GOING FURTHER

NEW COLLEGE FOUNDATION, INC.
(A Component Unit of New College of Florida)

FINANCIAL STATEMENTS

JUNE 30, 2025

Table Of Contents

Independent Auditor's Report 1-3

Management's Discussion and Analysis 4-10

Financial Statements

- Statement of net position 11
- Statement of revenues, expenses, and changes in net position 12
- Statement of cash flows 13
- Notes to financial statements 14-24

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards* 25-26

MAULDIN & JENKINS
CPAs & ADVISORS

Independent Auditor's Report

Board of Directors
New College Foundation, Inc.
Sarasota, Florida

Report on the Audit of the Financial Statements

Opinion
We have audited the accompanying financial statements of New College Foundation, Inc. (the "Foundation"), a component unit of New College of Florida, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Foundation, as of June 30, 2025, and the respective changes in financial position and 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our 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 Foundation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2025, on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Bradenton, Florida
October 30, 2025

Management's Discussion and Analysis

(Unaudited)

INTRODUCTION

The following management's discussion and analysis (MD&A) provides an overview of the financial position and activities of New College Foundation, Inc. (the "Foundation") for the fiscal year ended June 30, 2025, with comparative information for fiscal year ending 2024, and should be read in conjunction with the financial statements and notes thereto. This report includes financial statements presented and prepared with the accounting principles and reporting guidelines established by the Governmental Accounting Standards Board (GASB) as this is the presentation used in the Foundation's annual financial report. The Foundation's management has prepared the financial statements and related note disclosures along with the MD&A. The responsibility for the completeness and fairness of this information rests with the Foundation's management.

The Foundation is a 501(c)(3) organization. The Foundation is a Direct Support Organization and a component unit of New College of Florida (the "College"). The Foundation converted from reporting under the Financial Accounting Standards Board (FASB) to reporting under GASB as of July 1, 2018, as mandated by the Florida Legislature for all Direct Support Organizations of the 12 State Universities. The mission of the Foundation is to support the priorities of New College of Florida, Florida's designated Honors College. This is accomplished by securing funds as a result of cultivating and stewarding individuals, foundations, and corporations and through the prudent management of assets.

FINANCIAL HIGHLIGHTS

The Foundation's financial position at June 30, 2025 contained total assets of $57,947,210 and liabilities and deferred inflows of resources of $1,023,154, resulting in a net position of $56,924,056 at June 30, 2025. Net position increased from July 1, 2024 to June 30, 2025 by 16.2%.

The Foundation's financial position at June 30, 2024 contained total assets of $50,064,126 and liabilities and deferred inflows of resources of $1,076,838, resulting in a net position of $48,987,288 at June 30, 2024. Net position increased from July 1, 2023 to June 30, 2024 by 1.9%.

The Foundation's investments showed a return (net of fees) of approximately 13.5% from July 1, 2024 to June 30, 2025 and 7.5% from July 1, 2023 to June 30, 2024.

USING THIS ANNUAL REPORT

The financial statements consist of three basic financial statements: (1) the statement of net position; (2) the statement of revenues, expenses, and changes in net position; and (3) the statement of cash flows. These financial statements are prepared in accordance with GASB accounting principles and guidelines, which establish standards for external financial reporting for public colleges, universities, and other governmental entities. The Foundation is required to prepare its annual report in accordance with GASB due to its formation under Florida Statute 1004.70 and the component unit relationship with the College. These statements present a long-term view of the Foundation's finances.

THE STATEMENT OF NET POSITION

The statement of net position presents the financial position of the Foundation at the end of the fiscal year and includes all assets, liabilities and deferred inflows of resources of $56,924,056. Net position, the difference between total assets and total liabilities and deferred inflows of resources, is an indicator of the current financial condition of the Foundation. The change in net position is an indicator of whether the overall financial condition has improved or worsened during the year. Assets and liabilities are generally measured using current values. One notable exception is capital assets, which are stated at historical costs less an allowance for depreciation.

A summarized comparison of the Foundation's assets, liabilities, deferred inflows of resources and net position at June 30, 2025 and 2024 is presented in the following table:

	For the Years Ended	
	June 30, 2025	**June 30, 2024**
Assets		
Current assets	$ 6,414,567	$ 4,481,300
Capital assets, net	1,009,681	1,055,899
Other noncurrent assets	50,522,962	44,526,927
Total assets	$ 57,947,210	$ 50,064,126
Liabilities		
Current liabilities	$ 501,955	$ 546,942
Noncurrent liabilities	358,467	365,784
Total liabilities	$ 860,422	$ 912,726
Deferred inflows of resources	$ 162,732	$ 164,112
Net position		
Invested in capital assets	$ 705,447	$ 742,939
Restricted	54,238,414	46,470,515
Unrestricted	1,980,195	1,773,834
Total net position	56,924,056	48,987,288
Total liabilities, deferred inflows and net position	$ 57,947,210	$ 50,064,126

Current assets primarily consist of cash, cash equivalents, prepaid expenses and investments. Noncurrent assets consist of net capital assets and endowment investments. A review of the Foundation's statement of net position at June 30, 2025 and June 30, 2024, shows that the Foundation's net position increased by 16.2% from 2024 to 2025.

LOANS FROM DIRECT BORROWINGS

In fiscal year 2021, the Foundation incurred a $340,000 mortgage debt secured by the real estate purchased. The mortgage is at 4.5% for five years, adjusted to 3.25% over the treasury rate for the next five years. The term is ten years, and the amortization period is 25 years.

CAPITAL ASSETS

The Foundation capitalizes assets with a value of $1,000 for financial reporting purposes. As of June 30, 2025, there was $1,009,681 invested in capital assets net of accumulated depreciation. Capital assets of the Foundation at June 30, 2025 and 2024 are presented in the following table:

	For the Years Ended	
Capital assets	**June 30, 2025**	**June 30, 2024**
Nondepreciable capital assets:		
Real estate	$ 421,832	$ 421,832
Total nondepreciable capital assets	$ 421,832	$ 421,832
Depreciable capital assets:		
Buildings	$ 1,520,611	$ 1,520,611
Equipment	132,079	125,756
Total depreciable capital assets	$ 1,652,690	$ 1,646,367
Accumulated depreciation	$ (1,064,841)	$ (1,012,300)
Capital assets, net of depreciation	$ 1,009,681	$ 1,055,899

THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The statement of revenues, expenses, and changes in net position presents the Foundation's results of operations. In accordance with GASB reporting principles, revenues and expenses are classified as either operating or nonoperating. A summary of the Foundation's revenues, expenses, and changes in net position for the fiscal years ended June 30, 2025 and 2024 is presented in the following table:

	For the Years Ended	
	June 30, 2025	**June 30, 2024**
Operating revenues		
Contributions	$ 6,077,397	$ 1,937,992
Fundraising support and revenue	581,111	494,111
Other revenue	61,143	106,605
Total operating revenues	6,719,651	2,538,708
Less operating expenses	5,725,573	5,481,071
Operating income (loss)	994,078	(2,942,363)
Nonoperating revenues (expenses)		
Investment income, net	447,453	565,444
Unrealized gain (loss) on investments	(1,208,843)	3,905,745
Realized gain (loss) on investments	7,534,571	(1,129,113)
Loss on disposal of assets	(83)	-
Changes in value of trust agreements	(30,508)	(28,738)
Nonoperating income, net	6,742,590	3,313,338
Gain before additions to permanent endowments	7,736,668	370,975
Additions to permanent endowments	200,100	552,100
Increase in net position	7,936,768	923,075
Net position, beginning of year	48,987,288	48,064,213
Net position, end of year	$ 56,924,056	$ 48,987,288
	16.2%	1.9%

THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (CONTINUED)

From fiscal year 2024 to 2025, operating revenue significantly increased by $4,180,943, or 165%, of which, total gifts, contributions and grants increased by $4,139,405, or 214%. The increase is mostly attributable to two major gifts: a $1 million gift for the athletic programs, for which donor the College's future baseball field will be named after, and a $2.5 million gift to establish a new Contemplative and Education Center. Additions to permanent endowments decreased by $352,000 from 2024 to 2025. Investment income showed a significant increase of $3,431,105 from 2024 to 2025, which is attributed to a combination of changing the Foundation's Outsourced Chief Investment Officer (OCIO), thus changed the portfolio holdings, timing of the change and general improvement of investment market conditions.

In fiscal year 2024, the Foundation received new pledges in the amount of $500,000; however, since not all eligibility requirements under GASB have been met, no pledges were recorded. There was no new pledge in fiscal year 2025.

Overall operating expenses increased by $244,502 from 2024 to 2025. This increase consists of an increase of $796,794 in program support and decreases of $286,605 and $265,687 in administrative and fundraising expenses, respectively.

Among the categories of program support expenses, enhancements for programs increased by $815,923 and scholarships and grants increased by $119,075 while college support decreased by $138,204. This decrease is due to absence of donation expenses, totaling $448,038, that occurred in fiscal year 2024. Excluding the infrequent donation expenses from the comparison, college support increased by $309,834 from fiscal year 2024 to 2025. Allocations for scholarships are funded primarily by endowment earnings in accordance with the Foundation's spending policy – awards of up to 3.50%, calculated by using the average of the 20-quarter rolling average balances with the end date of December 31st for each endowment when earnings are available.

THE STATEMENT OF CASH FLOWS

The statement of cash flows provides additional information about the Foundation's financial results by reporting the major sources and uses of cash. Its primary purpose is to provide relevant information about the cash receipts and cash payments of an entity during a period. The statement of cash flows also helps users assess:

- An entity's ability to generate future net cash flows.
- Its ability to meet its obligations as they come due.
- Its need for external financing.

A comparative summary of the statement of cash flows for the Foundation for the fiscal years ended June 30, 2025 and 2024 is shown in the following table:

	For the Years Ended	
	June 30, 2025	**June 30, 2024**
Cash provided (used) by:		
Operating activities	$ 1,044,238	$ (3,041,738)
Investing activities	748,732	1,208,649
Noncapital financing activities	200,100	552,100
Capital and related financing	(17,551)	(21,130)
Net increase (decrease) in cash and cash equivalents	1,975,519	(1,302,119)
Cash and cash equivalents, beginning of the year	4,315,628	5,617,747
Cash and cash equivalents, end of year	$ 6,291,147	$ 4,315,628

The Foundation's liquidity remained stable during the reporting year. For the purpose of cash flows, the Foundation considers cash equivalents to include time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less. During the fiscal year ended June 30, 2025, cash and cash equivalents increased by $1,975,519. The increase is due to the increase in contributions. The Foundation has adequate funds on hand to pay invoices upon demand and approval.

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

The economic position of the Foundation is closely tied to the needs of the College and the investment markets for the endowment.

Investment income plays a key role in generating revenues for the Foundation. Also tied to investment earnings is the ability to provide scholarships and program support to the College through various endowments. The Foundation's investment accounts remain well-diversified and moderately invested, target in, 65% Global Equities, 25% Fixed Income, 5% Real Assets and 5% Diversifying Strategies, within the range established for each investment type per the Foundation's Investment Policy.

The Foundation's Board of Directors and management carefully monitor the status of all endowed funds, particularly those underwater funds in which the total fund balance is less than the corpus, or principal. This deficit can only be overcome through positive investment earnings UPMIFA allows for spending of current interest and dividends. As of June 30, 2025, the Foundation held 67 endowed funds and 15 quasi-endowed funds. Of these funds, none were in an underwater status as of the end of the fiscal year as the investment market conditions improved.

In fiscal year 2025, the Foundation focused on increasing revenue and increasing the total number of individual donors that support the College. Signature focus areas included the 45th annual Clambake event, the Socratic Stage Series and the newly created Mighty Banyan Athletic program. As a direct support organization of the College, the Foundation is committed to the growth plan established by the College and its Board of Trustees and is making major efforts to assist in this growth.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the New College Foundation, Inc.'s finances for all those with an interest in the Foundation's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Sydney Gruters, Vice President of Advancement.

New College Foundation, Inc.

STATEMENT OF NET POSITION
JUNE 30, 2025

ASSETS		
CURRENT ASSETS		
Cash	$	6,291,147
Beneficial interest in remainder trusts, net		78,962
Prepaid expenses and other assets		44,458
Total current assets		6,414,567
NONCURRENT ASSETS		
Investments		50,522,962
Capital assets, net		1,009,681
Total noncurrent assets		51,532,643
TOTAL ASSETS	$	57,947,210
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$	423,335
Gift annuities payable		10,470
Note payable		9,378
Unearned revenue		58,772
Total current liabilities		501,955
NONCURRENT LIABILITIES		
Gift annuities payable, net of current portion		63,611
Note payable, net of current portion		294,856
Total noncurrent liabilities		358,467
DEFERRED INFLOWS OF RESOURCES		
Gift annuities and charitable remainder unitrust		162,732
NET POSITION		
Net investment in capital assets		705,447
Restricted, nonexpendable, endowment		36,046,133
Restricted, expendable		18,192,281
Unrestricted		1,980,195
Total net position		56,924,056
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$	57,947,210

See Notes to Financial Statements.

New College Foundation, Inc.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2025

OPERATING REVENUES		
Contributions	$	6,077,397
Fundraising support and revenue		581,111
Other revenue		61,143
Total operating revenues		6,719,651
OPERATING EXPENSES		
Program		
Scholarships and grants		649,988
Enhancements for programs		2,877,583
College support		845,272
General and administrative		733,978
Fundraising		618,752
Total operating expenses		5,725,573
Operating income		994,078
NONOPERATING REVENUES (EXPENSES)		
Investment income, net		447,453
Unrealized loss on investments		(1,208,843)
Realized gain on investments		7,534,571
Loss on disposal of assets		(83)
Changes in value of trust agreements		(30,508)
		6,742,590
Gain before permanent endowment contributions		7,736,668
Contributions to permanent endowments		200,100
Change in net position		7,936,768
Net position, beginning of the year		48,987,288
Net position, end of the year	$	56,924,056

See Notes to Financial Statements.

New College Foundation, Inc.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES		
Received from private donors	$	5,756,357
Received from other sources		13,216
Payments for College programs		(3,992,432)
Payments to suppliers for goods and services		(732,903)
Net cash provided by operating activities		1,044,238
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income, net		447,453
Proceeds from sale of investments		40,802,076
Purchase of investments		(40,500,797)
Net cash provided by investing activities		748,732
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Endowment contributions		200,100
Net cash provided by noncapital financing activities		200,100
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets		(8,825)
Payments on notes payable		(8,726)
Net cash used in capital and related financing activities		(17,551)
Net change in cash		1,975,519
Cash, beginning of year		4,315,628
Cash, end of year	$	6,291,147
Reconciliation of operating income to net cash provided by operating activities		
Operating income	$	994,078
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation		60,460
Donated capital assets		(5,500)
Deferred inflow of resources related to gift annuities		(1,380)
Changes in assets and liabilities		
Prepaid expenses and other assets		40,199
Beneficial interest in remainder trusts		2,053
Accounts payable and other accrued expenses		208,780
Unearned revenue		(254,452)
Net cash provided by operating activities	$	1,044,238
Noncash investing activities		
Net unrealized loss on investments	$	1,208,843

See Notes to Financial Statements.

Notes To Financial Statements

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New College Foundation, Inc. (the "Foundation") is a not-for-profit corporation organized under the laws of the State of Florida and operates exclusively for charitable and educational purposes within the meaning of 501(c)(3) of the Internal Revenue Code. The Foundation's mission is to provide aid in the form of money and other forms of property and services to New College of Florida (the "College"). The Foundation also promotes education and encourages learning and dissemination of information about which the College is involved. As of November 3, 2006, the Foundation has elected to organize and operate as a university direct-support organization as defined in Section 1004.28, Florida Statutes. The Foundation is considered a discrete component unit of the College due to the College's budgetary oversight responsibility and due to the Foundation's significant operational and financial relationships with the College.

Basis of Accounting and Presentation

The Foundation's accounting policies conform to accounting principles generally accepted in the United States of America applicable to colleges and universities as prescribed by the Governmental Accounting Standards Board (GASB).

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The Foundation's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange activities are generally recognized when all applicable eligibility requirements, including time requirements, are met.

The statement of net position is presented in a classified format to distinguish between current and noncurrent assets and liabilities. When both restricted and unrestricted resources are available to fund certain programs, it is the Foundation's policy to first apply the restricted resources to such programs followed by the use of the unrestricted resources.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers amounts on hand in checking accounts and money market accounts as cash unless held for the purpose of reinvestment. The Foundation considers all short-term, highly liquid investments with original maturities of 90 days or less to be cash equivalents.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of net position. Realized and unrealized gains and losses are included in the statement of revenues, expenses, and changes in net position. Investment income includes interest and dividend income, net of fees, and is included in the statement of revenues, expenses and changes in net position separate from gains and losses. Investment fees were $331,637 for the year ended June 30, 2025.

Pledges Receivable

The Foundation accounts for its pledges receivable in accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. GASB Statement No. 33 establishes reporting standards for nonexchange transactions, whereby unrestricted and restricted contributions receivable are recorded in the statement of net position and endowment contributions receivable are excluded from the statement of net position.

Promises to give are recorded at net realizable value. Unconditional promises to give are recognized as contribution revenue in the period received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. An allowance for doubtful accounts is established based on specific assessment of all amounts that remain unpaid following normal payment periods. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period the determination is made.

Beneficial Interest in Remainder and Perpetual Trusts

The Foundation's split-interest agreements with donors consist of charitable gift annuities and charitable remainder uni-trusts, which are presented on the statement of net position as gift annuities payable and beneficial interest in remainder trusts. Contributions of split-interest agreements are recorded when the Foundation is informed of the contribution and its interest is irrevocable. Assets are invested and payments are made to donors and/or other beneficiaries in accordance with the respective agreements.

Trust assets, for which the Foundation has been designated trustee, totaled $157,851 at June 30, 2025 and are recorded in investments on the statement of net position. The related liabilities under trust agreements totaled $74,081 at June 30, 2025.

The present values of payments to beneficiaries under these charitable gift annuities are calculated using an applicable tax discount rate at year-end of 5% for the year ended June 30, 2025.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Beneficial Interest in Remainder and Perpetual Trusts (Continued)

Charitable remainder uni-trusts are classified as restricted net position. Once the beneficial interest is passed to the Foundation, the remaining assets are released for unrestricted use. Charitable gift annuities are classified as unrestricted or restricted net position based upon the individual gift agreements as appropriate. Distributions of the annuities are paid from income first then as a release of principal, if necessary.

Gains or losses resulting from changes in actuarial assumptions and accretions of the discount are recorded as changes in the value of trust agreements in the statement of revenues, expenses and changes in net position and resulted in a net loss of $30,508 for the year ended June 30, 2025. The change in the value of trust agreements and the related assets and liabilities are based on estimated maturity of the agreements. Actual results could differ from those estimates.

Unearned Revenue

Amounts received under contracts with third parties are considered unearned revenue until such a time as the Foundation expends amounts on eligible items and recognizes the amount as revenue.

Capital Assets

The Foundation's capital assets consist of land, buildings, furniture, and equipment and are stated at historical cost or acquisition value for donated assets or acquired at nominal cost. The Foundation has a capitalization threshold of $1,000 for capital assets. Depreciation is computed on the straight-line basis over the following estimated useful lives:

Buildings	40 Years
Equipment	3-5 Years

The Foundation owns real estate received through a gift of approximately 188 acres of land on Tidy Island situated in Manatee County, Florida during the year ended June 30, 1984. The conveyance was subject to deed restrictions including that the land not be built upon and that it be used solely for educational, research and study purposes. This property is used as an outdoor classroom by the New College Environmental Studies Program.

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When assets are impaired, asset values are reduced for this impairment. There was no impairment recognized on capital assets for the year ended June 30, 2025.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Foundation has one item that meets the criterion for this category related to gift annuity payments. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Contributions

Contributions are recognized as increases in net position when pledged provided all eligibility requirements have been met, with the exception of contributions to endowments which are recognized when received. Assets donated to the Foundation are recorded at their estimated acquisition value at the date of donation. Revenues associated with irrevocable split-interest agreements are recognized when the resources become applicable to the reporting period.

Donated services are only recorded if the services received create or enhance nonfinancial assets or required specialized skills and would typically need to be purchased if not provided by donation. Other volunteer services are not recorded as revenue and expense since they do not create or enhance financial assets or require specialized skills. In-kind donations for services of approximately $907,560 were recognized in the year ended June 30, 2025, and are included in contributions on the accompanying statement of revenues, expenses and changes in net position.

Net Position

Net position, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net position and changes therein are classified and reported as follows:

Net Investment in Capital Assets – Net investment in capital assets includes capital assets, net of accumulated depreciation and reduced by any outstanding debt balances that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Restricted net position includes funds externally restricted by donors that are expendable and nonexpendable endowments. Expendable includes funds that are subject to donor-imposed stipulations that can be fulfilled by actions of the Foundation pursuant to those stipulations, or that expire by passage of time. Nonexpendable endowments includes funds subject to donor-imposed stipulations that they be maintained permanently by the Foundation to use all or part of the related investment return for general or specific purposes in support of the College.

Unrestricted – Unrestricted net position includes funds that do not meet the definition of restricted or invested in capital assets.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tax Status

The Foundation is generally exempt from federal income and state income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law. The Foundation is required to pay income taxes on the excess of revenues derived from activities unrelated to the tax exempt purpose of the Foundation over the related expenses.

Operating and Nonoperating Activities

The Foundation's operating income includes all revenues and expenses associated with the Foundation's daily activities. Interest and net investment earnings are excluded from operating income and classified as nonoperating revenues. Contributions received for endowments or from state matching funds are also excluded from operating and nonoperating activities and are classified as endowment contributions.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred inflows of resources and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Foundation has evaluated all subsequent events through October 30, 2025 the date the financial statements were available to be issued.

NOTE 2. COMMITMENTS TO NEW COLLEGE FOR 2024-2025 ACADEMIC YEAR

For the academic year ending June 30, 2025, the Foundation has budgeted to provide direct support to the College as follows:

Academic programs and enhancements	$	3,439,620
Endowed chairs, professorships and fellowships		89,817
New College library and library association		20,413
Scholarship and student grants		500,000
Other		420,000
	$	4,469,850

The Foundation will fulfill this obligation using anticipated endowment income and designated contributions.

NOTE 3. CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2025 is shown as follows:

	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025
Capital assets not being depreciated:				
Real estate	$ 421,832	$ -	$ -	$ 421,832
Total capital assets not being depreciated	421,832	-	-	421,832
Capital assets being depreciated:				
Buildings	1,520,611	-	-	1,520,611
Equipment	125,756	14,325	(8,002)	132,079
Total capital assets being depreciated	1,646,367	14,325	(8,002)	1,652,690
Less accumulated depreciation for:				
Buildings	(901,419)	(49,156)		(950,575)
Equipment	(110,881)	(11,304)	7,919	(114,266)
	(1,012,300)	(60,460)	7,919	(1,064,841)
Total capital assets being depreciated, net	634,067	(46,135)	(83)	587,849
Total capital assets, net	$ 1,055,899	$ (46,135)	$ (83)	$ 1,009,681

NOTE 4. RESTRICTED NET POSITION

Expendable restricted net position is restricted for scholarships or other similar purposes and totaled $18,192,281 for the year ended June 30, 2025.

Nonexpendable restricted net position (endowments) is donor-directed contributions restricted in perpetuity for a variety of purposes to provide support to the College. Nonexpendable restricted net position totaled $36,046,133 for the year ended June 30, 2025.

The Board of Directors of the Foundation has interpreted the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund, absent donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as nonexpendable restricted net position: (a) the original value of the gift donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The Foundation has adopted investment and spending policies for endowment assets that attempt to protect the principal of the fund, provide consistent long-term income returns and protect the Foundation against long-term inflation trends. The desired investment objective is a long-term real rate of return on assets that is 7.5%-8.0%. The target rate of return for the Foundation has been based upon an analysis of historical returns supplemented with an economic and structural review for each asset class. The objective is based on a ten-year investment horizon, so that interim fluctuations should be viewed with appropriate perspective.

NOTE 4. RESTRICTED NET POSITION (CONTINUED)

Actual returns in any given year may vary from this amount. To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The Foundation has a spending policy of annually appropriating for distribution a percentage of its endowment funds based on the average endowment fair value of the five preceding years, as computed on December 31st. In establishing this policy, the Foundation considered the long-term expected return on its endowment. The spending policy established for the year ended June 30, 2025 was 3.50% (1.25% to the College and 2.25% to the Foundation for an administrative fee). This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

NOTE 5. RELATED PARTY TRANSACTIONS

Beginning in November 2013, employees of the Foundation became employees of the College, an affiliated entity, and the Foundation began reimbursing the College for the cost of services received from personnel of the College. Salaries reimbursed to the College totaled $723,761 for the year ended June 30, 2025.

The Foundation received $841,778 of in-kind services for payroll, grounds maintenance and custodial services for the year ended June 30, 2025. In July 2023, the Foundation provided office space for a department of the College. The fair market value of the donated office space and the associated expenses is estimated at $84,613 for the year ended June 30, 2025.

The Foundation provided direct support to the College in the amount of $3,527,571 for the year ended June 30, 2025. Of that amount, $418,960 was provided for lobbyists. At June 30, 2025, the Foundation had an outstanding balance of $321,230 payable to the College.

NOTE 6. NONCURRENT LIABILITIES

The Foundation manages charitable gift annuities. These annuities are irrevocable split-interest agreements where the Foundation is the remainder interest beneficiary that makes distributions to the annuitants. Noncurrent liabilities consist of gift annuities payable as of June 30, 2025. GASB Statement No. 81 established financial reporting standards for irrevocable split-interest to include assets, liabilities, and deferred inflows of resources. The asset is the market value of resources received; the liability is the present value of future payments to annuitants; the deferred inflow of resources is the difference between the asset and the liability. There is also a portion of unearned revenue that is not expected to be recognized as revenue in the upcoming year.

A summary of the changes in the noncurrent liabilities is as follows:

	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025	Current Portion
Unearned revenue	$ 313,224	$ -	$ (254,452)	$ 58,772	$ 58,772
Gift annuities payable	71,987	2,094	-	74,081	10,470
	$ 385,211	$ 2,094	$ (254,452)	$ 132,853	$ 69,242

NOTE 7. NOTE PAYABLE

During 2021, the Foundation entered into an agreement with a local financial institution to borrow $340,000 to acquire real property in Sarasota, Florida. The note payable is due in 60 monthly payments of $1,902 including interest at 4.50% followed by 59 monthly payments estimated at $1,773 including interest at the prevailing U.S. Treasury Note Yield plus 3.25% with a balloon payment in February 2031 and is secured by certain real property. The balance on the note from a direct borrowing at June 30, 2025 was $304,234. Total principal paid during the year ended June 30, 2025 was $8,726.

Aggregate maturities on the long-term debt at June 30, 2025 are as follows:

	Principal	Interest
2026	$ 9,378	12,932
2027	10,366	10,913
2028	10,733	10,547
2029	11,172	10,108
2030	11,598	9,681
2031	250,987	6,252
	$ 304,234	$ 60,433

NOTE 8. FAIR VALUE MEASUREMENTS

Deposits – Custodial credit risk is the risk that in the event of a bank failure, the Foundation's deposits may not be returned. The Foundation's policy regarding custodial risk is to hold noninvested cash in a financial institution covered by the Federal Deposit Insurance Corporation (FDIC) not exceeding the limit of FDIC coverage.

Noninvested cash in excess of FDIC coverage will be held in a certified Qualified Public Depository (QPD) as identified by the Florida Security for Public Deposits Act, Chapter 280, Florida Statute. At June 30, 2025, the bank balance was approximately $504,496. Of the bank balance, $254,496 was in excess of the amount covered by the FDIC and thus collateralized under the Florida Security for Public Deposits Act.

The Foundation has an account with the State Treasury Special Purpose Investment Account (SPIA). This account represents ownership of a share of the Florida Treasury Investment Pool, not the underlying securities. At June 30, 2025, the Florida Treasury Investment Pool carried a credit rating of AA-f by Standard & Poor's and had an effective duration of 3.33. At June 30, 2025, the Foundation had cash equivalents of $5,869,978 with the State Treasury SPIA.

Investments – The Foundation's investment policy allows for investments in domestic equities, international equities, fixed income and alternatives. For fixed income instruments, the Foundation's investment policy allows for investment in domestic, global, U.S. inflation projected, U.S. high yield, emerging market bonds, short-term bonds, multi-sector bonds, unconstrained bonds, and cash equivalents. For alternative instruments, the Foundation's investment policy allows for private equity, absolute return (hedge funds), real assets and commodities.

The following methods and assumptions were used by the Foundation in estimating the fair value of its financial instruments:

Mutual Funds and Exchange Traded Funds – The fair value is measured based on quoted prices in principal active markets for identical assets as of the valuation date (Level 1).

Investments held by the Foundation are reported at fair value and were as follows at June 30, 2025:

	Level 1	Level 2	Level 3	Net Asset Value	Total at June 30, 2025
Investments					
Cash and cash equivalents	$ 4,121,307	$ -	$ -	$ -	$ 4,121,307
Exchange traded funds	20,890,408	-	-	-	20,890,408
Mutual funds - equities	25,511,247	-	-	-	25,511,247
Total investments	$ 50,522,962	$ -	$ -	$ -	$ 50,522,962

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

NOTE 8. FAIR VALUE MEASUREMENTS (CONTINUED)

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

Custodial Credit Risk – The Foundation utilizes the services of an investment advisor and several investment managers to manage its portfolio. For an investment, custodial credit risk is the risk that, in the event of a failure of the counterparty, the Foundation will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The investment in mutual funds are not categorized as to custodial credit risk as they are not evidenced by securities that exist in physical or book entry form. These mutual funds are not rated by a nationally statistical rating organization. There were no losses due to default by counterparties to investment transactions during the year ended June 30, 2025.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Foundation's investment policy manages credit risk by limiting the Foundation to investment in mutual funds as opposed to direct investment in bonds.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Foundation's investment policy requires that investments are to be diversified to the extent that no more than 7% of the funds may be invested in any one security and a maximum of 5% may be invested in the obligations of a single issuer (excluding U.S. Government and its agencies).

Other Information – For management control, investments are pooled. Gains, losses and investment income from the pool are allocated monthly to the funds that participate in the pool based upon each fund's average monthly balance.

NOTE 9. FUNCTIONAL CLASSIFICATION OF EXPENSES

The expenses recognized by the Foundation in the statement of revenues, expenses and changes in net position are classified by function, that is, the purpose for which they are incurred. The Foundation's expenses based on function classification are as follows as of June 30, 2025:

	Program Services	General and Administrative	Fundraising	Total
Enhancements	$ 2,458,623	$ -	$ -	$ 2,458,623
Lobbyist	418,960	-	-	418,960
Scholarships - College budget	412,783	-	-	412,783
Grants	237,205	-	-	237,205
Salaries	621,985	354,061	197,181	1,173,227
Depreciation	-	60,460	-	60,460
Insurance	6,807	23,116	-	29,923
Interest	14,100	-	-	14,100
Admin fees	-	1,204	-	1,204
Bank service fees	319	8,693	15,671	24,683
Dues and subscriptions	22,014	3,501	2,408	27,923
Professional services	-	11,580	136,212	147,792
Legal fees	-	14,968	-	14,968
Audit fees	-	32,000	-	32,000
In-kind professional services	-	118,017	-	118,017
Postage and shipping	171	1,808	-	1,979
Telephone expense	-	66	-	66
Office supplies	988	3,282	2,000	6,270
Software/software upgrades	8,578	17,961	43,400	69,939
Storage	-	10,218	-	10,218
Equipment	-	8,963	1,340	10,303
Rental	517	3,378	70,706	74,601
Taxes - property	462	335	-	797
Donor cultivation major gifts	49,780	-	456	50,236
Printing	215	465	455	1,135
Utilities - TKC	13,701	8,929	-	22,630
Promotional expense	351	-	-	351
Sponsorship expense	51,544	41,000	-	92,544
Advertising	-	3,301	-	3,301
Catering	5,157	1,182	113,000	119,339
Travel - lodging	1,956	394	-	2,350
Mileage and toll reimbursement	-	356	-	356
Travel - auto rental	79	-	-	79
Conference/educational expense	618	2,511	-	3,129
Gift-in-kind expense	42,912	-	35,852	78,764
Board of Directors expense	3,018	2,229	71	5,318
	$ 4,372,843	$ 733,978	$ 618,752	$ 5,725,573

OTHER INDEPENDENT AUDITOR'S REPORT

MAULDIN & JENKINS
CPAs & ADVISORS

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Board of Directors
New College Foundation, Inc.
Sarasota, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of New College Foundation, Inc. (the "Foundation"), a component unit of New College of Florida, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements, and have issued our report thereon dated October 30, 2025.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Bradenton, Florida
October 30, 2025