, has purchased prepaid scholarships from the Florida Prepaid College Foundation, Inc. As of June 30, 2023, the Foundation owns prepaid scholarships worth \$9,110,842, which are reported on the statement of financial position at a cost of \$1,931,237. Of the prepaid scholarships owned at June 30, 2023, \$825,861 were purchased in the current fiscal year for \$412,930 from the Florida Prepaid College Foundation, Inc. The State of Florida matches, dollar for dollar, the Foundation’s cost of prepaid scholarships purchased.

Upon graduation from a public high school, students are awarded prepaid scholarships. To date, 715 Lee County public school students have been awarded Florida Prepaid Scholarships. The remaining 195 prepaid scholarships have been designated for future Lee County public school graduates.

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 FLORIDA PREPAID SCHOLARSHIPS (CONTINUED)

Scholarship activity for the year ended June 30, 2023 was as follows:

	Unawarded	Awarded	Total
Beginning Balance	\$ 883,098	\$ 906,609	\$ 1,789,707
Scholarship Reinvestment Opportunity (SRO)	-	-	-
Scholarships Purchased	412,930	-	412,930
Scholarships Awarded	(624,107)	624,107	-
Value Used	-	(271,400)	(271,400)
Ending Balance	<u>\$ 671,921</u>	<u>\$ 1,259,316</u>	<u>\$ 1,931,237</u>

NOTE 8 CONTRIBUTED GOODS, SERVICES, AND USE OF FACILITIES

Contributed goods, services, and use of facilities reported are as follows for the year ended June 30, 2023:

		Utilization in Programs/Activities	Donor Restrictions	Valuation Techniques
Admin Services	\$ 43,207	Reception services for Foundation office	None	Fair value estimated on the basis of current rates for comparable products/services
Program Goods	2,530	Facility use for Foundation events	Use in Foundation program services	Fair value estimated on the basis of current rates for comparable products/services
Program Goods	105,200	Facility use for Foundation operations	Use in Foundation program services	Fair value estimated on the basis of current rates for comparable products/services
Program Goods	16,942	Goods for Foundation events	Use in Foundation program services	Fair value estimated on the basis of current rates for comparable products/services
Program Goods	24,307	Supplies for teachers and students	Use in Foundation program services	Fair value estimated on the basis of current rates for comparable products/services
Program Services	46,760	Media services for events	Use in Foundation program services	Fair value estimated on the basis of current rates for comparable products/services
	<u>\$ 238,946</u>			

All contributions of goods and services received by the Foundation are used to services its programs and are recorded as support at their fair market values at the date of receipt by the Foundation. A corresponding amount is recorded as expense.

NOTE 9 RETIREMENT PLAN

The Foundation offers its employees a defined contribution plan. The plan covers substantially all employees subject to a minimum age and days of service requirement. The employer contributes a minimum of 5%, up to a maximum of 20% of each eligible participant's compensation minus the annual cost of medical insurance premiums, individual or family coverage, as applicable. Participants' interest in elective deferral contributions is vested at 100%. Total contributions to the plan for the year ended June 30, 2023 were \$71,328.

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 RELATED PARTY TRANSACTIONS

The Foundation maintains, either directly or through a custodial relationship, a portion of its investments and bank depository balances with Edison National Bank and FineMark Bank. Board members were officers of Edison National Bank and FineMark Bank during the year ended June 30, 2023. Bank depository account balances at Edison National Bank totaled approximately \$1,969,087 at June 30, 2023. Bank depository account balances at FineMark Bank totaled approximately \$1,502,771 at June 30, 2023.

NOTE 11 CONCENTRATIONS

The Foundation received contributions and in-kind contributions of \$546,158 and \$58,382, respectively, for the year ended June 30, 2023, from board of directors or entities affiliated with board members.

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
SCHEDULE OF ACTIVITY REVENUE
YEAR ENDED JUNE 30, 2023

REVENUE	<u>Golden Apple</u>	<u>Classroom Grants</u>	<u>Collegium</u>
Contributions and Sponsors	\$ -	\$ 109,001	\$ 10,000
Academy of Teachers	1,500	-	-
Access Homeless Fund	-	-	-
Allegretti Scholarships	-	-	-
Angela Mates Scholarship	-	-	-
Babatz Memorial Scholarship	-	-	-
Betty Smith Carriere Scholarship	-	-	-
Bonita Bay AAA Scholarship Fund	-	-	-
Environmental Education	-	-	-
Fort Myers High School Fund	-	-	-
Fort Myers Technical College	-	-	-
Shadow Wood Scholarship (OP)	-	-	-
Shevach Scholarship (OP)	-	-	-
Golden Apple Dinner	6,725	-	-
Golden Future Scholarship	13,051	-	-
Golden Apple Table Sponsors	67,250	-	-
Grants	-	-	-
Hurricane Ian Relief Fund (HIRF)	-	-	-
Kids Tag Art	-	-	-
Matching Funds Consortium	-	76,572	31,891
License Plate	-	12,162	-
Major Sponsors	125,000	-	-
Pandemic Relief Fund	-	-	-
Rotary Golf Fundraiser	-	-	-
Restricted Donations	-	-	-
Sanibel School	-	-	-
State of Our Schools	-	-	-
State of Our Schools Breakfast	-	-	-
STAMP Scholarship	-	-	-
STEM Education	-	-	-
STEM Work	-	-	-
Jeff Sommer Scholarship Fund	-	-	-
S.O.S. Enrichment Program	-	-	-
Suncoast C.U. Scholarships	-	-	-
SWFL Theatrical Society	-	-	-
Take Stock in Children	-	-	-
Take Stock in Children Receptions	-	-	-
Vision 2020	-	-	-
Interest	-	-	-
In-Kind Income	62,707	6,033	8,150
	<u>62,707</u>	<u>6,033</u>	<u>8,150</u>
Total Revenue	<u>\$ 276,233</u>	<u>\$ 203,768</u>	<u>\$ 50,041</u>

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
SCHEDULE OF ACTIVITY REVENUE (CONTINUED)
YEAR ENDED JUNE 30, 2023

REVENUE (Continued)	Take Stock in Children	C ³ College and Career	Student Advocacy and Mentoring	Sanibel School
Contributions and Sponsors	\$ 123,317	\$ 40,000	\$ 89,920	\$ 92,440
Academy of Teachers	-	-	-	-
Access Homeless Fund	-	-	-	-
Allegretti Scholarships	-	-	-	-
Angela Mates Scholarship	-	-	-	-
Babatz Memorial Scholarship	2,755	-	-	-
Betty Smith Carriere Scholarship	-	-	-	-
Bonita Bay AAA Scholarship Fund	-	-	-	-
Environmental Education	-	-	-	-
Fort Myers High School Fund	-	-	-	-
Fort Myers Technical College	-	-	-	-
Shadow Wood Scholarship (OP)	-	-	-	-
Shevach Scholarship (OP)	-	-	-	-
Golden Apple Dinner	-	-	-	-
Golden Future Scholarship	-	-	-	-
Golden Apple Table Sponsors	-	-	-	-
Grants	-	80,000	-	-
Hurricane Ian Relief Fund (HIRF)	-	-	-	-
Kids Tag Art	-	-	-	-
Matching Funds Consortium	-	-	-	-
License Plate	-	-	-	-
Major Sponsors	-	-	-	-
Pandemic Relief Fund	-	-	-	-
Rotary Golf Fundraiser	26,231	-	-	-
Restricted Donations	-	-	-	-
Sanibel School	-	-	-	152,764
State of Our Schools	-	-	-	-
State of Our Schools Breakfast	-	-	-	-
STAMP Scholarship	-	-	6,800	-
STEM Education	-	21,600	-	-
STEM Work	-	17,500	-	-
Jeff Sommer Scholarship Fund	-	-	-	-
S.O.S. Enrichment Program	-	-	-	-
Suncoast C.U. Scholarships	-	-	-	-
SWFL Theatrical Society	-	-	-	-
Take Stock in Children	1,837,683	-	-	-
Take Stock in Children Receptions	5,000	-	-	-
Vision 2020	-	-	-	-
Interest	4,391	-	-	2,780
In-Kind Income	45,440	11,885	10,447	-
Total Revenue	\$ 2,044,817	\$ 170,985	\$ 107,167	\$ 247,984

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
SCHEDULE OF ACTIVITY REVENUE (CONTINUED)
YEAR ENDED JUNE 30, 2023

REVENUE (Continued)	Bonita Springs High School	Education Resource Center	Future Makers	Southwest Florida Theatrical Society
Contributions and Sponsors	\$ -	\$ 147,389	\$ 71,000	\$ -
Academy of Teachers	-	-	-	-
Access Homeless Fund	-	-	-	-
Allegretti Scholarships	-	-	-	-
Angela Mates Scholarship	-	-	-	-
Babatz Memorial Scholarship	-	-	-	-
Betty Smith Carriere Scholarship	-	-	-	-
Bonita Bay AAA Scholarship Fund	11,000	-	-	-
Environmental Education	-	-	-	-
Fort Myers High School Fund	-	-	-	-
Fort Myers Technical College	-	-	-	-
Shadow Wood Scholarship (OP)	-	-	-	-
Shevach Scholarship (OP)	-	-	-	-
Golden Apple Dinner	-	-	-	-
Golden Future Scholarship	-	-	-	-
Golden Apple Table Sponsors	-	-	-	-
Grants	-	-	-	-
Hurricane Ian Relief Fund (HIRF)	-	-	-	-
Kids Tag Art	-	-	-	-
Matching Funds Consortium	-	-	-	-
License Plate	-	12,162	-	-
Major Sponsors	-	-	-	-
Pandemic Relief Fund	-	(277)	-	-
Rotary Golf Fundraiser	-	-	-	-
Restricted Donations	-	-	-	-
Sanibel School	-	-	-	-
State of Our Schools	-	-	-	-
State of Our Schools Breakfast	-	-	-	-
STAMP Scholarship	-	-	-	-
STEM Education	-	-	-	-
STEM Work	-	-	-	-
Jeff Sommer Scholarship Fund	-	-	-	-
S.O.S. Enrichment Program	-	-	-	-
Suncoast C.U. Scholarships	-	-	-	-
SWFL Theatrical Society	-	-	-	12,850
Take Stock in Children	-	-	-	-
Take Stock in Children Receptions	-	-	-	-
Vision 2020	-	-	-	-
Interest	-	-	-	-
In-Kind Income	-	20,570	8,481	-
Total Revenue	\$ 11,000	\$ 179,844	\$ 79,481	\$ 12,850

THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
SCHEDULE OF ACTIVITY REVENUE (CONTINUED)
YEAR ENDED JUNE 30, 2023

REVENUE (Continued)	<u>Other Programs</u>	<u>Administration</u>	<u>Totals</u>
Contributions and Sponsors	\$ -	\$ 29,771	\$ 712,838
Academy of Teachers	-	-	1,500
Access Homeless Fund	5,100	-	5,100
Allegretti Scholarships	5,000	-	5,000
Angela Mates Scholarship	2,430	-	2,430
Babatz Memorial Scholarship	-	-	2,755
Betty Smith Carriere Scholarship	4,100	-	4,100
Bonita Bay AAA Scholarship Fund	-	-	11,000
Environmental Education	17,023	-	17,023
Fort Myers High School Fund	100	-	100
Fort Myers Technical College	(24,740)	-	(24,740)
Shadow Wood Scholarship (OP)	70,211	-	70,211
Shevach Scholarship (OP)	20,000	-	20,000
Golden Apple Dinner	-	-	6,725
Golden Future Scholarship	-	-	13,051
Golden Apple Table Sponsors	-	-	67,250
Grants	-	-	80,000
Hurricane Ian Relief Fund (HIRF)	1,188,584	-	1,188,584
Kids Tag Art	23,148	-	23,148
Matching Funds Consortium	-	-	108,463
License Plate	-	-	24,324
Major Sponsors	-	-	125,000
Pandemic Relief Fund	-	-	(277)
Rotary Golf Fundraiser	-	-	26,231
Restricted Donations	-	32	32
Sanibel School	-	-	152,764
State of Our Schools	-	30,500	30,500
State of Our Schools Breakfast	-	9,800	9,800
STAMP Scholarship	-	-	6,800
STEM Education	-	-	21,600
STEM Work	-	-	17,500
Jeff Sommer Scholarship Fund	16,000	-	16,000
S.O.S. Enrichment Program	13,013	-	13,013
Suncoast C.U. Scholarships	10,000	-	10,000
SWFL Theatrical Society	-	-	12,850
Take Stock in Children	-	-	1,837,683
Take Stock in Children Receptions	-	-	5,000
Vision 2020	105	-	105
Interest	-	6,907	14,078
In-Kind Income	10,648	54,585	238,946
	<u>\$ 1,360,722</u>	<u>\$ 131,595</u>	<u>\$ 4,876,487</u>
Total Revenue	<u>\$ 1,360,722</u>	<u>\$ 131,595</u>	<u>\$ 4,876,487</u>

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
SCHEDULE OF CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2023**

	<u>Golden Apple</u>	<u>Classroom Grants</u>	<u>Collegium</u>	<u>Take Stock in Children</u>
SUPPORT AND REVENUE	\$ 276,233	\$ 203,768	\$ 50,041	\$ 2,044,817
EXPENSES	(264,053)	(127,314)	(88,610)	(630,437)
TRANSFERS	<u>(25,000)</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
CHANGE IN NET ASSETS	(12,820)	76,454	(13,569)	1,414,380
Net Assets - Beginning of Year	<u>33,767</u>	<u>10,110</u>	<u>21,829</u>	<u>2,437,968</u>
NET ASSETS - END OF YEAR	<u><u>\$ 20,947</u></u>	<u><u>\$ 86,564</u></u>	<u><u>\$ 8,260</u></u>	<u><u>\$ 3,852,348</u></u>

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
SCHEDULE OF CHANGES IN NET ASSETS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

	<u>C³ College and Career</u>	<u>Student Advocacy and Mentoring</u>	<u>Sanibel School</u>	<u>Bonita Springs High School</u>
SUPPORT AND REVENUE	\$ 170,985	\$ 107,167	\$ 247,984	\$ 11,000
EXPENSES	(123,574)	(96,516)	(133,697)	(10,668)
TRANSFERS	-	-	-	-
CHANGE IN NET ASSETS	47,411	10,651	114,287	332
Net Assets - Beginning of Year	<u>264,875</u>	<u>187,639</u>	<u>204,840</u>	<u>236,550</u>
NET ASSETS - END OF YEAR	<u><u>\$ 312,286</u></u>	<u><u>\$ 198,290</u></u>	<u><u>\$ 319,127</u></u>	<u><u>\$ 236,882</u></u>

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
SCHEDULE OF CHANGES IN NET ASSETS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

	Education Resource Center	Future Makers	Southwest Florida Theatrical Society	Other Programs
SUPPORT AND REVENUE	\$ 179,844	\$ 79,481	\$ 12,850	\$ 1,360,722
EXPENSES	(107,450)	(72,889)	(7,200)	(1,299,798)
TRANSFERS	-	-	-	-
CHANGE IN NET ASSETS	72,394	6,592	5,650	60,924
Net Assets - Beginning of Year	21,801	154,964	5,390	484,714
NET ASSETS - END OF YEAR	<u>\$ 94,195</u>	<u>\$ 161,556</u>	<u>\$ 11,040</u>	<u>\$ 545,638</u>

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.
SCHEDULE OF CHANGES IN NET ASSETS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

	<u>Administration</u>	<u>Furnishings and Equipment</u>	<u>Totals</u>
SUPPORT AND REVENUE	\$ 131,595	\$ -	\$ 4,876,487
EXPENSES	(220,083)	(645)	(3,182,934)
TRANSFERS	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET ASSETS	(88,488)	(645)	1,693,553
Net Assets - Beginning of Year	<u>125,815</u>	<u>4,458</u>	<u>4,194,720</u>
NET ASSETS - END OF YEAR	<u>\$ 37,327</u>	<u>\$ 3,813</u>	<u>\$ 5,888,273</u>



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

Board of Directors
The Foundation for Lee County Public Schools, Inc.
Fort Myers, 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 Foundation for Lee County Public Schools, Inc. (the Foundation) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, 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 August 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 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.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, as described below, that we consider to be a material weakness. This material weakness was identified and communicated in a prior period.

2023-001 Annual Financial Reporting Under GAAP

Criteria:

Management is responsible for establishing and maintaining internal controls and for the fair presentation of the financial statements, including the related disclosures, in accordance with GAAP.

Condition:

The entity does not have an internal control policy in place over annual financial reporting that would enable management to prepare its annual financial statements and related footnote disclosures are complete and presented in accordance with GAAP.

Context:

Management has informed us that they do not have an internal control policy in place over the annual financial reporting and that they do not have the necessary staff capacity to prepare the annual financial statements, including disclosures.

Cause:

The entity relies on the audit firm to prepare the annual financial statements and related disclosures. However, management has reviewed and approved the annual financial statements and the related disclosures.

Effect:

The potential exists that a material misstatement of the annual financial statements could occur and not be prevented or detected by the entity's internal controls.

Recommendation:

Management should continue to evaluate their internal staff capacity to determine if an internal control policy over the annual financial reporting is beneficial.

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 that are required to be reported under *Government Auditing Standards*.

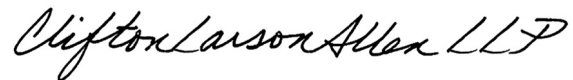
The Foundation's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Foundation's response to the findings identified in our audit and described above. The Foundation's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Board of Directors
The Foundation for Lee County Public Schools, Inc.

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.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Fort Myers, Florida
August 22, 2023

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The Foundation for Lee County Public Schools, Inc. is not for profit 501(c)(3) organization established in Lee County. For students and educators through programs, resources, and experiences made possible through corporate, individual and educational partnerships.

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August 22, 2023

Amy C. Cooper, CPA
Principal, Nonprofit
CliftonLarsonAllen LLP
4501 Tamiami Trail North, Suite 200
Naples, FL 34103

Dear Ms. Cooper,

On behalf of The Foundation for Lee County Public Schools, Inc., this letter will confirm that we have reviewed the final draft of the audited financial statements for the fiscal year ended June 30, 2023.

The deficiency described in the audit is similar to past audit findings and is known to management and the Board of Directors. Due to cost and other considerations, we accept the degree of risk associated with this deficiency.

We look forward to receiving the finalized audit and want to thank you once again for your services.

Sincerely,

Marshall T. Bower, Esq.
President & CEO

MTB:aa

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