



**Friends of the Museums
of Florida History, Inc.**

FINANCIAL STATEMENTS

June 30, 2023



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REPORT





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INDEPENDENT AUDITOR'S REPORT

Board of Directors and Management
Friends of the Museums of Florida History, Inc.
Tallahassee, Florida

Report on Audit of the Financial Statement

Opinion

We have audited the accompanying financial statements of the Friends of the Museums of Florida History, 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 Friends of the Museums of Florida History, 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. 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 Friends of the Museums of Florida History, 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.

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 Friends of the Museums of Florida History, Inc.'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 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, including omissions, 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, 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 Friends of the Museums of Florida History, 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 Friends of the Museums of Florida History, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of support and revenue and schedule of expenses on pages 19-20 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 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.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tallahassee, FL
March 13, 2024



FINANCIAL STATEMENTS

Friends of the Museums of Florida History, Inc.
Statement of Financial Position

June 30, 2023

Assets

Current assets

Cash and cash equivalents	\$ 399,487
Accounts receivable, net	16,591
Inventory	69,576

Total current assets	485,654
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Non-current assets

Cash and cash equivalents - restricted	33,364
Restricted investments	974,829
Property and equipment - net	5,224

Total non-current assets	1,013,417
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Total assets	\$ 1,499,071
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Liabilities and net assets

Current liabilities

Accounts payable	\$ 6,147
Accrued expenses	281

Total current liabilities	6,428
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Net assets

Without donor restrictions	432,715
With donor restrictions	1,059,928

Total net assets	1,492,643
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Total liabilities and net assets	\$ 1,499,071
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The accompanying notes are an integral part of these financial statements.

Friends of the Museums of Florida History, Inc.
Statement of Activities

<i>For the year ended June 30, 2023</i>	Without Donor Restrictions	With Donor Restrictions	Totals
Revenue and other support			
Gift shop sales	\$ 121,923	\$ -	\$ 121,923
Less: cost of goods sold	52,227	-	52,227
Gross profit	69,696	-	69,696
In-kind contributions	154,483	-	154,483
Investment income, net of expenses	-	31,743	31,743
Contributions and memberships	15,125	-	15,125
Education programs	-	51,459	51,459
Exhibit revenue	16,102	-	16,102
Facility use and rental income	3,608	-	3,608
Other income	284	-	284
Net assets released from restrictions	39,632	(39,632)	-
Total revenue and other support	298,930	43,570	342,500
Expenses			
<i>Program services</i>			
Education program	39,632	-	39,632
Exhibit expense	16,663	-	16,663
Knott House	3,921	-	3,921
Membership	1,955	-	1,955
Total program services	62,171	-	62,171
<i>Supporting services</i>			
General and administrative	253,005	-	253,005
Total supporting services	253,005	-	253,005
Total expenses	315,176	-	315,176
Change in net assets	(16,246)	43,570	27,324
Net assets at beginning of year	448,961	1,016,358	1,465,319
Net assets at end of year	\$ 432,715	\$ 1,059,928	\$ 1,492,643

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

Friends of the Museums of Florida History, Inc.
Statement of Functional Expenses

<i>For the year ended June 30, 2023</i>	<u>Program Services</u>				<u>Supporting Services</u>		<u>Total</u>
	Education program	Exhibit	Knott House	Membership	Program services subtotal	General and administrative	
Contributed salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 127,115	\$ 127,115
Salaries and benefits	-	-	-	-	-	44,951	44,951
Direct program supplies	36,581	7,043	-	-	43,624	-	43,624
Occupancy	-	-	-	-	-	27,368	27,368
Professional fees	-	-	-	-	-	24,565	24,565
Other	-	-	-	-	-	15,244	15,244
Freight	-	9,620	-	-	9,620	-	9,620
Merchant service charges	-	-	-	-	-	7,663	7,663
Repairs and maintenance	-	-	3,921	-	3,921	-	3,921
Catering	3,051	-	-	-	3,051	-	3,051
Newsletter	-	-	-	1,835	1,835	-	1,835
Workers compensation insurance	-	-	-	-	-	1,626	1,626
Depreciation	-	-	-	-	-	1,019	1,019
Advertising and marketing	-	-	-	-	-	842	842
Office supplies	-	-	-	-	-	768	768
Licenses and permits	-	-	-	-	-	600	600
Travel	-	-	-	-	-	589	589
Hospitality	-	-	-	-	-	545	545
Printing	-	-	-	120	120	-	120
FAW meeting notices	-	-	-	-	-	55	55
Board meeting expense	-	-	-	-	-	55	55
Total	\$ 39,632	\$ 16,663	\$ 3,921	\$ 1,955	\$ 62,171	\$ 253,005	\$ 315,176

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

Friends of the Museums of Florida History, Inc.
Statement of Cash Flows

For the year ended June 30, 2023

Cash flows from operating activities

Change in net assets	\$	27,324
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation		1,019
Unrealized and realized loss (gain) on investments		(14,027)
Changes in operating assets and liabilities		
Inventory		12,998
Accounts receivable		(12,381)
Promises to give		4,000
Accounts payable		2,975
Accrued expenses		(798)

Net cash provided by (used in) operating activities 21,110

Investing activities

Proceeds from the sale of investments		337,833
Purchase of investments		(348,267)

Net cash provided by (used in) investing activities (10,434)

Net change in cash and cash equivalents 10,676

Cash and cash equivalents, beginning of year 422,175

Cash and cash equivalents, end of year \$ 432,851

SUPPLEMENTAL CASH FLOW INFORMATION

Cash and cash equivalents consist of the following:

Cash and cash equivalents	\$	399,487
Cash and cash equivalents - restricted		33,364

Cash and cash equivalents, end of year \$ 432,851

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

Friends of the Museums of Florida History, Inc. Notes to Financial Statements

Note 1: DESCRIPTION OF THE ORGANIZATION

Friends of the Museums of Florida History, Inc. (the Organization) was incorporated on December 14, 2001 as a Florida not-for-profit corporation. It was organized exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code to conduct programs and activities, sponsor research, sponsor promotions, raise funds, request and receive grants, gifts, contributions, dues and bequests of money, real and personal property; or acquire, receive, hold, invest and administer securities, funds, objects of value, or other property, real or personal; and, make expenditures and distributions to or for the benefit of the Museum of Florida History, Florida Department of State (the Museum). On July 1, 2004, the Organization approved the combination of Friends of the Museum of Florida History, Inc., Friends of the Knott House, and Friends of the Old Capitol into the Organization. The mission of the Organization is to enhance and perpetuate historic properties and museums managed by the Museum of Florida History for the people of Florida and its visitors through assisting and advising the Museum on a statewide basis in the following ways:

- Developing and maintaining general membership support for the purposes of the Organization.
- Developing and providing staff services and merchandise, including, but not limited to, books, cards, stationary, postcards, and pamphlets for the gift shops at the Museum of Florida History, the Old Florida Capitol, the Knott House Museum and other locations deemed appropriate by the Organization and the Department of State, Division of Historical Resources.
- Providing a vehicle for grant funding and special projects for the Museum's Florida Heritage Education Program, for the Florida History Fair, and for permanent, changing, and traveling exhibits.
- Providing support and recognition programs for the volunteers of the Museum.
- Making expenditures, distributions, and publications to or for the benefit of the Museum of Florida History.

The Organization conducts the following programs:

Education – The Organization administers various educational programs to support the mission of the Museum.

Exhibit – The Organization provides support for its various museum exhibits.

Knott House – The Organization provides support for the activities of the Knott House Museum.

Membership – The Organization provides various benefits for members of the Museum.

Friends of the Museums of Florida History, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization maintains separate cash accounts for restricted and designated purposes. Restricted cash is held in a separate account according to donor restrictions, which require the cash to be expended for a specific purpose. For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of members to meet their obligations.

Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

Inventory

Inventory consists of merchandise held for sale in the gift shops. It is stated at the lower of cost or net realizable value. Cost is determined by the first-in, first-out method. When evidence exists that the net realizable value of inventory is lower than its cost, the difference is recognized as a loss in the statement of activities in the period in which it occurs.

Friends of the Museums of Florida History, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

The Organization reports investments in marketable securities with readily determinable fair values at their fair values in the statement of financial position. Unrealized and realized gains and losses from changes in the fair value of investments are reported in the statement of activities net of related expenses.

Property and Equipment - Net

All acquisitions of property and equipment in excess of \$500 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance that do not materially prolong the useful lives of assets are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method.

Net Assets

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations, and designations established by the governing board. The governing board has designated, from net assets without donor restrictions, net assets in support of specific programs.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Contributions with donor restrictions that are both received and released within the same year are recorded as an increase in net assets with donor restrictions and as a satisfaction of program restrictions.

Friends of the Museums of Florida History, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

Gift shop sales are recognized as revenue when performance obligations under the terms of the contracts with customers are satisfied.

Contributions, grants, education programs and exhibit revenues are recognized when cash, 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. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

Donated Services and Facilities

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 Organization. Donated facility usage is recorded as contributions at their fair values at the date of donation.

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services based on considerations of time and space utilized for the relative activities. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Advertising

Advertising costs are expensed as incurred. The Organization incurred \$842 in advertising expense during the year ended June 30, 2023.

Income Taxes

The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code with the exception of any unrelated business income. There was no unrelated business income during the year ended June 30, 2023.

Friends of the Museums of Florida History, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 13, 2024, and determined there were no events that occurred that required disclosure.

Note 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY

The Organization maintains its financial assets primarily in marketable securities and cash and cash equivalents to provide liquidity to ensure funds are available as the Organization's expenditures come due. The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions.

<i>As of June 30,</i>	2023
Total assets at year-end	\$ 1,499,071
Less non-financial assets	
Property and equipment - net	(5,224)
Financial assets, at year-end	1,493,847
Less those not available for general expenditures within one year, due to contractual, donor-imposed restrictions, and board designations	
Restricted by donor with time or purpose restrictions	(1,059,928)
Board designations	(119,710)
Financial assets available to meet cash needs for expenditures within one year	\$ 314,209

The Organization is principally supported by contributions and investment income. Management has the ability to significantly curtail program expenses in response to cash shortages.

Note 4: INVENTORY

Inventory consists of retail items held at the following locations:

<i>June 30,</i>	2023
Florida History Shop	\$ 44,260
Old Capitol	13,453
New Capitol	11,863
Total inventory	\$ 69,576

Friends of the Museums of Florida History, Inc.
Notes to Financial Statements

Note 5: INVESTMENTS

Investments in marketable securities consist of the following:

<i>June 30, 2023</i>	Cost	Market Value
Certificates of deposit	\$ 608,333	\$ 608,333
Mutual funds		
Equities	265,238	269,042
Fixed income - bonds	100,046	86,603
Real estate	8,858	8,085
Fixed income - US Treasury	2,766	2,766
Total investments in marketable securities	\$ 985,241	\$ 974,829

Note 6: PROPERTY AND EQUIPMENT - NET

Property and equipment – net consists of the following:

<i>June 30,</i>	Estimated Useful Lives (in years)	2023
Furniture and fixtures	5 - 10	\$ 34,282
Equipment	5 - 10	9,653
Renovations	30	8,599
Total property and equipment		52,534
Less: Accumulated depreciation		(47,310)
Total property and equipment - net		\$ 5,224

Depreciation expense for the year ended June 30, 2023 was \$1,019.

Note 7: NET ASSETS

A summary of net assets without donor restrictions follows:

<i>June 30,</i>	2023
Undesignated	\$ 313,005
Board designated	
TREX Program	113,414
Florida Heritage Education	4,296
General Support Contribution	2,000
Total net assets without donor restrictions	\$ 432,715

Friends of the Museums of Florida History, Inc.
Notes to Financial Statements

Note 7: NET ASSETS (Continued)

A summary of net assets with donor restrictions follows:

<i>June 30,</i>	2023
Purpose restricted	
Florida Cultural Endowment	\$ 600,000
James Knott	214,793
Charles Knott	151,702
Viva Florida 500	29,146
Knott House	28,095
Florida History Fair	21,326
Acquisition Fund	4,300
Florida Inspired	3,729
Emancipation Day	3,706
Educational Programs	1,765
Women's History Collection Fund	927
Poetry Programming	297
Support Your ST History Museum	142
Total net assets with donor restrictions	\$ 1,059,928

Note 8: REVENUE

The Organization recognizes revenue at a point in time for its gift shop sales and education programs. As of June 30, 2023, there are no performance obligations to be satisfied.

A summary of disaggregated revenue information follows:

<i>June 30,</i>	2023
Contracts with customers	
Recognized at a point of time	
Gift shop sales, net of cost of goods sold	\$ 69,696
Grants and contributions	
In-kind contributions	154,483
Contributions and memberships	15,125
Education programs	51,459
Exhibits	16,102
Other revenue	
Investment income, net of expenses	31,743
Facility use and rental income	3,608
Miscellaneous	284
Total revenue and other support	\$ 342,500

The Organization's customers are primarily visitors of the Museum, including school groups from Tallahassee, Florida and surrounding areas.

Friends of the Museums of Florida History, Inc.
Notes to Financial Statements

Note 9: CONTRIBUTIONS IN-KIND

All donated retail space and staff salaries were utilized by the Organization’s supporting services. There were no donor-imposed restrictions associated with the contributed retail space and staff salaries.

The components of donated retail space and staff salaries contributed to the Organization consists of the following:

<i>For the year ended June 30, 2023</i>	Donated Retail Space	Donated Staff Salaries	Total
<i>Supporting services</i>			
General and administrative	\$ 27,368	\$ 127,115	\$ 154,483
Total	\$ 27,368	\$ 127,115	\$ 154,483

The State of Florida, through the Division of Historical Resources, Department of State, provides support to the Organization in the form of contributed personnel and occupancy costs. Donated retail space is recorded as contributions at their fair values at the date of donation.

Note 10: ENDOWMENTS

The Organization's endowment consists of a donor-restricted fund, the Florida Cultural Endowment. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law - The Organization is governed by Florida Statute Chapter 617.2104 - *Florida Uniform Prudent Management of Institutional Funds Act*. The Uniform Prudent Management of Institutional Funds Act (UPMIFA) was enacted in the State of Florida during the 2011 legislative session and had an effective date of July 1, 2012. Unless a donor imposes a restriction to the contrary, all endowment funds at the Organization adhere to the spending policy adopted by the Organization’s Board of Directors. Florida Statute does not require preservation of the fair value of the original gift, but rather specifically states that spending may include investment appreciation as well as principal.

Investment Return Objectives, Risk Parameters and Strategies - The Organization has adopted investment and spending policies, approved by the Board of Directors, for endowment assets. Those policies attempt to achieve a competitive long term rate of return and marketability within reasonable and prudent levels of risk. The Board seeks to create a conservative, well diversified, and balanced portfolio.

Friends of the Museums of Florida History, Inc.
Notes to Financial Statements

Note 10: ENDOWMENTS (Continued)

Spending Policy - Funds generated from the investment of principal shall only be expended for operating costs incurred while engaging in programs directly related to the Organization’s mission. Funds generated from the investment of principal include realized and unrealized appreciation as well as natural income from dividends, interest and realized gain. Endowment funds may not be used as collateral.

With regard to donor-restricted endowments, the Organization respects and enforces the donor's restriction to preserve the historic gift value of the fund. This project for the Florida Cultural Endowment is sponsored in part by the State of Florida through the Florida Department of State, Division of Arts and Culture, and the Florida Council on Arts and Culture (Section 286.25, Florida Statutes).

Changes in the endowment’s net assets follow:

	2023
FL Cultural Endowment at July 1, 2022	\$ 600,000
Investment income (loss) for FL Cultural Endowment	5,598
Withdrawal from endowment to maintain original corpus	(5,598)
FL Cultural Endowment net assets, June 30, 2023	\$ 600,000

Note 11: FAIR VALUE MEASUREMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (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. There are three levels of inputs that may be used to measure fair values:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
 - observable; or
 - can be corroborated by observable market data.

Friends of the Museums of Florida History, Inc.
Notes to Financial Statements

Note 11: FAIR VALUE MEASUREMENTS (Continued)

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2023.

Certificates of deposit: Valued at cost which approximates the fair value of the account.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

Assets and liabilities measured at fair value on a recurring basis, are summarized for the year ended June 30, 2023:

June 30, 2023	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ -	\$ 608,333	\$ -	\$ 608,333
Mutual funds				
Equities	269,042	-	-	269,042
Fixed income - bonds	86,603	-	-	86,603
Real estate	8,085	-	-	8,085
Fixed income - US Treasury	2,766	-	-	2,766
Total investments at fair value	\$ 366,496	\$ 608,333	\$ -	\$ 974,829

Friends of the Museums of Florida History, Inc.
Notes to Financial Statements

Note 11: FAIR VALUE MEASUREMENTS (Continued)

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the year ended June 30, 2023, there were no significant transfers in or out of Levels 1, 2 or 3.

Note 12: CONCENTRATIONS AND CONTINGENCIES

The Organization maintains cash with a financial institution in excess of the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000 by \$166,252 at June 30, 2023. Additionally, the endowment accounts are invested in professionally managed open-ended mutual funds. Such investments are exposed to various risks, such as fluctuations in market value and credit risk. Thus, it is at least reasonably possible that changes in these risks in the near term could materially affect investment balances and the amounts reported in the financial statements.



SUPPLEMENTARY INFORMATION

Friends of the Museums of Florida History, Inc.
Schedule of Support and Revenue

For the year ended June 30,

2023

Gift shop sales:	
Museum	\$ 32,948
Old Capitol	55,131
New Capitol	21,759
On-line sales	12,085
Total gift shop sales	121,923
Less: cost of goods sold	52,227
Gross profit on gift shop sales	69,696
In-kind contributions	154,483
Contributions and memberships:	
Donation boxes	5,088
Membership	4,768
Contributions without restrictions	5,269
Total contributions and memberships	15,125
Education programs:	
Florida History Fair	42,789
Emancipation Day	8,670
Total education program revenue	51,459
Exhibit revenue:	
TREX	16,102
Total exhibit revenue	16,102
Investment income (loss), net of expenses:	
James Knott Endowment	19,799
FL Cultural Endowment	5,598
Charles Knott Endowment	6,346
Total investment income (loss)	31,743
Facility use and rental income:	
Parking lot	3,608
Total facility use and rental income	3,608
Other income	284
Total support and revenue	\$ 342,500

See Independent Auditor's Report

Friends of the Museums of Florida History, Inc.
Schedule of Expenses

<i>For the year ended June 30,</i>	<i>2023</i>
Education program expense:	
Florida History Fair	\$ 28,938
Emancipation Day	7,873
Miscellaneous education programming	2,350
History at High Noon	134
Second Saturday Family program	130
Outreach	107
Knott House General Programming	100
Total education program expense	39,632
Exhibit expenses:	
TREX exhibits	16,315
Other	348
Total exhibit expenses	16,663
Knott House expenses	3,921
Membership	1,955
Administrative expenses:	
Contributed salaries	127,115
Salaries and benefits	44,951
Occupancy	27,368
Professional fees	24,565
Other	15,244
Merchant service charges	7,663
Workers compensation insurance	1,626
Depreciation	1,019
Advertising and marketing	842
Office supplies	768
Licenses and permits	600
Travel	589
Hospitality	545
FAW meeting notices	55
Board Meeting Expense	55
Total administrative expenses	253,005
Total expenses	\$ 315,176

See Independent Auditor's Report



REQUIRED COMMUNICATIONS

Required Communications

As discussed with the Board of Directors and management during our planning process, our audit plan represented an approach responsive to the assessment of risk for the Organization. Specifically, we planned and performed our audit to:

- Perform audit services, as requested by the Board of Directors, in accordance with auditing standards generally accepted in the United States of America, in order to express an opinion on the Organization's financial statements for the year ended June 30, 2023;
- Communicate directly with the Board of Directors and management regarding the results of our procedures;
- Address with the Board of Directors and management any accounting and financial reporting issues;
- Anticipate and respond to concerns of the Board of Directors and management; and
- Address other audit-related projects as they arise and upon request.

Required Communications

We have audited the financial statements of Friends of the Museums of Florida History, Inc. for the year ended June 30, 2023, and have issued our report thereon dated March 13, 2024. Professional standards require that we provide you with the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
Auditor's responsibility under Generally Accepted Auditing Standards	<p>As stated in our engagement letter dated May 2, 2023, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP). Our audit of the financial statements does not relieve you or management of your responsibilities.</p> <p>As part of our audit, we considered the internal control of the Organization. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.</p>
Client's responsibility	<p>Management, with oversight from those charged with governance, is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with the applicable framework. Management is responsible for the design and implementation of programs and controls to prevent and detect fraud.</p> <p>Management is responsible for overseeing nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.</p>
Planned scope and timing of the audit	<p>Our initial audit plan was not significantly altered during our fieldwork.</p>
Management judgments and accounting estimates <i>The process used by management in forming particularly sensitive accounting estimates and the basis for the auditor's conclusion regarding the reasonableness of those estimates.</i>	<p>Please see the following section titled "Accounting Policies, Judgments and Sensitive Estimates and CRI Comments on Quality."</p>
Potential effect on the financial statements of any significant risks and exposures <i>Major risks and exposures facing the Organization and how they are disclosed.</i>	<p>No such risks or exposures were noted.</p>

Required Communications

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditor's judgment about the quality of accounting principles</p> <ul style="list-style-type: none"> • <i>The initial selection of and changes in significant accounting policies or their application; methods used to account for significant unusual transactions; and effect of significant policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</i> • <i>The auditor should also discuss the auditor's judgment about the quality, not just the acceptability, of the Organization's accounting policies as applied in its financial reporting. The discussion should include such matters as consistency of accounting policies and their application, and clarity and completeness of the financial statements, including disclosures. Critical accounting policies and practices applied by the Organization in its financial statements and our assessment of management's disclosures regarding such policies and practices (including any significant modifications to such disclosures proposed by us but rejected by management), the reasons why certain policies and practices are or are not considered critical, and how current and anticipated future events impact those determinations;</i> • <i>Alternative treatments within GAAP for accounting policies and practices related to material items, including recognition, measurement, presentation and disclosure alternatives, that have been discussed with client management during the current audit period, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the auditor; furthermore, if the accounting policy selected by management is not the policy preferred by us, discuss the reasons why management selected that policy, the policy preferred by us, and the reason we preferred the other policy.</i> 	<p>Significant accounting policies are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year ended June 30, 2023. We noted no transactions entered into by the organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.</p> <p>No financial statement disclosures noted that are particularly sensitive because of their significance to financial statement users.</p> <p>The financial statement disclosures are neutral, consistent, and clear.</p>

Required Communications

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Significant difficulties encountered in the audit <i>Any significant difficulties, for example, unreasonable logistical constraints or lack of cooperation by management.</i></p>	<p>We encountered no significant difficulties in dealing with management in performing and completing our audit.</p>
<p>Disagreements with management <i>Disagreements, whether or not subsequently resolved, about matters significant to the financial statements or auditor's report. This does not include those that came about based on incomplete facts or preliminary information.</i></p>	<p>We are pleased to report that no such disagreements arose during the course of our audit.</p>
<p>Other findings or issues <i>Matters significant to oversight of the financial reporting practices by those charged with governance. For example, an entity's failure to obtain the necessary type of audit, such as one under Government Auditing Standards, in addition to GAAS.</i></p>	<p>None noted.</p>
<p>Matters arising from the audit that were discussed with, or the subject of correspondence with, management <i>Business conditions that might affect risk or discussions regarding accounting practices or application of auditing standards.</i></p>	<p>None noted.</p>
<p>Corrected and uncorrected misstatements <i>All significant audit adjustments arising from the audit, whether or not recorded by the Organization, that could individually or in the aggregate have a significant effect on the financial statements. We should also inform the Board about uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented, that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Any internal control deficiencies that could have prevented the misstatements.</i></p>	<p>See "Summary of Audit Adjustments" section.</p>
<p>Major issues discussed with management prior to retention <i>Any major accounting, auditing or reporting issues discussed with management in connection with our initial or recurring retention.</i></p>	<p>Discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.</p>

Required Communications

MATTERS TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Consultations with other accountants <i>When management has consulted with other accountants about significant accounting or auditing matters.</i></p>	<p>To our knowledge, there were no such consultations with other accountants.</p>
<p>Written representations <i>A description of the written representations the auditor requested (or a copy of the representation letter).</i></p>	<p>See "Management Representation Letter" section.</p>
<p>Internal control deficiencies <i>Any significant deficiencies or material weaknesses in the design or operation of internal control that came to the auditor's attention during the audit.</i></p>	<p>See "Internal Control Findings" section.</p>
<p>Fraud and illegal acts <i>Fraud involving the Organization's management, or those responsible for internal controls, or causing a material misstatement of the financial statements, where the auditor determines there is evidence that such fraud may exist. Any illegal acts coming to the auditor's attention involving the Organization's management and any other illegal acts, unless clearly inconsequential.</i></p>	<p>We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements.</p>
<p>Other information in documents containing audited financial statements <i>The external auditor's responsibility for information in a document containing audited financial statements, as well as any procedures performed and the results.</i></p>	<p>Our responsibility related to documents (including annual reports, websites, etc.) containing the financial statements is to read the other information to consider whether:</p> <ul style="list-style-type: none"> • Such information is materially inconsistent with the financial statements; and • We believe such information represents a material misstatement of fact. <p>We have not been provided any such items to date and are unaware of any other documents that contain the audited financial statements.</p>
<p>Significant unusual accounting transactions <i>Auditor communication with governance to include auditor's views on policies and practices management used, as well as the auditor's understanding of the business purpose.</i></p>	<p>No significant unusual accounting transactions were noted during the year.</p>

Required Communications

MATTERS TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Supplementary Information in relation to the financial statements as a whole <i>The auditor's responsibility for supplementary information accompanying the financial statements, as well as any procedures performed and the results.</i></p>	<p>We made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.</p>

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality

We are required to communicate our judgments about the quality, not just the acceptability, of the Organization's accounting principles as applied in its financial reporting. We are also required to communicate critical accounting policies and sensitive accounting estimates. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The Board may wish to monitor throughout the year the process used to compute and record these accounting estimates. The table below summarizes our communications regarding these matters.

AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATES	AUDITOR'S CONCLUSIONS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Expenses	The Organization allocates expenses between program and supporting services as required by the AICPA Audit & Accounting Guide for Not-for-Profit Entities.	X	The Organization reports expenses based on its functional classification. The allocation between program and supporting services is based on a combination of direct and indirect allocation of expenses. Indirect expenses are allocated between program and supporting services based on considerations of time and space utilized for the relative activities.	The Organization's policies are in accordance with the applicable accounting guidelines.
Investments	The Organization follows the provisions of ASC 820, <i>Fair Value Measurements and Disclosures</i> , when reporting investments.	X	The allocation between levels 1-3 under ASC 820 is based on management's review of the underlying investments. The Organization relies on valuations from its broker for 100% of the asset values.	The Organization's policies are in accordance with the applicable accounting guidelines.

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality

AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATES	AUDITOR'S CONCLUSIONS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Contributed Salaries and Space	Management records support provided by the State of Florida as revenue and offsetting expenses.	X	The Organization relies on valuation of salaries and space provided from the State of Florida. The valuation is based on an estimate of time spent on the Organization's activities and square footage of space used in operations.	The Organization's policies are in accordance with the applicable accounting guidelines.
Allowance for Doubtful Accounts	The Organization records an allowance for doubtful accounts based on management's knowledge.	X	The Organization estimates the allowance for doubtful accounts based on historical averages and current information on each account.	Policy appears to be in accordance with U.S. GAAP.

Summary of Audit Adjustments

During the course of our audit, we accumulate differences between amounts recorded by the Organization and amounts that we believe are required to be recorded under GAAP. Those adjustments are either recorded (corrected) by the Organization or passed (uncorrected). Uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even if, in the auditor's judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

See attached schedule for recorded (corrected) entries. There were no passed (uncorrected) entries.

QUALITATIVE MATERIALITY CONSIDERATIONS

In evaluating the materiality of audit differences when they do arise, we consider both quantitative and qualitative factors, for example:

- Whether the difference arises from an item capable of precise measurement or whether it arises from an estimate, and, if so, the degree of imprecision inherent in the estimate.
- Whether the difference masks a change in earnings or other trends.
- Whether the difference changes a net decrease in assets to addition, or vice versa.
- Whether the difference concerns an area of the Organization's operating environment that has been identified as playing a significant role in the Organization's operations or viability.
- Whether the difference affects compliance with regulatory requirements.
- Whether the difference has the effect of increasing management's compensation – for example, by satisfying requirements for the award of bonuses or other forms of incentive compensation.
- Whether the difference involves concealment of an unlawful transaction.

Summary of Audit Adjustments

Client: **Friends of the Museums of Florida History**
 Engagement: **Friends of the Florida Museum**
 Period Ending: **6/30/2023**
 Workpaper: **Adjusting Journal Entries Report**

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
To agree beginning net assets to prior year ending net assets per audited financial statements based on entries PBC.			
3008	Temp Restricted Net Assets:JCharles Knott Endow	24,409.00	
3009	Temp Restricted Net Assets:James Knott Endowment	45,396.00	
3010	Temp Restricted Net Assets:Old Capital Christmas	402.00	
3021	Temp Restricted Net Assets:Knott House Temp Restricted	14,657.00	
3022	Temp Restricted Net Assets:Educational Programs	5,616.00	
3505	Unrestricted Net Assets:Operations	68,346.00	
5528	General & Administrative Exp.:Other	6,907.00	
3000	Retained Earnings		63,085.00
3028	Temp Restricted Net Assets: Florida History Fair		7,610.00
3504	Unrestricted Net Assets:Net Gift Shop Earnings		89,654.00
3506	Unrestricted Net Assets:TREX Program		5,384.00
Total		<u>165,733.00</u>	<u>165,733.00</u>
Adjusting Journal Entries JE # 2			
To agree unrealized gain to agree to the June 30, 2023 investment statement, PBC.			
4808	Investment Income:FMFH FL Cultural Endowment:Unrealized Gain/Loss	40.00	
1404	FMFH FL Cultural Endowment		40.00
Total		<u>40.00</u>	<u>40.00</u>
Adjusting Journal Entries JE # 3			
To reclassify payroll taxes expense to the correct account			
5511	General & Administrative Exp.:Payroll Expenses	6,501.00	
2007	Payroll Liabilities		6,501.00
Total		<u>6,501.00</u>	<u>6,501.00</u>

Management Representation Letter

*Friends of the
Museums of
Florida History, Inc.*



Museum of Florida History



Knott House Museum

Your Museum. Your Florida. Your History.

March 13, 2024

BOARD OF DIRECTORS

Laura Rogers, Chair
World Class Schools
of Leon County
Greater Tallahassee Chamber
of Commerce
Tallahassee

Stephen R. Birtman
City of Tallahassee
Tallahassee

Andrew Collins, Treasurer
Tallahassee

Kathy Guilday, Vice-Chair
Tallahassee

Lena Juarez
JEJ & Associates
Tallahassee

Dennis D. Moore, Ph.D.
Tallahassee

MUSEUM STAFF

Lisa Barton
Museum Director

Jennifer Henderson
Florida's History Shop
Manager

Carr, Riggs & Ingram, LLC
2633 Centennial Blvd, Suite 200
Tallahassee, FL 32308

This representation letter is provided in connection with your audit of the financial statements of Friends of the Museums of Florida History, 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 disclosures (collectively, the "financial statements"), for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered to be material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of March 13, 2024, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 2, 2023, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- 3) We acknowledge our responsibility 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.

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Management Representation Letter

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NPO (1/23)

- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 6) Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the Organization is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the Organization and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements communicated by employees, former employees, grantors, regulators, or others.

Management Representation Letter

NPO (1/23)

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- 16) We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
- 17) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 18) We have disclosed to you the names of all of the Organization's related parties and all the related-party relationships and transactions, including any side agreements.
- 19) The Organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 20) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
- 21) 21) Friends of the Museums of Florida History is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.
- 22) We acknowledge our responsibility for presenting the Schedule of Support and Revenue and the Schedule of Expenses in accordance with U.S. GAAP, and we believe the Schedule of Support and Revenue and the Schedule of Expenses, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the Schedule of Support and Revenue and the Schedule of Expenses have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
- 23) In regard to the financial statement preparation services performed by you, we have-
 - a) Assumed all management responsibilities.
 - b) Designated Lisa Barton, Museum Director, who has suitable skill, knowledge, or experience to oversee the services.
 - c) Evaluated the adequacy and results of the services performed.
 - d) Accepted responsibilities for the results of the services.

Signature: _____

Lisa Barton

Title: _____

Museum Director



**INTERNAL CONTROL
RECOMMENDATIONS**

The Board of Directors and Management of
Friends of the Museums of Florida History, Inc.

In planning and performing our audit of the financial statements of Friends of the Museums of Florida History, Inc. ("the Organization") as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization'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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph 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.

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 Organization's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

This communication is intended solely for the information and use of management, Board of Directors, others within Friends of the Museums of Florida History, Inc., and is not intended to be, and should not be, used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Carr, Riggs & Ingram, LLC

Tallahassee, Florida

March 13, 2024