



**Florida High School Athletic  
Association, Inc. and Affiliate**

**Combined Financial Statements**

**June 30, 2024 and 2023**

**REPORT**

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**CARR, RIGGS & INGRAM, L.L.C.**

**Carr, Riggs & Ingram, L.L.C.**  
4500 NW 27th Avenue  
Suite C2  
Gainesville, FL 32606-7042

352.372.6300  
352.375.1583 (fax)  
CRladv.com

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Florida High School Athletic Association, Inc.

### **Opinion**

We have audited the accompanying combined financial statements of the Florida High School Athletic Association, Inc. (a nonprofit organization) and Affiliate (the "Association"), which comprise the combined statement of financial position as of June 30, 2024, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Association as of June 30, 2024, and the changes in their net assets and their 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 Combined Financial Statements section of our report. We are required to be independent of the Association 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 Combined Financial Statements**

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the combined 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 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 combined 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 combined 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 combined 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 Association'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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association'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 combined financial statements as a whole. The combining statements are presented for purposes of additional analysis and are not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.

#### **Report on Summarized Comparative Information**

We have previously audited Florida High School Athletic Association, Inc. and Affiliates' 2023 combined financial statements, and we expressed an unmodified audit opinion on those audited financial statements in

our report dated February 13, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

*Cam, Riggs & Ingram, L.L.C.*

Gainesville, Florida

January 30, 2025

**Florida High School Athletic Association, Inc. and Affiliate  
Combined Statements of Financial Position**

<i>June 30,</i>	<b>2024</b>	<b>2023</b>
<b>Assets</b>		
Current assets		
Cash	\$ 1,085,336	\$ 1,520,595
Accounts receivable, net	987,416	1,049,349
Prepaid expenses	25,937	8,893
Total current assets	2,098,689	2,578,837
Non-current assets		
Investments	5,895,837	5,329,170
Operating lease, right-of-use assets, net	17,557	-
Property and equipment, net	1,618,508	1,670,782
Total non-current assets	7,531,902	6,999,952
Total assets	\$ 9,630,591	\$ 9,578,789
<b>Liabilities and Net Assets</b>		
Current liabilities		
Accounts payable	\$ 247,350	\$ 243,933
Accrued payroll and payroll taxes	107,263	102,544
Current portion of operating lease liabilities	3,858	-
Deferred revenue	36,393	78,125
Compensated absences, current portion	112,712	96,276
Total current liabilities	507,576	520,878
Long-term liabilities		
Operating lease liabilities, less current portion	13,699	-
Compensated absences, net of current portion	303,995	264,812
Total long-term liabilities	317,694	264,812
Total liabilities	825,270	785,690
Net assets without donor restrictions	8,805,321	8,793,099
Total liabilities and net assets	\$ 9,630,591	\$ 9,578,789

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

**Florida High School Athletic Association, Inc. and Affiliate  
Combined Statements of Activities**

<i>For the years ended June 30,</i>	<b>2024</b>	2023
<b>Revenue and Other Support</b>		
General athletics	\$ 1,278,161	\$ 1,336,605
Championships	1,185,322	1,107,326
Member dues	212,814	249,434
Investment income and losses and other income	586,833	334,680
Corporate marketing	2,825,428	3,206,009
Officials programs	494,627	443,699
Compliance	353,564	353,169
Recognition	10,410	4,308
<b>Total revenue and other support without donor restrictions</b>	<b>6,947,159</b>	7,035,230
<b>Expenses</b>		
<i>Program services</i>		
General athletics	1,505,570	1,423,773
Championships	1,057,540	967,520
Compliance	963,972	842,430
Communications	1,064,332	873,306
Officials	481,579	441,206
Recognition	210,803	185,118
<b>Total program services</b>	<b>5,283,796</b>	4,733,353
<i>Supporting services</i>		
Management and general	1,651,141	1,762,254
<b>Total expenses</b>	<b>6,934,937</b>	6,495,607
Change in net assets	12,222	539,623
Net assets without donor restrictions at beginning of year	8,793,099	8,253,476
<b>Net assets without donor restrictions at end of year</b>	<b>\$ 8,805,321</b>	\$ 8,793,099

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

## Florida High School Athletic Association, Inc. and Affiliate Combined Statements of Functional Expenses

*For the year ended June 30, 2024*

	Program Services						Supporting Services		2024 Total	Summarized Total for the Year Ended June 30, 2023
	General Athletics	Championships	Compliance	Communications	Officials	Recognition	Total Program Services	Management and General		
Salaries and wages	\$ 969,366	\$ -	\$ 757,041	\$ 671,904	\$ 217,671	\$ 67,317	\$ 2,683,299	\$ 982,306	\$ <b>3,665,605</b>	\$ 3,366,634
Professional services	113,700	-	52,217	1,886	17,377	3,700	188,880	250,574	<b>439,454</b>	478,291
Lobbying	-	-	-	253,126	-	-	253,126	-	<b>253,126</b>	256,002
Insurance	4,073	-	3,394	4,752	106,853	-	119,072	234,162	<b>353,234</b>	322,393
Transportation and travel	27,812	48,911	33,205	8,781	27,722	1,914	148,345	70,213	<b>218,558</b>	169,143
Infractions	-	-	7,283	-	-	-	7,283	-	<b>7,283</b>	8,339
Other committee costs	58,643	-	-	-	2,363	-	61,006	-	<b>61,006</b>	53,159
Repairs and maintenance	6,169	-	4,936	6,571	2,033	-	19,709	6,649	<b>26,358</b>	21,737
Rentals and leases	-	75,210	-	-	-	-	75,210	-	<b>75,210</b>	70,924
Communications	3,460	-	13,021	39,858	4,673	1,847	62,859	10,788	<b>73,647</b>	73,184
Utilities	9,683	-	8,069	11,296	3,227	-	32,275	9,683	<b>41,958</b>	48,730
Game officiating	-	307,360	-	-	22,738	-	330,098	-	<b>330,098</b>	329,382
Office supplies	177,776	153,541	35,212	33,720	14,254	3,598	418,101	28,581	<b>446,682</b>	348,381
Event supplies	29,925	62,265	12,782	361	52,483	38,463	196,279	113	<b>196,392</b>	120,695
Scholarships and other awards	-	410,253	13	400	544	93,009	504,219	5,116	<b>509,335</b>	549,622
Purchase of equipment	297	-	1,271	312	239	-	2,119	4,110	<b>6,229</b>	852
Computers and software	2,409	-	2,008	2,811	803	-	8,031	20,941	<b>28,972</b>	13,813
Land improvements	2,351	-	1,959	2,743	784	-	7,837	2,351	<b>10,188</b>	16,149
Dues and fees	23,679	-	874	1,224	350	-	26,127	1,356	<b>27,483</b>	27,669
Miscellaneous	53,586	-	13,273	-	-	955	67,814	3,600	<b>71,414</b>	127,093
Training and development	3,257	-	1,261	1,973	1,004	-	7,495	1,214	<b>8,709</b>	9,718
Depreciation	19,384	-	16,153	22,614	6,461	-	64,612	19,384	<b>83,996</b>	83,697
<b>Total</b>	<b>\$ 1,505,570</b>	<b>\$ 1,057,540</b>	<b>\$ 963,972</b>	<b>\$ 1,064,332</b>	<b>\$ 481,579</b>	<b>\$ 210,803</b>	<b>\$ 5,283,796</b>	<b>\$ 1,651,141</b>	<b>\$ 6,934,937</b>	<b>\$ 6,495,607</b>

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

**Florida High School Athletic Association, Inc. and Affiliate  
Combined Statements of Cash Flows**

<i>For the years ended June 30,</i>	<b>2024</b>	<b>2023</b>
<b>Operating Activities</b>		
Change in net assets	\$ 12,222	\$ 539,623
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Bad debt	(30,272)	(12,778)
Depreciation	83,994	83,697
Net gain on investments	(412,820)	(178,926)
Changes in operating assets and liabilities		
Accounts receivable	92,205	(553,514)
Prepaid expenses	(17,044)	(5,012)
Right of use assets	(17,557)	-
Accounts payable	3,417	55,957
Accrued payroll and payroll taxes	4,719	19,933
Operating lease liability	17,557	-
Deferred revenue	(41,732)	26,588
Compensated absences	55,619	10,290
Net cash provided (used) by operating activities	<b>(249,692)</b>	<b>(14,142)</b>
<b>Investing Activities</b>		
Interest and dividend reinvestment	(153,847)	(124,392)
Purchase of property and equipment	(31,720)	(57,008)
Net cash provided (used) by investing activities	<b>(185,567)</b>	<b>(181,400)</b>
Net change in cash	<b>(435,259)</b>	<b>(195,542)</b>
Cash, beginning of year	<b>1,520,595</b>	<b>1,716,137</b>
Cash, end of year	<b>\$ 1,085,336</b>	<b>\$ 1,520,595</b>

**Schedule of Noncash Transactions**

Lease liabilities arising from obtaining right-of-use assets		
Operating leases	\$ 21,260	\$ -

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

## **Florida High School Athletic Association, Inc. and Affiliate Notes to Combined Financial Statements**

### **NOTE 1: DESCRIPTION OF THE ASSOCIATION**

#### ***Combined Financial Statements***

The financial statements include the combined accounts of Florida High School Athletic Association, Inc., an organization established in 1920, designated as a 501C(3) in 1951 and Incorporated as a State of Florida not for profit corporation in 1962; and the Florida High School Athletic Association's Land Corporation, established in 1950, incorporated as a State of Florida not for profit corporation in 1993 and designated by the IRS as a 501C(2) organization, collectively referred to as the "Association" or "FHSAA." These entities have the same board of directors and are under the operational control of the Executive Director of the Association. The accounts of these organizations have been combined and all interorganization transactions and balances have been eliminated.

#### ***Nature of Activities***

The Association regulates, promotes and administers high school interscholastic athletic competition within the State of Florida for both public and private member schools. The Association conducts interscholastic athletic post season tournaments throughout the state, promotes values of high school curriculums, promotes sportsmanship and safety of participants and provides training of coaches, athletic directors and game officials. In 1976, the Florida Legislature designated the FHSAA, Inc. as the governing non-profit organization of athletics in Florida public schools, a designation that continues today as specified in Florida Statute 1006.20(1). The Association also registers, tests, and certifies high school athletic officials. Athletic program revenue includes a share of the gate receipts from FHSAA State Series post season playoff games and state championship games as well as fees for other sanctioned athletic events that occur pre and post season. The Association's program services consist of the following:

*General Athletics* – The Association supports the youth of Florida who deserve the best possible education that is gained through the classroom and through participation in interscholastic athletic programs which connect teammates, coaches, and officials across the state. The Association provides opportunities for high school students to participate on a fair and equitable basis which produce vital educational benefits through regulated sports programs. The Association provides the necessary supervision, control, and promotion of the interscholastic athlete programs in which students engage.

*Championships* – The Association provides a level competitive playing opportunity for all student-athletes within the state series by promoting sportsmanship, striving for excellence, and competing with integrity. The Association secures venues that meet regulation and safety standards to promote exceptional experiences which lend to quality lessons in leadership, sportsmanship, and citizenship.

*Compliance* – The Association upholds the bylaws and policies established by the FHSAA Board of Directors and facilitates due process procedures afforded to member schools, coaches, and students. The Association provides educational resources via seminars, on-site workshops, electronic platforms, and other interactive means to assist with school compliance of FHSAA regulations.

## **Florida High School Athletic Association, Inc. and Affiliate Notes to Combined Financial Statements**

### **NOTE 1: DESCRIPTION OF THE ASSOCIATION (CONTINUED)**

*Communications* – The Association provides direct lines of communication to member schools, officials, news media, and the public through printed material and electronic platforms. The Association provides oversight of a public liaison advisory committee and lobbying efforts on behalf of the FHSAA Board of Directors to enhance education initiatives of the FHSAA Board of Directors. The Association facilitates promotional activities to engage the membership and its constituents.

*Officials* – The Association promotes educational development of high school students by establishing guidelines for ethical standards of conduct for all interscholastic officials in Florida. The Association provides support, training, evaluation, and certification of officials for high school sporting events to ensure that they master both the rules of the game and the mechanics necessary to enforce the rules.

*Recognition* – The Association facilitates several programs through which schools, student-athletes, administrators, coaches, officials, and other individuals are recognized. The Association provides scholarships and awards to various individuals and groups for exceptional achievements in academics, interscholastic athletics, teamwork, sportsmanship, and leadership.

*Community* – The Association actively engages with stakeholders, including students, public schools, private schools, charter schools, administrators, officials, coaches, parents, and fans, to understand and address their unique needs. The Association provides resources and support through grant programs, scholarships, and education to benefit the public and provide a positive impact across communities in the state of Florida

### **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### ***Basis of Accounting***

The accompanying combined 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 combined financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to allocation of functional expenses.

## **Florida High School Athletic Association, Inc. and Affiliate Notes to Combined Financial Statements**

### **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### ***Comparative Financial Information***

The combined financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Association's combined financial statements for the year ended June 30, 2023, from which the summarized information was derived.

#### ***Cash***

The Association's cash consists of cash in bank checking accounts. At times, amounts in these accounts exceed FDIC insurance limits.

#### ***Accounts Receivable***

Accounts receivable represents amounts owed to the Association which are expected to be collected within twelve months and are presented in the combined statements of financial position net of the allowance for credit losses.

#### ***Allowance for Credit Losses***

Management evaluates its receivables on an ongoing basis by analyzing customer relationships and previous payment histories. The allowance for credit losses is management's best estimate of the amount of expected credit losses in the existing accounts based on current market conditions. Historically, losses on uncollectible accounts have been within management's expectations. The allowance for credit losses is reviewed on a periodic basis to ensure there is sufficient reserve to cover any potential credit losses. When receivables are considered uncollectible, they are charged against the allowance for credit losses. Collections on accounts previously written off are included in the change in net assets as received. The allowance for credit losses was \$51,286 and \$20,914 at June 30, 2024 and 2023, respectively

#### ***Investments***

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

## **Florida High School Athletic Association, Inc. and Affiliate Notes to Combined Financial Statements**

### **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### ***Property and Equipment***

All acquisitions of property and equipment in excess of \$600 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance 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 over the estimated useful lives of the assets.

#### ***Leases***

The Association leases equipment. The Association determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities on the combined statements of financial position. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities on the combined statements of financial position.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, the Association uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Association will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Our lease agreements do not contain any material residual value guarantees or material restrictive covenants.

#### ***Net Assets***

The Association 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. All of the Association's net assets are without donor restrictions in the current year.

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 board limits resulting from the nature of the Association, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

## **Florida High School Athletic Association, Inc. and Affiliate Notes to Combined Financial Statements**

### **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### ***Revenue Recognition***

Investment income and losses, other income, compliance, and recognition revenue are recognized when cash, other assets, or notification of a beneficial interest is received. Revenue from championships, general athletics, member dues, officials programs, and corporate marketing are recognized as revenue when performance obligations under the terms of the contracts with customers are satisfied.

#### ***Donated Assets***

Donated sports equipment are recorded as contributions at their fair values at the date of donation, and expensed when provided to schools for use in events.

#### ***Functional Allocation of Expenses***

Directly identifiable expenses are charged to programs and supporting services. Expenses related to payroll, payroll taxes, and employee benefits are allocated based on actual percentages of time spent in each functional area. Expenses related to maintenance and upkeep of the entire facility are allocated across functional areas based on actual time and effort.

#### ***Income Taxes***

Under Sections 501(c)(2) and 501(c)(3) of the Internal Revenue Code, the Association is exempt from taxes on income other than unrelated business income. In addition, the Association has been classified as an organization that is not a private foundation. In 1996, the Association filed form 5768 making it eligible to make expenditures to influence legislation.

The Association utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the combined financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2024 and 2023, the Association has no uncertain tax positions that qualify for recognition or disclosure in the combined financial statements.

#### ***Reclassifications***

Certain reclassifications were made to prior year balances to conform with current year presentation.

#### ***Subsequent Events***

Management has evaluated subsequent events through the date that the combined financial statements were available to be issued, January 30, 2025. See Note 12 for further details. No subsequent events occurring after this date have been evaluated for inclusion in these combined financial statements

## Florida High School Athletic Association, Inc. and Affiliate

### Notes to Combined Financial Statements

#### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### *Recent Accounting Pronouncements*

In June 2016, the FASB issued ASU 2016-13, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which is often referred to as the CECL model, or current expected credit losses. Among other things, the amendments in this ASU require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Financial institutions and other organizations will now use forward-looking information to better inform their credit loss estimates. Many of the loss estimation techniques applied today will still be permitted, although the inputs to those techniques will change to reflect the full amount of expected credit losses. In addition, the ASU amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration.

The Association adopted ASU 2016-13 on July 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in enhanced disclosures only.

#### NOTE 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY

The Association maintains its financial assets primarily in cash, accounts receivable, and investments to provide liquidity to ensure funds are available as the Association's expenses come due. The following reflects the Association's financial assets as of the combined statements of financial position date, reduced by amounts not available for general use within one year of the combined statements of financial position date because of contractual restrictions.

<i>June 30,</i>	<b>2024</b>	2023
Total assets at year end	\$ 9,613,034	\$ 9,578,789
Less non-financial assets		
Prepaid expenses	(25,937)	(8,893)
Operating lease right-of-use assets, net	(17,557)	-
Property and equipment, net	(1,618,508)	(1,670,782)
Financial assets available to meet cash needs for		
general expenditures within one year	\$ 7,951,032	\$ 7,899,114

The Association is principally supported by dues and fees charged for services it provides.

#### NOTE 4: ACCOUNTS RECEIVABLE

Accounts receivable consist of the following:

**Florida High School Athletic Association, Inc. and Affiliate**  
**Notes to Combined Financial Statements**

**NOTE 4: ACCOUNTS RECEIVABLE (CONTINUED)**

<i>June 30,</i>	<b>2024</b>	<b>2023</b>
Athletics	\$ 1,000,583	\$ 1,033,736
Interest	38,119	36,527
Total accounts receivable	<b>1,038,702</b>	1,070,263
Less allowance for credit losses	<b>(51,286)</b>	(20,914)
Accounts receivable, net	<b>\$ 987,416</b>	\$ 1,049,349

Bad debts expense totaled for the years ended June 30, 2024 and 2023 amounted to \$30,272 and \$12,778, respectively.

**NOTE 5: INVESTMENTS**

Investments in marketable securities consist of the following:

<i>June 30,</i>	<b>2024</b>	<b>2023</b>
Cash and money market	\$ 728,190	\$ 830,689
Fixed Income:		
Mortgage backed securities	3,773	6,782
Corporate securities	5,084,555	4,414,352
US treasury securities	79,319	77,347
Total investments	<b>\$ 5,895,837</b>	\$ 5,329,170

**Florida High School Athletic Association, Inc. and Affiliate**  
**Notes to Combined Financial Statements**

**NOTE 6: PROPERTY AND EQUIPMENT**

The components of property and equipment consist of the following at June 30, 2024 and 2023:

	Estimated Useful Lives (in years)	2024	2023
Buildings and improvements	15-40	\$ 2,296,702	\$ 2,296,702
Furniture and equipment	3-5	265,057	257,913
		<b>2,561,759</b>	2,554,615
Less: accumulated depreciation		<b>1,333,280</b>	1,273,862
Land		<b>390,029</b>	390,029
Property and equipment, net		<b>\$ 1,618,508</b>	\$ 1,670,782

Depreciation expense for the years ended June 30, 2024 and 2023 amounted to \$83,994 and \$83,697, respectively.

**NOTE 7: LEASES**

The Association has an operating lease for equipment. The lease has remaining lease terms of 5 years.

The components of lease expense consist of the following:

For the years ended June 30,	2024	2023
Operating lease cost	<b>\$ 4,511</b>	\$ -

Weighted average remaining lease term and discount rates consist of the following:

<i>For the year ended June 30,</i>	2024
Weighted average remaining lease term	
Operating leases	4.25 years
Weighted average discount rate	
Operating leases	4.13%

**Florida High School Athletic Association, Inc. and Affiliate**  
**Notes to Combined Financial Statements**

**NOTE 7: LEASES (CONTINUED)**

Future minimum lease payments under non-cancellable leases as of June 30, 2024, were as follows:

<i>For the year ending June 30,</i>	Operating Leases
2025	\$ 4,511
2026	4,511
2027	4,511
2028	4,511
2029	1,128
Total future minimum lease payments	19,172
Less imputed interest	(1,615)
Present value of lease liabilities	\$ 17,557
Reported as of June 30, 2024	
Current portion of operating lease liabilities	\$ 3,858
Operating lease liabilities, less current portion	13,699
Total	\$ 17,557

**NOTE 8: REVENUE**

The Association is recognizing revenue for contracts with customers over time for its corporate marketing, member dues, and officials programs, and contracts with customers at a point in time for its championships and general athletics. As of June 30, 2024 and 2023, all performance obligations had been satisfied. The performance obligations are based upon timing of events, which take place on an annual basis.

The Association recognizes revenue once the event particular to the contract has taken place.

***Disaggregated Revenues***

A summary of disaggregated revenues information follows:

**Florida High School Athletic Association, Inc. and Affiliate**  
**Notes to Combined Financial Statements**

**NOTE 8: REVENUE (CONTINUED)**

<i>For the years ended June 30,</i>	<b>2024</b>	<b>2023</b>
Contracts with customers		
Recognized over time	\$ 3,532,869	\$ 3,899,142
Recognized at a point in time	2,463,483	2,443,931
Compliance, and recognition (non-exchange)	363,974	357,477
Investments and other income (loss) (non-exchange)	586,833	334,680
<b>Total revenue</b>	<b>\$ 6,947,159</b>	<b>\$ 7,035,230</b>

The Association's customers are primarily schools and high school sports related entities located in the State of Florida. All revenue was earned during 2024 and 2023.

**Contract Balances**

<i>June 30,</i>	<b>2024</b>	<b>2023</b>
Receivable from contracts, beginning of year	\$ 1,049,349	\$ 483,057
Receivable from contracts, end of year	\$ 987,416	\$ 1,049,349

**NOTE 9: CONTRIBUTION OF NON-FINANCIAL ASSETS**

All donated goods were utilized by the Association's program and supporting services. There were no donor-imposed restrictions associated with the contributed goods.

The components of donated goods contributed to the Association consists of the following for the year ended June 30, 2024 and 2023:

<i>For the years ended June 30,</i>	<b>2024</b>	<b>2023</b>
Program services		
Corporate marketing		
Donated Goods	\$ 121,100	\$ 119,100

Donated goods are valued at wholesale prices that would be paid for buying similar products.

## Florida High School Athletic Association, Inc. and Affiliate Notes to Combined Financial Statements

### NOTE 10: 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.

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, 2024 and 2023.

*Cash and money markets* — The fair value of cash and money markets is determined using trade prices in an active market, then uses a discounted cash flow model to determine the price.

*Mortgage backed securities* — The fair value of mortgage backed securities is determined using an active TBA market for mortgage pools, which is the basis for determining many prices, yields, and option-adjusted spreads in the mortgage arena.

*Corporate securities* — The fair value of corporate securities is determined using the discounted cash flow model. The key inputs to the discounted cash flow model are the coupon, yield, expected maturity date, and any applicable options.

*US Treasury securities* — The fair value of US Treasury securities is determined using the yield on the on-the-run treasury that is most similar to the US Treasury being valued. The yield is adjusted for variances in maturity, coupon, and other features. A discounted cash flow model is used to discount the payments using the yield determined for most US Treasury securities.

**Florida High School Athletic Association, Inc. and Affiliate**  
**Notes to Combined Financial Statements**

**NOTE 10: FAIR VALUE MEASUREMENTS (CONTINUED)**

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 Association 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 years ended June 30, 2024 and 2023:

<b><i>June 30, 2024</i></b>	Level 1	Level 2	Level 3	Total
Cash and money markets	\$ 728,190	\$ -	\$ -	\$ 728,190
Fixed income:				
Mortgage backed securities	-	3,773	-	3,773
Corporate securities	3,216,004	1,003,181	865,370	5,084,555
US treasury securities	79,319	-	-	79,319
<b>Total investments at fair value</b>	<b>\$ 4,023,513</b>	<b>\$ 1,006,954</b>	<b>\$ 865,370</b>	<b>\$ 5,895,837</b>

<b><i>June 30, 2023</i></b>	Level 1	Level 2	Level 3	Total
Cash and money markets	\$ 830,689	\$ -	\$ -	\$ 830,689
Fixed income:				
Mortgage backed securities	-	6,782	-	6,782
Corporate securities	2,935,300	1,049,052	430,000	4,414,352
US treasury securities	77,347	-	-	77,347
<b>Total investments at fair value</b>	<b>\$ 3,843,336</b>	<b>\$ 1,055,834</b>	<b>\$ 430,000</b>	<b>\$ 5,329,170</b>

***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.

**Florida High School Athletic Association, Inc. and Affiliate**  
**Notes to Combined Financial Statements**

**NOTE 10: FAIR VALUE MEASUREMENTS (CONTINUED)**

Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. The table below sets forth a summary of changes in the fair value of the Level 3 assets for year ended June 30:

<i>June 30,</i>	<b>2024</b>	2023
Balance, beginning of year	\$ 430,000	\$ 174,800
Net change in market value	88,357	30,000
Transfer between levels	347,013	225,200
Balance, end of year	\$ 865,370	\$ 430,000

**NOTE 11: CONCENTRATIONS**

The Association maintains cash deposits with a financial institution at June 30, 2024 and 2023, in excess of federally insured limit of approximately \$795,880 and \$1,077,000, respectively.

**NOTE 12: DEFINED CONTRIBUTION PLAN**

The Association sponsors a defined contribution plan (the Plan) covering all employees aged 20 and over. The Association makes a contribution to the Plan each year equal to 15% of all participants' compensation. Total expense for the year ended June 30, 2024 and 2023 was \$356,780 and \$327,417 respectively.

**NOTE 13: SUBSEQUENT EVENTS**

After year end, The Executive Director signed an agreement with a marketing firm to handle FHSAA's existing and future sponsorships. Although the onboarding process began in November 2024, the company's service will begin July 1, 2025.

Beginning July 1, 2024, the FHSAA Board approved changes to the bylaws to allow student athletes to profit from their Name, Image, and Likeness (NIL). There will be no financial impact to FHSAA, nor will the FHSAA oversee any part of an athlete's deal. Although this is a significant change to the landscape of high school athletics which parallels 37 other state associations, there is minimal history to foresee the impact (if any) in business operations.

## **Supplementary Information**

## Florida High School Athletic Association, Inc. and Affiliate Combining Statement of Financial Position

June 30, 2024	Florida High School Athletic Association, Inc.		Land Corporation	Eliminations	Total
<b>Assets</b>					
Current assets					
Cash	\$	994,492	\$ 90,844	\$ -	\$ 1,085,336
Accounts receivable, net		987,416	-	-	987,416
Prepaid expenses		25,937	-	-	25,937
<b>Total current assets</b>		<b>2,007,845</b>	<b>90,844</b>	<b>-</b>	<b>2,098,689</b>
Non-current assets					
Investments		5,895,837	-	-	5,895,837
Operating lease, right-of-use assets, net		17,557	-	-	17,557
Property and equipment, net		-	1,618,508	-	1,618,508
<b>Total non-current assets</b>		<b>5,913,394</b>	<b>1,618,508</b>	<b>-</b>	<b>7,531,902</b>
<b>Total assets</b>	<b>\$</b>	<b>7,921,239</b>	<b>\$ 1,709,352</b>	<b>\$ -</b>	<b>\$ 9,630,591</b>
<b>Liabilities and net assets</b>					
Current liabilities					
Accounts payable	\$	247,350	\$ -	\$ -	\$ 247,350
Accrued payroll and payroll taxes		107,263	-	-	107,263
Current portion of operating lease liabilities		3,858	-	-	3,858
Deferred revenue		36,393	-	-	36,393
Compensated absences, current portion		112,712	-	-	112,712
<b>Total current liabilities</b>		<b>507,576</b>	<b>-</b>	<b>-</b>	<b>507,576</b>
Long-term liabilities					
Operating lease liabilities, less current portion		13,699	-	-	13,699
Compensated absences, net of current portion		303,995	-	-	303,995
<b>Total long-term liabilities</b>		<b>317,694</b>	<b>-</b>	<b>-</b>	<b>317,694</b>
<b>Total liabilities</b>		<b>825,270</b>	<b>-</b>	<b>-</b>	<b>825,270</b>
<b>Net assets without donor restrictions</b>		<b>7,095,969</b>	<b>1,709,352</b>	<b>-</b>	<b>8,805,321</b>
<b>Total liabilities and net assets</b>	<b>\$</b>	<b>7,921,239</b>	<b>\$ 1,709,352</b>	<b>\$ -</b>	<b>\$ 9,630,591</b>

## Florida High School Athletic Association, Inc. and Affiliate Combining Statement of Activities

For the year ended June 30, 2024	Florida High School Athletic Association, Inc.	Land Corporation	Eliminations	Total
<b>Revenue and Other Support</b>				
General athletics	\$ 1,278,161	\$ -	\$ -	\$ 1,278,161
Championships	1,185,322	-	-	1,185,322
Member dues	212,814	-	-	212,814
Investment income and losses and other income	586,833	-	-	586,833
Corporate marketing	2,825,428	-	-	2,825,428
Officials programs	494,627	-	-	494,627
Compliance	353,564	-	-	353,564
Recognition	10,410	-	-	10,410
Transfer from Association	-	204,000	(204,000)	-
<b>Total revenue and other support without donor restrictions</b>	<b>6,947,159</b>	<b>204,000</b>	<b>(204,000)</b>	<b>6,947,159</b>
<b>Expenses</b>				
<i>Program Services</i>				
General athletics	1,459,712	45,858	-	1,505,570
Championships	1,057,540	-	-	1,057,540
Compliance	925,757	38,215	-	963,972
Communications	1,010,832	53,500	-	1,064,332
Officials	466,293	15,286	-	481,579
Recognition	210,803	-	-	210,803
<b>Total program services</b>	<b>5,130,937</b>	<b>152,859</b>	<b>-</b>	<b>5,283,796</b>
<i>Supporting Services</i>				
Management and general	1,599,996	51,145	-	1,651,141
Transfer to land corporation	204,000	-	(204,000)	-
<b>Total supporting services</b>	<b>1,803,996</b>	<b>51,145</b>	<b>(204,000)</b>	<b>1,651,141</b>
<b>Total expenses</b>	<b>6,934,933</b>	<b>204,004</b>	<b>(204,000)</b>	<b>6,934,937</b>
Change in net assets	12,226	(4)	-	12,222
<b>Net assets without donor restrictions beginning of year</b>	<b>7,083,743</b>	<b>1,709,356</b>	<b>-</b>	<b>8,793,099</b>
<b>Net assets without donor restrictions end of year</b>	<b>\$ 7,095,969</b>	<b>\$ 1,709,352</b>	<b>\$ -</b>	<b>\$ 8,805,321</b>

## Florida High School Athletic Association, Inc. and Affiliate Combining Statement of Functional Expenses

For the year ended June 30, 2024

Florida High School Athletic Association, Inc.										
	General Athletics	Championships	Compliance	Communications	Officials	Recognition	Total Program Services	Management and General	Total FHSAA	
Salaries and wages	\$ 969,366	\$ -	\$ 757,041	\$ 671,904	\$ 217,671	\$ 67,317	\$ 2,683,299	\$ 982,306	\$ 3,665,605	
Professional services	113,700	-	52,217	1,886	17,377	3,700	188,880	245,286	434,166	
Lobbying	-	-	-	253,126	-	-	253,126	-	253,126	
Insurance	-	-	-	-	105,495	-	105,495	230,088	335,583	
Transportation and travel	27,812	48,911	33,205	8,781	27,722	1,914	148,345	70,213	218,558	
Infractions	-	-	7,283	-	-	-	7,283	-	7,283	
Other committee costs	58,643	-	-	-	2,363	-	61,006	-	61,006	
Repairs and maintenance	3,360	-	2,595	3,294	1,097	-	10,346	3,841	14,187	
Rentals and leases	-	75,210	-	-	-	-	75,210	-	75,210	
Communications	3,460	-	13,021	39,858	4,673	1,847	62,859	10,788	73,647	
Utilities	-	-	-	-	-	-	-	-	-	
Game officiating	-	307,360	-	-	22,738	-	330,098	-	330,098	
Office supplies	173,676	153,541	31,795	28,937	12,887	3,598	404,434	24,482	428,916	
Event supplies	29,925	62,265	12,782	361	52,483	38,463	196,279	113	196,392	
Scholarships and other awards	-	410,253	13	400	544	93,009	504,219	5,116	509,335	
Purchase of equipment	297	-	1,271	312	239	-	2,119	4,110	6,229	
Computers and software	-	-	-	-	-	-	-	18,532	18,532	
Land improvements	-	-	-	-	-	-	-	-	-	
Dues and fees	22,630	-	-	-	-	-	22,630	307	22,937	
Miscellaneous	53,586	-	13,273	-	-	955	67,814	3,600	71,414	
Training and development	3,257	-	1,261	1,973	1,004	-	7,495	1,214	8,709	
Depreciation	-	-	-	-	-	-	-	-	-	
Transfer to land corporation	-	-	-	-	-	-	-	204,000	204,000	
<b>Total</b>	<b>\$ 1,459,712</b>	<b>\$ 1,057,540</b>	<b>\$ 925,757</b>	<b>\$ 1,010,832</b>	<b>\$ 466,293</b>	<b>\$ 210,803</b>	<b>\$ 5,130,937</b>	<b>\$ 1,803,996</b>	<b>\$ 6,934,933</b>	

## Florida High School Athletic Association, Inc. and Affiliate Combining Statement of Functional Expenses (Continued)

For the year ended June 30, 2024

	Land Corporation										Eliminations	Total Expenses	
	General Athletics	Championships	Compliance	Communications	Officials	Recognition	Total Program Services	Management and General	Total Land Corp.				
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,665,605
Professional services	-	-	-	-	-	-	-	5,288	5,288	-	-	-	439,454
Lobbying	-	-	-	-	-	-	-	-	-	-	-	-	253,126
Insurance	4,073	-	3,394	4,752	1,358	-	13,577	4,074	17,651	-	-	-	353,234
Transportation and travel	-	-	-	-	-	-	-	-	-	-	-	-	218,558
Infractions	-	-	-	-	-	-	-	-	-	-	-	-	7,283
Other committee costs	-	-	-	-	-	-	-	-	-	-	-	-	61,006
Repairs and maintenance	2,809	-	2,341	3,277	936	-	9,363	2,808	12,171	-	-	-	26,358
Rentals and leases	-	-	-	-	-	-	-	-	-	-	-	-	75,210
Communications	-	-	-	-	-	-	-	-	-	-	-	-	73,647
Utilities	9,683	-	8,069	11,296	3,227	-	32,275	9,683	41,958	-	-	-	41,958
Game officiating	-	-	-	-	-	-	-	-	-	-	-	-	330,098
Office supplies	4,100	-	3,417	4,783	1,367	-	13,667	4,099	17,766	-	-	-	446,682
Event supplies	-	-	-	-	-	-	-	-	-	-	-	-	196,392
Scholarships and other awards	-	-	-	-	-	-	-	-	-	-	-	-	509,335
Purchase of equipment	2,409	-	2,008	2,811	803	-	8,031	2,409	10,440	-	-	-	16,669
Computers and software	-	-	-	-	-	-	-	-	-	-	-	-	18,532
Land improvements	2,351	-	1,959	2,743	784	-	7,837	2,351	10,188	-	-	-	10,188
Dues and fees	1,049	-	874	1,224	350	-	3,497	1,049	4,546	-	-	-	27,483
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	71,414
Training and development	-	-	-	-	-	-	-	-	-	-	-	-	8,709
Depreciation	19,384	-	16,153	22,614	6,461	-	64,612	19,384	83,996	-	-	-	83,996
Transfer to land corporation	-	-	-	-	-	-	-	-	-	-	(204,000)	-	-
<b>Total</b>	<b>\$45,858</b>	<b>\$ -</b>	<b>\$ 38,215</b>	<b>\$ 53,500</b>	<b>\$ 15,286</b>	<b>\$ -</b>	<b>\$ 152,859</b>	<b>\$ 51,145</b>	<b>\$ 204,004</b>	<b>\$ (204,000)</b>	<b>\$ -</b>	<b>\$ 6,934,937</b>	

## Florida High School Athletic Association, Inc. and Affiliate Combining Statement of Cash Flows

For the year ended June 30, 2024	Florida High School Athletic Association, Inc.	Land Corporation	Eliminations	Total
<b>Operating Activities</b>				
Change in net assets	\$ 12,226	\$ (4)	\$ -	\$ 12,222
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities				
Bad debt	(30,272)	-	-	(30,272)
Depreciation	-	83,994	-	83,994
Net gain on investments	(412,820)	-	-	(412,820)
Change in operating assets and liabilities				-
Accounts receivable	92,205	-	-	92,205
Prepaid expenses	(17,044)	-	-	(17,044)
Right of use assets	(17,557)	-	-	(17,557)
Accounts payable	3,417	-	-	3,417
Accrued payroll and payroll taxes	4,719	-	-	4,719
Operating lease liability	17,557	-	-	17,557
Deferred revenue	(41,732)	-	-	(41,732)
Compensated absences	55,619	-	-	55,619
<b>Net cash provided (used) by operating activities</b>	<b>(333,682)</b>	<b>83,990</b>	<b>-</b>	<b>(249,692)</b>
<b>Investing Activities</b>				
Interest and dividend reinvestment	(153,847)	-	-	(153,847)
Purchase of property and equipment	-	(31,720)	-	(31,720)
<b>Net cash provided (used) by investing activities</b>	<b>(153,847)</b>	<b>(31,720)</b>	<b>-</b>	<b>(31,720)</b>
Net change in cash	(487,529)	52,270	-	(281,412)
Cash, beginning of year	1,482,021	38,574	-	1,520,595
Cash, end of year	\$ 994,492	\$ 90,844	\$ -	\$ 1,085,336
<b>Schedule of Noncash Transactions</b>				
Lease liabilities arising from obtaining right-of-use assets				
Operating leases	\$ 21,260	\$ -	\$ -	\$ 21,260