CORRECTIONS FOUNDATION, INC.

FINANCIAL STATEMENTS

JUNE 30, 2026

CORRECTIONS FOUNDATION, INC.
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JAMESMOORE

INDEPENDENT AUDITORS' REPORT

To the Board of Directors,
Corrections Foundation, Inc.:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the general fund of Corrections Foundation, Inc., as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Corrections Foundation, Inc.'s basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of Corrections Foundation, Inc., as of June 30, 2026, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

2025 Financial Statements Restated

As discussed in Note 3 to the financial statements, the 2025 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Corrections Foundation, Inc.'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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS, 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 Corrections Foundation, Inc.'s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Corrections Foundation, Inc.'s ability to continue as a going concern for a reasonable period of time.

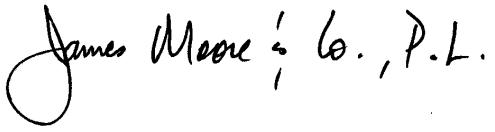
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 – 6 and 19 – 20 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 September 23, 2026, on our consideration of Corrections Foundation, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 Corrections Foundation, Inc.'s internal control over financial reporting and compliance.



Tallahassee, Florida
September 23, 2026

CORRECTIONS FOUNDATION, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2026

As management of the Corrections Foundation, Inc. (the "Foundation"), we offer readers of the Foundation's financial statements this narrative overview and analysis of the financial activities of the Foundation for the fiscal year ended June 30, 2026.

Financial Highlights

- The assets of the Foundation exceeded its liabilities at June 30, 2026, by $5,857,716 (net position).
- As of June 30, 2026, the Foundation's reported ending fund balance was $5,902,803. The Foundation's fund balance saw a change of $1,344,227 when compared to the prior year.

The MD&A is intended to serve as an introduction to the Foundation's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

Overview of Financial Statements

This annual report consists of four components: 1) management's discussion and analysis (this section), 2) government-wide and fund financial statements, 3) notes to the financial statements, and 4) required supplementary information.

Government-Wide Financial Statements

Government-wide financial statements provide readers with a broad overview of the Foundation's finances in a manner similar to a private-sector business. The governmental activities of the Foundation include compensated absences that are accrued as a component of employee benefits.

The statement of net position presents information on all of the Foundation's assets and liabilities, with the difference between the two reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business. Over time, increases or decreases in net position may serve as one indicator of whether the financial position of the Foundation is improving or deteriorating.

The statement of activities presents information showing how the Foundation's net position changed during the fiscal year. All changes in net position are reported using the accrual basis of accounting.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Financial Analysis

The focus of the Foundation's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Foundation's financing requirements. As of the end of the current fiscal year, the governmental fund reported an ending fund balance of $5,902,803, $4,771,700 of which was unassigned. The change in fund balance was a increase of $1,344,227 in comparison with the prior year.

During fiscal year 2026, the Foundation's net position increased by $1,324,273. This change was primarily driven by contributions and other forms of support exceeding expenses. In 2026, revenues increased $763,403. This growth was driven by expanded membership promotion and year-round membership campaigns, including outreach through new employee orientation programs, as well as increased public contributions and corporate sponsorships associated with the FDC Leadership Summit. Expenses decreased slightly compared to prior year due to no widespread disasters affecting members.

Government-Wide Financial Analysis

Statement of Net Position

The following is a summary of the Foundation's governmental activities net position for each of the past two years:

	Governmental Activities	
	2026	**2025**
ASSETS		
Current and other assets	6,127,850	4,739,434
Total assets	$ 6,127,850	$ 4,739,434
LIABILITIES		
Current liabilities	225,047	180,858
Noncurrent liabilities	45,087	25,133
Total liabilities	$ 270,134	$ 205,991
NET POSITION		
Restricted	$ 473,081	$ 97,283
Unrestricted	5,384,635	4,436,160
Total net position	$ 5,857,716	$ 4,533,443

Statement of Activities

The following is a summary of the changes in the Program's governmental activities net position for each of the past two years:

	Governmental Activities	
	2026	**2025**
REVENUES		
Membership contributions	$ 2,097,571	$ 1,908,969
Other public contributions	486,198	171,436
Sponsorships	238,078	74,700
Grants	68,541	20,780
Interest	145,090	121,947
Product sales	122,184	96,427
Total revenues	3,157,662	2,394,259
EXPENSES		
Accounting fees	21,677	22,155
Advertising	110	122
Bank charges	2,335	2,274
Direct grant	68,541	20,780
Employee assistance/disaster relief	1,091,887	1,216,367
Donations	-	200
Insurance	2,565	2,520
Miscellaneous	1,885	4,463
Office and personnel	289,914	249,477
Other programs	298,050	356,652
Product cost	54,084	63,420
Travel	2,341	2,857
Total expenses	1,833,389	1,941,287
Change in net position	1,324,273	452,972
Net position, beginning of year	4,533,443	4,080,471
Net position, end of year	$ 5,857,716	$ 4,533,443

Economic Factors and Next Year's Budget

The Foundation expects contributions to continue to increase due to further growth in membership programs as well as the ongoing Fallen Officer Memorial campaign. Expenses are expected to be consistent with prior year. However, in the event of a large-scale disaster, the Foundation stands ready to assist members with sufficient reserves.

Request for Information

This report is designed to provide a general overview of Corrections Foundation, Inc. finances for all those with an interest in the Foundation's finances. Questions concerning any of the information in this report or requests for additional information should be addressed as follows:

Corrections Foundation, Inc.
501 South Calhoun Street
Tallahassee, FL 32399-2500

CORRECTIONS FOUNDATION, INC.
STATEMENT OF NET POSITION
JUNE 30, 2026

	Governmental Activities
ASSETS	
Current assets	
Cash and cash equivalents	$ 4,575,736
Certificates of deposit	1,221,106
Investment in annuities	297,986
Inventory	33,022
Total Assets	6,127,850
LIABILITIES	
Current liabilities	
Accounts payable and accrued expenses	7,640
Unearned revenue	217,407
Total current liabilities	225,047
Noncurrent liabilities	
Due within one year:	
Compensated absences	45,087
Total Liabilities	270,134
NET POSITION	
Unrestricted	5,384,635
Restricted	473,081
Total Net Position	$ 5,857,716

The accompanying notes to financial statements
are an integral part of this statement.

CORRECTIONS FOUNDATION, INC.
STATEMENT OF ACTIVITIES
JUNE 30, 2026

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Change in Net Position
Governmental activities				
Direct support	$ 1,864,559	$ 122,184	$ 2,921,558	$ 1,179,183
Total governmental activities	$ 1,864,559	$ 122,184	$ 2,921,558	1,179,183
	General revenues			
	Interest			145,090
	Change in net position			1,324,273
	Net position, beginning of year			4,708,089
	Correction of error			(174,646)
	Net position, beginning of year, as restated			4,533,443
	Net position, end of year			$ 5,857,716

The accompanying notes to financial statements
are an integral part of this statement.

CORRECTIONS FOUNDATION, INC.
BALANCE SHEET
GOVERNMENTAL FUND
JUNE 30, 2026

	General Fund
ASSETS	
Cash and cash equivalents	$ 4,575,736
Certificates of deposit	1,221,106
Investment in annuities	297,986
Inventory	33,022
Total Assets	$ 6,127,850
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable and accrued expenses	$ 7,640
Unearned revenue	217,407
Total Liabilities	225,047
Fund balance:	
Nonspendable for inventory	33,022
Restricted	473,081
Committed for Fallen Officer Memorial	625,000
Unassigned	4,771,700
Total Fund Balance	5,902,803
Total Liabilities and Fund Balances	$ 6,127,850

The accompanying notes to financial statements
are an integral part of this statement.

CORRECTIONS FOUNDATION, INC.
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2026

Fund balances - total governmental funds	$	5,902,803
Amounts reported for governmental activities in the statement of net position are different because:		
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Compensated absences		(45,087)
Net position of governmental activities	$	5,857,716

The accompanying notes to financial statements
are an integral part of this statement.

CORRECTIONS FOUNDATION, INC.
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental fund		$ 1,344,227
The Foundation receives donated office space		
In-kind contribution revenue	31,170	
In-kind rental space	(31,170)	
	-	-
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences		(19,954)
Change in net position of governmental activities		$ 1,324,273

The accompanying notes to financial statements
are an integral part of this statement.

CORRECTIONS FOUNDATION, INC.
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2026

	General Fund
Support and Revenue	
Membership contributions	$ 2,097,571
Other public contributions	486,198
Sponsorships	238,078
Grants	68,541
Interest	145,090
Product sales	122,184
Total revenues	3,157,662
Expenditures	
Accounting fees	21,677
Advertising	110
Bank charges	2,335
Direct grant	68,541
Employee assistance/disaster relief fund	1,091,887
Insurance	2,565
Miscellaneous	1,885
Office and personnel	269,960
Other programs	298,050
Product cost	54,084
Travel	2,341
Total expenditures	1,813,435
Excess of revenues over expenditures	1,344,227
Fund balance, beginning of year	4,733,222
Correction of error	(174,646)
Fund balance as restated, beginning of year	4,558,576
Fund balance, end of year	$ 5,902,803

The accompanying notes to financial statements
are an integral part of this statement.

CORRECTIONS FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

(1) **Summary of Significant Accounting Policies:**

The following is a summary of the more significant accounting policies and practices of Corrections Foundation, Inc. (the "Foundation") which affect significant elements of the accompanying financial statements:

(a) **Description of government wide financial statements**—The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Foundation. There are no component units or fiduciary funds.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported as general revenues.

(b) **Reporting entity**—The Foundation is a nonprofit Foundation under Internal Revenue Code Section 501(c)(3) and is established as a direct support Foundation to the State of Florida, Department of Corrections (the "Department") pursuant to Section 944.802 of the Florida Statutes. The purpose of the Foundation is to support the programs, personnel and services of the Department in the interest of public safety. The Foundation is supported primarily through donor contributions, in-kind support from the Department of Corrections, and grants. The Foundation was incorporated in December 1996 and began operating in July 1997. It is administered by a board of directors appointed by the Secretary of the Florida Department of Corrections.

The accounting policies adopted by the Foundation conform to accounting principles generally accepted in the United States of America as applied to not-for-profit Foundations reporting using the governmental model. There were no entities that required inclusion as a component unit within the Foundation's financial statements.

(c) **Basis of presentation – government-wide financial statements**—While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds.

(d) **Budgetary information**—Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. The appropriated budget is prepared by fund.

(e) **Basis of presentation – fund financial statements**—The fund financial statements provide information about the government's funds. There is only one fund category, governmental, for which a fund financial statement is presented. The emphasis of fund financial statements is on the major governmental fund.

The Foundation reports the following major governmental fund:

The *general fund* is established to account for resources devoted to directly supporting the State of Florida, Department of Corrections. All operating resources are recorded in the general fund.

(1) **Summary of Significant Accounting Policies:** (Continued)

(f) **Measurement focus and basis of accounting**—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 government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized in the accounting period in which they become both available and measurable (flow of current financial resources measurement focus). The basis of accounting determines when transactions and economic events are reflected in the financial statements, and measurement focus identifies which transactions and events should be recorded.

Revenues are measurable when they are subject to reasonable estimation, while the available criterion is satisfied when revenues are collectible during the period and actual collection will occur either a) during the current period or, b) after the end of the period but in time to pay fund liabilities. Generally, grant revenues are recorded as revenue when they are susceptible to accrual and conditions of the grant have been satisfied. Expenditures, if measurable, are recorded when they have used or are expected to use current expendable financial resources.

(g) **Assets, liabilities and net position/fund balance**—

(i) **Cash and cash equivalents**—Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of 90 days or less.

(ii) **Certificates of deposit—**Certificates of deposit are reported at cost, including accrued interest, as applicable. Certificates of deposit are considered nonparticipating interest-earning investment contracts and are measured using a cost-based measure in accordance with generally accepted accounting principles.

(iii) **Investment in annuities—**Investments in insurance annuity contracts are reported at contract value. Contract value represents amounts invested, plus credited earnings, less withdrawals and other applicable charges.

(iv) **Use of estimates**—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(v) **Inventory**—Inventory consists primarily of badge pulleys, lanyards, pad folios, and clothing. Inventory is valued at the lower of cost (first-in, first-out method) or market.

(1) **Summary of Significant Accounting Policies:** (Continued)

(vi) **Net position flow assumption**—Sometimes the Foundation will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Foundation's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

(vii) **Fund balance flow assumptions**—Sometimes the Foundation will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Foundation's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

(viii) **Fund balance policies**—Fund balance of the governmental fund is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Foundation itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

(ix) The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Foundation's highest level of decision-making authority. The Foundation's Board is the highest level of decision making authority for the Foundation that can, by a formal vote, prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the decision remains in place until a similar action is taken (the adoption of another decision) to remove or revise the limitation.

(x) Amounts in the assigned fund balance classification are intended to be used by the Foundation for specific purposes but do not meet the criteria to be classified as committed. The Board may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

(h) **Revenues and expenditures**—

(i) **Contributions**—All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as restricted resources that increase the restricted fund balance.

(1) **Summary of Significant Accounting Policies:** (Continued)

Contributed materials, facilities and services are recorded at fair value at the date of donation. Therefore, all contributions of property and equipment, and of the assets contributed to acquire property and equipment, are recorded as unrestricted resources or contributions.

(ii) **Income taxes**—The Foundation is generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, and therefore, no provision for income taxes has been made in the accompanying financial statements.

The Foundation files income tax returns in the U.S. Federal jurisdiction. The Foundation's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

The Foundation has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the Foundation.

(iii) **Compensated absences**—It is the Foundation's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation and sick pay are accrued in accordance with employment agreements in the government-wide financial statements.

(2) **Detailed Notes on Major Fund:**

(a) **Demand and time deposits**—*Custodial credit risk-deposits.* The Foundation maintains demand and time deposits with multiple financial institutions. The Foundation has no policy requiring collateral or other security to support its deposits, although all demand deposits with these institutions are Federally insured up to FDIC limits.

(b) **In-kind support**—In-kind contributions of materials, facilities, and services are reflected as direct support in the statement of activities at their estimated fair value when received. The primary source of the Foundation's in-kind support of $31,170 is from the Department for operating costs. The value assigned to in-kind support is an allocation based on the Foundation's use of space within the Department's facilities. In-kind materials, facilities, and services from all sources consist of the following for the year ended June 30, 2026:

Office space and supplies, phone, computer, internet, postage, and fax	$ 31,170

(2) **Detailed Notes on Major Fund:** (Continued)

(c) **Restricted net position/restricted fund balance**—Restricted net position/restricted fund balance are available for the following purposes as of June 30, 2026:

Chapel Fund	$ 2,467
Education Fund	580
Dade Correction Institutional Program	1,231
Madison CI Veterans	1,036
Lawtey Lawn Maintenance	1,412
Everglades Wellness Project	988
Louie Wainwright Scholarship	99
Madison CI Incentive Program	231
Madison CI Art Program - MAP	3,427
Madison CI Catholic Services	80
Madison CI Barber Program	85
Madison CI Faith-based Dorm	163
Madison CI Revival Singers	50
Central Office Fundraiser Income	2,497
Cemetary Restoration & Veteran's Wellness	2,041
Dog Training Programs	8,131
Inspector General Canine Unit	182
Fallen Officer Memorial	414,996
Park House Museum	33,385
Total Restricted Net Position/Restricted Fund Balance	$ 473,081

(3) **Other Information:**

(a) **Retirement plan**—The Foundation provides retirement benefits to its employees through a defined contribution plan covering all employees with one year of eligible service. The Foundation contributes three percent of eligible employees' gross wages. Contributions to the plan during the year ended June 30, 2026, were $6,103.

(b) **Long-term liability**—The change in compensated absences below is a net change for the year. Long-term liability activity for the year ended June 30, 2026, was as follows:

	Balance July 01, 2025	Net Change	Balance June 30, 2026	Due within one year
Compensated absences	$ 25,133	$ 19,954	$ 45,087	$ 45,087

(3) **Other Information:** (Continued)

(c) **Risk management**—The Foundation is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Foundation carries commercial insurance. Insurance against losses is provided for the following types of risk:

- Personal Property
- Public Officials' Liability

There have not been any settlements in excess of insurance coverage.

(d) **Investment in annuities**—The Foundation owns a five-year fixed annuity contract with an insurance company. The contract was issued in March 2023 with an initial premium of $250,000 and matures in March 2028. Interest is credited in accordance with the terms of the contract. The Foundation may surrender or withdraw amounts before maturity; however, such amounts may be subject to withdrawal charges and a market value adjustment.

At June 30, 2026, the annuity was reported at its contract value of $297,986, which approximates fair value. The fair value of the annuity is estimated based on the contract value provided by the insurance company, which reflects the initial premium plus credited interest, adjusted for applicable surrender charges and market value adjustments, if any. The valuation utilizes significant inputs that are not observable in active markets and, accordingly, the annuity is classified within Level 3 of the fair value hierarchy.

(e) **Restatement of beginning net assets**—During 2026, the Foundation corrected an error related to the recognition of unearned revenue related to the July 2025 Leadership Summit. The $174,646 correction has been reflected as an adjustment to net assets and fund balance at June 30, 2025.

CORRECTIONS FOUNDATION, INC.
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2026

	Budgeted Amounts		Variance with	Actual	Variance With
	Original	Final	Original Budget	Amounts	Final Budget
Support and Revenue					
Membership contributions	$ 1,696,585	$ 2,097,571	$ 400,986	$ 2,097,571	$ -
Other public contributions	203,100	311,552	108,452	486,198	174,646
Sponsorships	115,000	238,078	123,078	238,078	-
Grants	-	68,541	68,541	68,541	-
Interest	100,000	145,090	45,090	145,090	-
Product sales	80,200	122,184	41,984	122,184	-
Total revenues	2,194,885	2,983,016	788,131	3,157,662	174,646
Expenditures					
Direct grant	-	68,541	68,541	68,541	-
Accounting fees	20,000	21,677	1,677	21,677	-
Advertising and promotion	4,500	110	(4,390)	110	-
Bank charges	2,000	2,335	335	2,335	-
Grants	200	-	(200)	-	-
Employee assistance and disaster relief	1,065,000	1,091,887	26,887	1,091,887	-
Insurance	2,050	2,565	515	2,565	-
Miscellaneous	4,500	1,885	(2,615)	1,885	-
Office and personnel	283,865	269,960	(13,905)	269,960	-
Other programs	309,940	304,287	(5,653)	298,050	6,237
Product cost	6,000	54,084	48,084	54,084	-
Travel	3,000	2,341	(659)	2,341	-
Total expenditures	1,701,055	1,819,672	118,617	1,813,435	6,237
Excess of revenues over expenditures	493,830	1,163,344	669,514	1,344,227	180,883
Fund balance, beginning of year, as restated	4,558,576	4,558,576	-	4,558,576	-
Fund balance, end of year	$ 5,052,406	$ 5,721,920	$ 669,514	$ 5,902,803	$ 180,883

See Notes to Required Supplementary Information

CORRECTIONS FOUNDATION, INC.
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2026

(1) **Budgetary Basis of Accounting:**

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The budget presented for the fiscal year ended June 30, 2026, was amended in accordance with Board procedures.

Budgets are presented on the modified accrual basis of accounting. The legal level of budgetary control is the fund level.

(2) **General Fund Budgetary Highlights:**

Original budget compared to final budget—During fiscal year 2026, the Foundation amended its General Fund budget to reflect increases in anticipated revenues and related program activity. Total budgeted revenues increased by approximately $788,000, from $2.195 million in the original budget to $2.983 million in the final budget.

The most significant revenue revisions included an approximately $401,000 increase in membership contributions and as well as increases in other public contributions and sponsorships. Membership contributions increased as a result of expanded promotion and year-round membership campaigns, including membership outreach through new employee orientation programs conducted throughout the state. Public contributions increased primarily as a result of increased fundraising and corporate sponsorship associated with the FDC Leadership Summit.

Total budgeted expenditures increased by approximately $119,000, from $1.701 million in the original budget to $1.819 million in the final budget. Significant expenditure revisions included approximately $69,000 of direct grant expenditures associated with additional grant activity and approximately $48,000 of additional product costs.

Final budget compared to actual results—The Foundation's final amended budget was approved by the Board of Directors in June 2026. Actual revenues and expenditures were consistent with the final amended budget, resulting in no significant final-budget-to-actual variances.

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

To the Board of Directors,
Corrections Foundation, Inc.:

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 (*Government Auditing Standards*), the financial statements of the governmental activities and the general fund of Corrections Foundation, Inc. as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise Corrections Foundation, Inc.'s basic financial statements, and have issued our report thereon dated September 23, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Corrections Foundation, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Corrections Foundation, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Corrections Foundation, Inc.'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 Corrections Foundation, Inc.'s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described below as item 2026-001 that we consider to be a material weakness.

2026-001: Audit Adjustments and Recording of Unearned Revenue

Criteria:
In accordance with generally accepted accounting principles and sound financial management practices, organizations should maintain accurate accounting records and recognize revenue in the appropriate reporting period. Amounts received in advance for future events or activities should generally be recorded as unearned revenue until the related event or activity occurs.

Condition:
For the year ended June 30, 2026, a significant audit adjustment was required related to FDC Leadership Summit revenue. The adjustment affected unearned revenue, current-year FDC Leadership Summit revenue, and net assets.

Cause:
The Organization recognized certain Summit-related receipts as revenue when the funds were received rather than when the related Summit occurred. Specifically, amounts received for the July 2025 Summit were recognized in June 2025, and amounts received for the August 2026 Summit were recognized in June 2026. The Organization's existing accounting procedures did not include a formal process for identifying and deferring amounts received in advance for future events.

Effect:
Without the audit adjustment, unearned revenue, FDC Leadership Summit revenue, and net assets would have been materially misstated. Additionally, the adjustment indicates an opportunity to strengthen the Organization's year-end financial reporting procedures related to the timing of revenue recognition.

Recommendation:
Management should implement a procedure to track Summit-related receipts by the event to which they relate and defer amounts received in advance until the applicable Summit occurs. As part of the year-end closing process, management should also review significant receipts received near year-end to determine whether they relate to the current or a future reporting period.

Report on Compliance and Other Matters

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

Corrections Foundation, Inc.'s Response to Findings

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

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 Corrections Foundation, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Corrections Foundation, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

James Moore & Co., P.L.

Tallahassee, Florida
September 23, 2026

CORRECTIONS FOUNDATION

Lisa Miller, President
Charles Geiger, Vice President
Stormie Knight, Treasurer
Susan Davis, Secretary

501 South Calhoun Street • Tallahassee, FL 32399-2500 • (850) 717-3712 phone • (850) 410-4411 fax

9/23/26

James Moore & Co., P.L.
1983 Centre Pointe Blvd #200
Tallahassee, FL 32308

Re: 2026 Financial Statement Finding

To whom it may concern:

Please find below our responses to the June 30, 2026, financial statement finding:

Finding 2026-001: Significant Adjustments

Response: For fiscal year 2027, we will calculate and book necessary unearned revenue amounts and only recognize revenue in the year a sponsored event occurs.

Sincerely,

Chris Akins
Executive Director

Sheri Logue
Administrative Director

A COPY OF THE OFFICIAL REGISTRATION AND FINANCIAL INFORMATION MAY BE OBTAINED FROM THE DIVISION OF CONSUMER SERVICES BY CALLING TOLL-FREE (800-435-7352) WITHIN THE STATE. REGISTRATION DOES NOT IMPLY ENDORSEMENT, APPROVAL, OR RECOMMENDATION BY THE STATE.

Established as the non-profit direct support organization for the Florida Department of Corrections, pursuant to Chapter 944.802 FS. Contributions to the Corrections Foundation, a 501(c)3 non-profit corporation, may be tax-deductible for federal income tax purposes. Tax ID#: 59-3440417.