2026

Foundation for Seminole State College of Florida, Inc. (A Component Unit of Seminole State College of Florida)

Financial Statements and Independent Auditor's Report

June 30, 2026 and 2025

PURVIS GRAY

CERTIFIED PUBLIC ACCOUNTANTS

FOUNDATION FOR SEMINOLE STATE COLLEGE OF FLORIDA, INC.
(A COMPONENT UNIT OF SEMINOLE STATE COLLEGE OF FLORIDA)

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

JUNE 30, 2026 AND 2025

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PURVIS GRAY

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Foundation for Seminole State College
of Florida, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Foundation for Seminole State College of Florida, Inc. (the Foundation) (a non-profit organization), a component unit of Seminole State College of Florida, which comprise the statements of net position as of June 30, 2026 and 2025, and the related statements of revenues, expenses, and changes in net position and cash flows for the years then ended and the related notes to 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 financial position of the Foundation as of June 30, 2026 and 2025, and the changes in financial position and its cash flows thereof for the years 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.

To the Board of Directors
Foundation for Seminole State College
of Florida, Inc.

INDEPENDENT AUDITOR'S REPORT

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

INDEPENDENT AUDITOR'S REPORT

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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Foundation's basic financial statements. The supplementary information on page 25 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 18, 2026, 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 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 the Foundation's internal control over financial reporting and compliance.

Purvis Gray

August 18, 2026
Ocala, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis of the financial statements for the Foundation for Seminole State College of Florida, Inc. (the Foundation) presents an overview of the Foundation's financial activities for the fiscal years ended June 30, 2026 and 2025.

Established in 1968, the Foundation is a direct support organization and discrete component unit of Seminole State College of Florida (a governmental agency), hereafter referred to as the "College." The financial statements are prepared in accordance with Governmental Accounting Standards Board (GASB) principles.

This financial report is designed to provide the College, our donors, stakeholders, and creditors with a general overview of the Foundation's finances and to show the Foundation's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Foundation at foundation@seminolestate.edu.

Overview of the Financial Statements

The Foundation's financial report consists of the basic financial statements and the notes to the financial statements. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting.

The Statements of Net Position present information on all of the Foundation's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the residual reported as Net Position.

The Statements of Revenues, Expenses, and Changes in Net Position present information showing how the Foundation's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This statement distinguishes between core operating activities and non-operating items.

The Statements of Cash Flows provide detailed information about the Foundation's cash receipts and cash payments during the reporting period, showing how cash was provided by or used in operating, non-capital financing, capital financing, and investing activities.

Because the Foundation reports as a special-purpose government engaged only in business-type activities, its financial statements are prepared in a manner similar to a private-sector business. All of the Foundation's basic statements use the economic resources measurement focus and the accrual basis of accounting. This means the Foundation reports all of its assets and liabilities, as well as all revenues and costs of providing services, in the year they occur, regardless of when cash is actually received or paid.

The Foundation's financial statements comprehensively report the following types of financial statement elements:

- Assets—Resources the Foundation controls, ranging from short-term items like cash and accounts receivable to long-term items such as endowment investments and capital assets.
- Liabilities—Amounts the Foundation owes, including short-term liabilities such as accounts payable and long-term liabilities such as long-term debt or future lease commitments.
- Deferred outflows of resources and deferred inflows of resources—Flows of resources that occurred during the year, or in prior years, that will not be reported as expenses or revenues until the future year to which they are related.
- Revenues and expenses—Inflows and outflows of economic resources, respectively, related to the current year, recognized as soon as the underlying event occurs.

The Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the statements.

Financial Summary and Detailed Analysis

The Foundation experienced another successful year in fiscal year 2026, strengthening its financial position while expanding support for College students and programs.

Condensed Statements of Net Position

	6/30/2026	6/30/2025	% Change	$ Change	6/30/2024	$ Change
ASSETS						
Current Assets	$ 10,429,941	$ 8,213,120	27.0%	$ 2,216,821	$ 7,258,198	$ 954,922
Capital Assets, Net	1,472,171	1,472,171	N/A*	-	1,472,171	-
Other Non-Current Assets	42,191,927	35,446,394	19.0%	6,745,533	34,368,544	1,077,850
Total Assets	**54,094,039**	**45,131,685**	**19.9%**	**8,962,354**	**43,098,913**	**2,032,772**
LIABILITIES						
Current Liabilities	469,405	301,154	55.9%	168,251	299,460	1,694
Total Liabilities	**469,405**	**301,154**	**55.9%**	**168,251**	**299,460**	**1,694**
NET POSITION						
Net Investment in Capital Assets	1,472,171	1,472,171	N/A*	-	1,472,171	-
Restricted - Expendable	21,397,160	14,974,593	42.9%	6,422,567	13,444,846	1,529,747
Restricted - Non-Expendable Endowments	18,057,635	16,121,208	12.0%	1,936,427	15,401,232	719,976
Unrestricted:						
Undesignated	4,635,925	4,225,571	9.7%	410,354	3,680,817	544,754
Board Designated	8,061,743	8,036,988	N/A*	24,755	7,328,216	708,772
Total Net Position	**$ 53,624,634**	**$ 44,830,531**	**19.6%**	**$ 8,794,103**	**$ 41,327,282**	**$ 3,503,249**

*Percentages are not presented for immaterial changes in capital assets and board-designated net position.

Assets

Total assets increased $8.9 million, or 19.9%, to $54.1 million at June 30, 2026. Current assets increased $2.2 million, or 27%, while non-current assets increased $6.7 million, or 18%. The increase in non-current assets reflects investment appreciation and continued growth in donor-restricted and endowed assets.

Liabilities

Total liabilities increased $168 thousand to $469 thousand at June 30, 2026. Current liabilities consist primarily of amounts owed to the College for scholarships, program support, and other expenditures approved prior to year-end. These obligations were paid shortly after the close of the fiscal year.

Net Position

The Foundation's total net position increased by $8.8 million, or 19.6%, from $44.8 million at June 30, 2025, to $53.6 million at June 30, 2026. As a result, the Foundation exceeded $50 million in net position for the first time, reflecting years of sustained growth in philanthropic support, endowment assets, and investment performance. The increase during fiscal year 2026 was driven primarily by strong investment returns and continued growth in donor-restricted and endowed assets. Investment gains of approximately $5.6 million represented the largest contributor to the increase in net position.

Net Position (Restricted)

Restricted expendable net position increased $6.4 million, or 43%, to $21.4 million, reflecting growth in donor-restricted funds available for scholarships and program support. Restricted non-expendable endowments increased $1.9 million, or 12%, to $18.1 million, continuing the Foundation's long-term growth in endowed assets.

Net Position (Unrestricted)

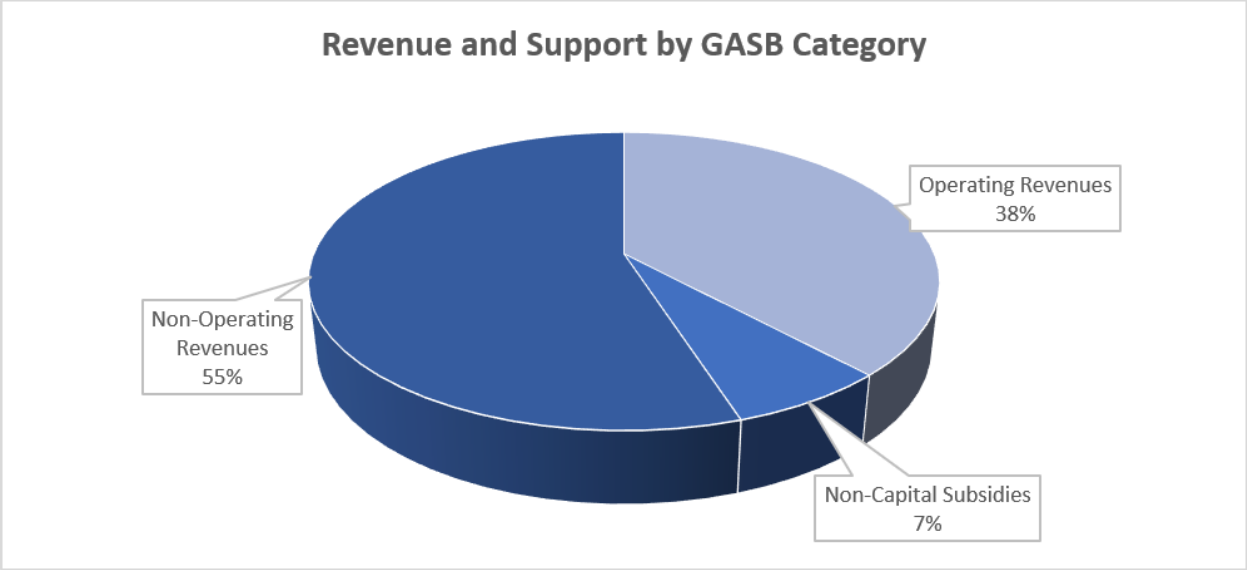
Unrestricted net position remained stable during the fiscal year. Undesignated unrestricted net position increased $410 thousand, or 10%, while board-designated net position increased $25 thousand, reflecting continued stewardship of resources available to support future Foundation and College priorities.

Condensed Statements of Revenues, Expenses, and Changes in Net Position

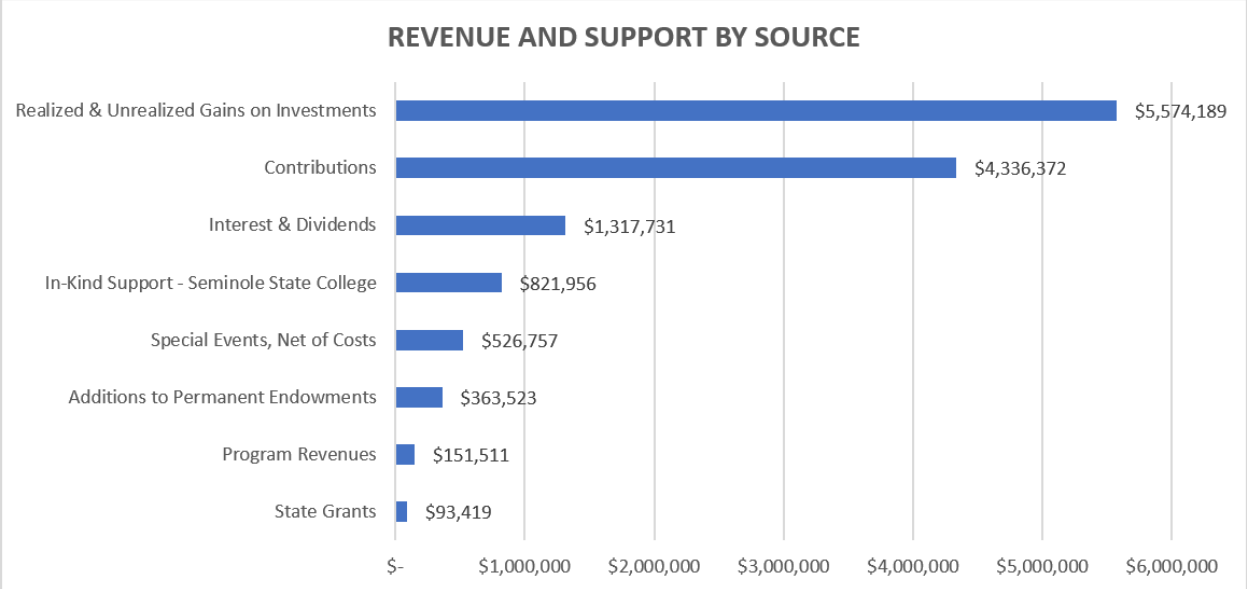
	6/30/2026	6/30/2025	% Change	$ Change	6/30/2024	$ Change
OPERATING REVENUES						
Contributions	$ 4,336,372	$ 2,512,868	73%	$ 1,823,504	$ 4,120,880	$(1,608,012)
Program Revenues	151,511	297,291	-49%	(145,780)	655,548	(358,257)
Special Events, Net of Costs	526,757	440,915	19%	85,842	537,125	(96,210)
Total Operating Revenues	**5,014,640**	**3,251,074**	**54%**	**1,763,566**	**5,313,553**	**(2,062,479)**
OPERATING EXPENSES						
Personnel Services	891,172	815,857	9%	75,315	778,332	37,525
Scholarships and Program Support	3,009,125	3,110,093	-3%	(100,968)	2,643,146	466,947
Contractual Services	272,046	321,086	-15%	(49,040)	311,832	9,254
Materials and Supplies	98,360	76,031	29%	22,329	97,192	(21,161)
Other Services and Expenses	120,652	133,391	-10%	(12,739)	114,839	18,552
Total Operating Expenses	**4,391,355**	**4,456,458**	**-1%**	**(65,103)**	**3,945,341**	**511,117**
Operating (Loss) Income	**623,285**	**(1,205,384)**	**-152%**	**1,828,669**	**1,368,212**	**(2,573,596)**
NON-CAPITAL SUBSIDIES						
State Grants	93,419	93,009	N/A*	410	95,936	(2,927)
In-Kind Support - Seminole State College of Florida	821,956	770,955	7%	51,001	795,914	(24,959)
Total Non-Capital Subsidies	**915,375**	**863,964**	**6%**	**51,411**	**891,850**	**(27,886)**
OTHER NON-OPERATING REVENUES						
Realized and Unrealized Gains/(Losses) on Investments, Net	5,574,189	2,360,705	136%	3,213,484	2,237,762	122,943
Interest and Dividends	1,317,731	1,201,530	10%	116,201	1,075,984	125,546
Additions to Permanent Endowments	363,523	282,434	29%	81,089	1,211,022	(928,588)
Total Other Non-Operating Revenues	**7,255,443**	**3,844,669**	**89%**	**3,410,774**	**4,524,768**	**(680,099)**
Increase (Decrease) in Net Position	**8,794,103**	**3,503,249**	**151%**	**5,290,854**	**6,784,830**	**(3,281,581)**
Net Position, Beginning of Year	**44,830,531**	**41,327,282**	**8%**	**3,503,249**	**34,542,452**	**6,784,830**
Net Position, End of Year	**$53,624,634**	**$44,830,531**	**20%**	**$ 8,794,103**	**$41,327,282**	**$ 3,503,249**

*Percentages are not presented for immaterial changes in capital assets and board-designated net position.

The following chart illustrates the Foundation's sources of revenue and support for fiscal year 2026. Operating revenues represented approximately 38% of total revenue and support, non-capital subsidies represented 7%, and non-operating revenues represented 55%. The largest individual revenue sources were realized and unrealized investment gains, contributions, and interest and dividends.



Total revenue and support of $13.2 million was driven primarily by investment gains ($5.6 million) and contributions ($4.3 million), which together accounted for approximately 75% of total revenue and support.



Operating Revenues

Contributions

Contributions increased substantially during fiscal year 2026, rising approximately $1.8 million over the prior year. The increase was driven primarily by major gifts and sponsorship commitments associated with the Workforce Trades Building and Raider Care Village naming-rights initiatives, as well as private nursing funding received.

Donor engagement also remained strong. The number of distinct donors increased from 1,346 in fiscal year 2025 to 1,494 in fiscal year 2026, representing an 11% increase. Expanded donor participation contributed approximately 39% of the year-over-year increase in operating revenues and reflects continued community support for Seminole State College and Foundation initiatives.

Special Events

Special event fundraising remained strong despite hosting only one major fundraising event during the fiscal year. Net special event revenue totaled $526,757, generated primarily through the annual Dream Gala. The Dream Cup golf tournament, traditionally held during the spring, was rescheduled to a future fiscal year, making comparisons to the prior year less meaningful because fiscal year 2025 included proceeds from both the Dream Gala and Dream Cup events.

Operating Expenses

Most of the programs and services associated with the Foundation's basic financial statements consist of institutional support and scholarships as the primary focus and consist of the following for the years ended June 30, 2026 and 2025:

	2026	2025
Faculty Personnel Costs	$ 805,839	$ 591,728
Program Support	1,101,759	1,220,948
Scholarships	1,101,527	1,325,726
Total	$ 3,009,125	$ 3,138,402

Scholarship and Program Support

Institutional support and scholarships continued to represent the Foundation's primary programmatic expenditures during fiscal year 2026. Expenditures supported key College priorities, including nursing education, first-generation student initiatives, athletics, and workforce trades programs. The Foundation's financial strength translated directly into increased support for Seminole State College students and programs.

During fiscal year 2026, scholarships and program support provided to the College totaled approximately $3.0 million, a slight decrease from prior years as certain donor-restricted scholarship funds were not awarded during the year pending evaluation and alignment with evolving federal and state guidance regarding diversity, equity, and inclusion-related programs. Despite these scholarship administration challenges, the number of students receiving scholarship assistance increased from 1,541 to 1,613, further expanding access to educational opportunities and advancing student success.

Non-Capital Subsidies

State Grants
The Foundation holds approximately $3.2 million in previously qualified state matching funds awaiting future legislative appropriations. Although the Dr. Philip Benjamin Matching Grant Program remains suspended, the state continues to provide matching funds for First Generation in College scholarships, resulting in awards of $93,419 and $93,009 during fiscal years 2026 and 2025, respectively.

In-Kind Supports
The Foundation also continued to benefit from significant in-kind support provided by Seminole State College totaling approximately $822 thousand during fiscal year 2026. Consistent with the Memorandum of Understanding between the College and the Foundation, this support included personnel and facility resources that are essential to Foundation operations. The College's continued investment enhances the Foundation's fundraising and stewardship efforts while allowing a greater share of donor contributions and investment earnings to be directed toward scholarships, student success initiatives, and strategic College programs.

Additions to Permanent Endowment
Non-operating revenues continued to provide significant support for the Foundation's long-term financial sustainability. Permanent endowment contributions increased to $363,523 during fiscal year 2026 from $282,434 in fiscal year 2025, reflecting continued donor investment in permanent scholarship and program support.

Non-Operating Revenues and Expenses

Investment Performance
During fiscal year 2026, the Foundation generated approximately $6.9 million in investment income, consisting of $5.6 million in realized and unrealized gains and $1.3 million in interest and dividend income. The Foundation achieved an approximate total investment return of 16.5% during fiscal year 2026, significantly exceeding its budgeted return assumption of 4%. This level of return was generally consistent with broader market performance, including the S&P 500 Index return of approximately 20%, while reflecting the Foundation's diversified investment strategy and meaningful allocation to fixed-income investments. By comparison, the Foundation achieved an approximate total investment return of 10.2% during fiscal year 2025, generating approximately $3.6 million in investment income, consisting of $2.4 million in realized and unrealized gains and $1.2 million in interest and dividend income. The strong investment results in fiscal year 2026 provided additional resources to support the Foundation's mission, scholarships, and program initiatives.

Investment income from interest and dividends totaled approximately $1.3 million during fiscal year 2026, an increase of $116 thousand over the prior year, driven primarily by higher yields on cash balances and invested assets. Including realized and unrealized gains, investment activity generated approximately $6.9 million during fiscal year 2026 and represented 52% of total revenue and support.

Realized and unrealized gains (losses) and investment fees on investments for the years ended June 30, 2026 and 2025, are as follows:

	2026	2025
Realized Gains (Losses)	$ 2,464,795	$ 506,602
Unrealized Gains (Losses)	3,260,005	1,999,129
Investment Fees	(150,611)	(145,027)
Net Gains (Losses)	$ 5,574,189	$ 2,360,704

Significant Capital Asset and Long-Term Financing Activity

The Foundation's capital assets consist of approximately 4.85 acres of undeveloped land adjacent to the College's Sanford/Lake Mary Campus acquired in prior years. There were no significant additions, disposals, or impairments of capital assets during fiscal year 2026. The land acquisitions were financed through debt obligations that were fully satisfied in prior years. As of June 30, 2026, the Foundation had no outstanding long-term debt.

Currently Known Facts, Decisions, or Conditions

At the date of this report, the following known facts and conditions are expected to have a significant effect on the Foundation's financial position or results of operations in future periods:

- Foundation and College Relationship: The College and the Foundation are evaluating a strategic initiative that may involve financing and other long-term arrangements. Depending on the final structure, the initiative could result in future accounting, financial reporting, and disclosure requirements. The timing, terms, and accounting treatment of any related transactions continue to be evaluated.

FINANCIAL STATEMENTS

FOUNDATION FOR SEMINOLE STATE COLLEGE OF FLORIDA, INC.
(A COMPONENT UNIT OF SEMINOLE STATE COLLEGE OF FLORIDA)
STATEMENTS OF NET POSITION
JUNE 30, 2026 AND 2025

	2026	2025
Assets		
Current Assets:		
Cash and Cash Equivalents	$ 3,384,345	$ 3,442,973
Restricted Cash and Cash Equivalents	6,791,893	3,935,622
Pledges Receivable, Net	-	129,530
Restricted Pledges Receivable, Net	247,267	704,995
Other Current Assets	5,146	-
Restricted Other Current Assets	1,290	-
Total Current Assets	10,429,941	8,213,120
Non-Current Assets:		
Investments, at Fair Value	9,111,259	2,998,734
Restricted Investments, at Fair Value	32,770,338	31,947,660
Restricted Pledges Receivable, Net	310,330	500,000
Capital Assets Not Being Depreciated	1,472,171	1,472,171
Total Non-Current Assets	43,664,098	36,918,565
Total Assets	54,094,039	45,131,685
Liabilities		
Current Liabilities:		
Accounts Payable and Accrued Expenses	6,071	6,310
Due to Seminole State College of Florida	67,282	29,046
Payable from Restricted Assets:		
Due to Seminole State College of Florida	369,152	235,547
Assets Held for College Clubs and Organizations	26,900	30,251
Total Liabilities	469,405	301,154
Net Position		
Net Investment in Capital Assets	1,472,171	1,472,171
Restricted:		
Expendable	21,397,160	14,974,593
Non-Expendable Endowments	18,057,635	16,121,208
Unrestricted:		
Undesignated	4,635,925	4,225,571
Board Designated	8,061,743	8,036,988
Total Net Position	$ 53,624,634	$ 44,830,531

See accompanying notes.

FOUNDATION FOR SEMINOLE STATE COLLEGE OF FLORIDA, INC.
(A COMPONENT UNIT OF SEMINOLE STATE COLLEGE OF FLORIDA)
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2026 AND 2025

	2026	2025
Operating Revenues		
Contributions	$ 4,336,372	$ 2,512,868
Program Revenues	151,511	297,291
Special Events, Net	526,757	440,915
Total Operating Revenues	5,014,640	3,251,074
Operating Expenses		
Personnel Services	891,172	815,857
Scholarships and Program Support	3,009,125	3,110,093
Contractual Services	272,046	321,086
Materials and Supplies	98,360	76,031
Other Services and Expenses	120,652	133,391
Total Operating Expenses	4,391,355	4,456,458
Operating Income (Loss)	623,285	(1,205,384)
Non-Capital Subsidies		
State Grants	93,419	93,009
In-Kind Support - Seminole State College of Florida	821,956	770,955
Total Non-Capital Subsidies	915,375	863,964
Operating Income (Loss) and Non-Capital Subsidies	1,538,660	(341,420)
Other Non-Operating Revenues		
Realized and Unrealized Gains/(Losses) on Investments, Net	5,574,189	2,360,705
Interest and Dividends	1,317,731	1,201,530
Additions to Permanent Endowments	363,523	282,434
Total Other Non-Operating Revenues	7,255,443	3,844,669
Changes in Net Position	8,794,103	3,503,249
Net Position, Beginning of Year	44,830,531	41,327,282
Net Position, End of Year	$ 53,624,634	$ 44,830,531

See accompanying notes.

FOUNDATION FOR SEMINOLE STATE COLLEGE OF FLORIDA, INC.
(A COMPONENT UNIT OF SEMINOLE STATE COLLEGE OF FLORIDA)
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2026 AND 2025

	2026	2025
Operating Activities		
Receipts from Contributions	$ 5,640,057	$ 3,384,346
Receipts from Program Revenues	145,075	306,680
Payments for Scholarships and Program Support	(2,837,284)	(3,114,426)
Payments for Employees	(148,750)	(87,735)
Payments to Suppliers	(415,114)	(524,481)
Net Cash Provided by (Used in) Operating Activities	2,383,984	(35,616)
Investing Activities		
Receipts from Interest and Dividends	1,317,731	1,201,530
Purchases of Investments	(13,574,331)	(7,006,697)
Proceeds from Sales of Investments and Maturities	12,213,317	6,216,230
Net Cash Provided by (Used in) Investing Activities	(43,283)	411,063
Non-Capital Financing Activities		
State Grants	93,419	93,009
Endowment Contributions	363,523	282,434
Net Cash Provided by (Used in) Non-Capital Financing Activities	456,942	375,443
Net Change in Cash and Cash Equivalents	2,797,643	750,890
Cash and Cash Equivalents		
Beginning of Year	7,378,595	6,627,705
End of Year	$ 10,176,238	$ 7,378,595
Presented in the Accompanying Statement of Net Position as:		
Cash and Cash Equivalents	$ 3,384,345	$ 3,442,973
Restricted Cash and Cash Equivalents	6,791,893	3,935,622
	$ 10,176,238	$ 7,378,595
Reconciliation of Operating Income (Loss) to Cash and Cash Equivalents Provided by (Used in) Operating Activities:		
Operating Income (Loss)	$ 623,285	$ (1,205,384)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:		
Non-Cash Contributed Personnel and Occupancy Expenses	821,956	770,955
Changes in:		
Pledges Receivable	129,530	136,048
Restricted Pledges Receivable	647,398	261,071
Other Current Assets	(5,146)	-
Restricted Other Current Assets	(1,290)	-
Accounts Payable and Accrued Expenses	(239)	46
Due to Seminole State College of Florida	171,841	(4,333)
Assets Held for College Clubs and Organizations	(3,351)	5,981
Total Adjustments	1,760,699	1,169,768
Net Cash Provided by (Used in) Operating Activities	$ 2,383,984	$ (35,616)
Supplemental Disclosures		
Non-Cash Investing and Financing Activities:		
Unrealized Gain (Loss) on Investments	$ 3,260,005	$ 1,999,929
Value of Stock Donated to the Foundation	509,234	10,070

See accompanying notes.

FOUNDATION FOR SEMINOLE STATE COLLEGE
OF FLORIDA, INC.
(A COMPONENT UNIT OF SEMINOLE STATE COLLEGE OF FLORIDA)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026 AND 2025

NOTE 1 – ORGANIZATION AND PURPOSE

The Foundation for Seminole State College of Florida, Inc. (the Foundation) is a Florida not-for-profit corporation established in 1968 to receive, hold, invest, and administer charitable contributions for the benefit of Seminole State College of Florida (the College).

The Foundation is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is classified as a public charity under Section 509(a).

Significant accounting policies are described in Note 2. The accompanying notes provide additional information regarding the Foundation's financial position and activities.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Foundation functions as a direct-support organization and component unit of the College. The Foundation is governed by an independent Board of Directors and exists solely to support the College.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) applicable to governmental entities. Revenues are recognized when earned and expenses are recognized when incurred.

Fund Accounting

The Foundation maintains its accounts using fund accounting to ensure compliance with donor and other restrictions on the use of resources. Separate accounts are maintained for individual funds; however, all funds are presented in a single column in the accompanying financial statements.

When both restricted and unrestricted resources are available for the same purpose, the Foundation's policy is to use restricted resources first and unrestricted resources thereafter as needed.

The net position of the Foundation is reported in three fund groups as follows:

Net Investment in Capital Assets—Represents funds that consist of capital assets, including restricted capital assets, net of accumulated depreciation.

Restricted—Within restricted, there are two fund types as follows:

- *Expendable*—Representing funds that are subject to donor, grantor, or other outside party restrictions to use for the benefit of various programs at the College, including the expendable portion of endowment funds.

- *Non-Expendable*—Representing the non-expendable portion of endowment funds that are subject to donor, grantor, or other outside party restrictions to use for the benefit of various programs at the College. Net earnings and losses on endowment funds are included in expendable funds.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Continued)
Unrestricted—Representing funds available for carrying out the Foundation's objectives, including amounts designated by the Board of Directors for specific purposes.

Operating and Non-Operating Activities
Operating revenues and expenses arise from activities that support the Foundation's mission to receive, invest, and administer charitable contributions for the benefit of the College. Investment activity and other revenues and expenses not directly related to these activities are reported as non-operating.

Revenue Recognition
Contributions are recognized as revenue when received or unconditionally pledged. Donated assets are recorded at fair value on the date received. Donated services that meet applicable recognition criteria, including payroll and occupancy support provided by the College, are recognized as revenue. Other donated services are not recorded.

Cash and Cash Equivalents, Restricted Cash
For purposes of reporting cash flows, the Foundation considers all highly liquid investments with original maturities of three months or less to be cash equivalents. Restricted cash consists of cash and cash equivalents subjected to donor, grantor, or other outside party restrictions.

Investments
Investments are carried at fair value and realized, and unrealized gains and losses are reflected in the statements of revenues, expenses, and changes in net position. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Investments that are expected to be sold or redeemed within the next 12 months are classified as current investments while investments expected to be held over the next 12 months are classified as non-current investments.

Pledges Receivable
Unconditional pledges that are measurable, verifiable, and probable of collection are recorded at net realizable value and discounted when collection is expected in future periods. Restricted pledges receivable consist of pledges receivable subject to donor, grantor, or other outside party restrictions.

Pledges receivable potentially subject the Foundation to credit risk due to the uncertain nature of collectability. Management monitors the collectability of pledges receivable and records an allowance for doubtful pledges, when necessary, based on historical experience, donor circumstances, and other relevant factors.

Capital Assets
Capital assets are recorded at cost or, if donated, at fair value on the date received. The Foundation capitalizes assets with an individual cost exceeding $5,000 and an estimated useful life greater than one year. Buildings and improvements are depreciated using the straight-line method over estimated useful lives ranging from 15 to 30 years. Maintenance and repair costs that do not improve or extend asset lives are expensed as incurred.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)
The Foundation evaluates capital assets for impairment whenever events or circumstances indicate that service utility may have significantly declined.

Assets Held for College Clubs and Organizations
As a service to the College, the Foundation provides accounting and cash management services for certain college clubs and organizations. Cash receipts and disbursements related to these activities are recorded in individual liability accounts and reported as Assets Held for College Clubs and Organizations in the statements of net position, representing amounts due to these organizations. No other assets, liabilities, revenues, or expenses related to these organizations are included in the accompanying financial statements.

Income Taxes
The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and is classified as a public charity under Section 509(a).

Management evaluates uncertain tax positions in accordance with applicable accounting guidance and recognizes the effect of a tax position only when it is more likely than not to be sustained upon examination. Management believes no material uncertain tax positions existed as of June 30, 2026 or 2025.

Fair Value Measurements
Certain assets are reported at fair value in the financial statements. Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

GAAP establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. Observable inputs are given greater weight than unobservable inputs. The hierarchy consists of Level 1, Level 2, and Level 3 inputs, described in Note 4.

When available, the Foundation uses quoted market prices to measure fair value. When quoted prices are not available, fair value is estimated using observable market inputs or other valuation techniques appropriate to the circumstances.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Implementation of New Accounting Standards

Effective July 1, 2025, the Foundation adopted Governmental Accounting Standards Board (GASB) Statement No. 103, *Financial Reporting Model Improvements*, and GASB Statement No. 104, *Disclosure of Certain Capital Assets*. The implementation of these standards resulted in changes to certain financial statement presentations and note disclosures. The adoption of these standards had no effect on the Foundation's beginning net position or previously reported change in net position. Financial information for the prior period has been reclassified to conform to the current year's presentation format as required by the new standard.

NOTE 3 – DEPOSITS AND INVESTMENTS

The Foundation's investment policies, as approved by the Board of Directors and Finance Committee, are designed to provide a stable and growing source of support for the Foundation's mission while preserving the long-term purchasing power of endowment assets through prudent reinvestment and diversification. The investment policies establish target asset allocations and allowable investment ranges by asset class, as presented below, to support these objectives.

	Endowed Funds		Non-Endowed Funds		Title III Endowed Funds	
Asset Class	Target	Allocation	Target	Allocation	Target	Allocation
Fixed Income	30%	0%-85%	75%	0%-100%	80%	70%-100%
Alternative	15%	0%-25%	0%	0%-5%	N/A	N/A
Equity	55%	0%-95%*	25%	0%-45%**	20%	0%-30%

**Equity allocations for Endowed Funds may include Domestic Equity (0%-70%) and International Equity (0%-25%).*
***Equity allocations for Non-Endowed Funds may include Domestic Equity (0%-30%) and International Equity (0%-15%).*

In 2017, the Foundation received a donor-restricted endowment in the form of an investment portfolio. Pursuant to donor-established investment guidelines, the portfolio is managed to maximize long-term returns with an emphasis on income generation from equity securities while maintaining prudent levels of risk. The portfolio is subject to specific investment restrictions and target allocations established by the donor, as presented below.

Asset Class	Target	Allocation
Equity	90%	0%-100%*
Cash Equivalents/CDs	5%	0%-30%
Other Permitted Securities	N/A	0%-30%

**At least 50% of the portfolio must be invested in Domestic Equity.*

Management believes the Foundation was in compliance with its investment policies and donor-imposed investment guidelines as of and for the year ended June 30, 2026.

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Investment Risk Disclosures

Custodial Credit Risk

The *Florida Security for Public Deposits Act* (the Act) establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements, and characteristics of eligible collateral. Under the Act, Foundation deposits in qualified public depositories are fully insured. The qualified public depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance.

Additional collateral, up to a maximum of 125%, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State Treasurer, or with the approval of the State Treasurer, to a bank, savings association, or trust company provided a power of attorney is delivered to the State Treasurer.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. The Foundation's investment policy requires diversification of investments sufficient to reduce the potential of a single security, single sector of securities, or single style of management having a disproportionate or significant impact on the portfolio. No more than 5% of the Foundation's investments can be invested with a single company, and no more than 30% of investments can be in one equity industry.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The tables on the following pages summarize the ratings of the Foundation's debt instruments using the higher of Standard & Poor's or Moody's, nationally recognized statistical rating organizations. The Foundation's investment policy requires investment grade bonds and commercial papers to be rated B+ and A1 or better, respectively.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates between the U.S. dollar and foreign currencies could adversely affect an investment's fair value. The Foundation had approximately $1,578,000 and $165,000 in foreign fixed-income bonds at June 30, 2026 and 2025, respectively.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt instruments will adversely affect the fair value of an investment. The Foundation's investment policy provides guidelines such as duration maximums and collateralization requirements to reduce its interest rate risk.

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

The Foundation's investments by credit quality, average maturity, and fair value hierarchy at June 30, 2026, were as follows:

Investment Type	Credit Quality	Average Maturity	Cost	Level 1	Level 2	Level 3	Total Fair Value
Fixed Income Investments:							
Corporate Bonds	AAA to BBB-	12.07 years	$ 7,636,393	$ -	$ 7,309,042	$ -	$ 7,309,042
U.S. Treasury Bonds	AA1	13.69 years	2,306,279	2,209,341	-	-	2,209,341
Foreign Bonds	A- to BBB	2.84 years	1,587,798	-	1,575,693	-	1,575,693
Total Fixed Income Investments			11,530,471	2,209,341	8,884,735	-	11,094,076
Alternative Investments:							
Mortgage-Backed Securities	AAA	17.43 years	1,322,976	-	1,294,209	-	1,294,209
Total Alternative Investments			1,322,976	-	1,294,209	-	1,294,209
Equity Investments:							
Mutual Funds	N/A	N/A	3,574,246	4,557,915	-	-	4,557,915
Domestic Equities	N/A	N/A	13,265,353	21,576,927	-	-	21,576,927
International Equities	N/A	N/A	2,332,719	3,358,470	-	-	3,358,470
Total Equity Investments			19,172,318	29,493,312	-	-	29,493,312
Total Investments							41,881,597
Carrying Value of Cash and Cash Equivalents							10,176,238
Total Cash, Cash Equivalents, and Investments							$ 52,057,835

The Foundation's investments by credit quality, average maturity, and fair value hierarchy at June 30, 2025, were as follows:

Investment Type	Credit Quality	Average Maturity	Cost	Level 1	Level 2	Level 3	Total Fair Value
Fixed Income Investments:							
Corporate Bonds	AAA to BBB-	4.95 years	$ 1,823,100	$ -	$ 1,810,736	$ -	$ 1,810,736
U.S. Treasury Bonds	AA+	4.38 years	2,082,387	2,049,048	-	-	2,049,048
Foreign Bonds	A to A-	2.84 years	161,038	-	165,122	-	165,122
Total Fixed Income Investments			4,066,525	2,049,048	1,975,858	-	4,024,906
Alternative Investments:							
Mortgage-Backed Securities	AAA to AA+	4.86 years	1,347,462	-	1,316,850	-	1,316,850
Total Alternative Investments			1,347,462	-	1,316,850	-	1,316,850
Equity Investments:							
Mutual Funds	N/A	N/A	9,020,617	9,202,384	-	-	9,202,384
Domestic Equities	N/A	N/A	10,498,228	17,119,582	-	-	17,119,582
International Equities	N/A	N/A	2,469,249	3,282,672	-	-	3,282,672
Total Equity Investments			21,988,094	29,604,638	-	-	29,604,638
Total Investments							34,946,394
Carrying Value of Cash and Cash Equivalents							7,378,595
Total Cash, Cash Equivalents, and Investments							$ 42,324,989

For the years ended June 30, 2026 and 2025, realized and unrealized gains (losses) on investments in the statements of revenues, expenses, and changes in net position are net of investment expenses of approximately $151,000 and $145,000, respectively.

NOTE 4 – FAIR VALUE MEASUREMENTS

The Foundation measures certain investments at fair value in accordance with the accounting guidance described in Note 2. The fair value hierarchy prioritizes valuation inputs into three levels:

Level 1—Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities traded in active markets.

Level 2—Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

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

Level 3—Valuations based on models where significant inputs are not observable. The unobservable inputs reflect the Foundation's own assumptions about the inputs that market participants would use.

Fair values are based on quoted market prices when available (Level 1). When market prices are not available, fair value is generally estimated using current market inputs for similar financial instruments with comparable terms and credit quality, commonly referred to as matrix pricing (Level 2). In instances where there is little or no market activity for the same or similar instruments, the Foundation estimates fair value using methods, models, and assumptions that management believes are relevant to the particular asset or liability. This may include discounted cash flow analysis or other income-based approaches (Level 3). These valuation techniques involve some level of management estimation and judgment. Where appropriate, adjustments are included to reflect the risk inherent in a particular methodology, model, or input used and are reflective of the assumptions that market participants would use in valuing assets or liabilities.

The fair value hierarchy classification for each investment type is presented in Note 3, Deposits and Investments. There were no investments classified within Level 3 at June 30, 2026 or 2025.

The following are descriptions of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at June 30, 2026 and 2025:

Common Stocks (Equities)—Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual Funds—Funds valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open-end mutual funds that are registered with the Securities and Exchange Commission. The mutual funds held by the Foundation are deemed to be actively traded.

NOTE 4 – FAIR VALUE MEASUREMENTS (CONTINUED)

Bonds (Corporate, U.S. Treasury, and Foreign)—Valued using pricing models maximizing the use of observable inputs for the same or similar securities. This includes basing value on yields currently available on comparable securities of issuers with the same or similar credit ratings.

U.S. Mortgage-Backed Securities—Funds valued using pricing models maximizing the use of observable inputs for similar securities.

The carrying value of cash and cash equivalents, due from and to the College, and accounts payable are reasonable estimates of their fair value due to the short-term nature of the financial instruments.

NOTE 5 – PLEDGES RECEIVABLE

Unrestricted and restricted pledges receivable are recorded in the statements of net position at their estimated net realizable value. The pledges receivable were discounted using a risk-free interest rate ranging from 3.68% to 4.65% as of June 30, 2026. Pledges receivable as of June 30, 2026, are summarized as follows:

	Restricted
2027	$ 247,267
2028	346,500
2029	46,500
2030	36,500
2031	27,000
Total Pledges Receivable	703,767
Less: Present Value Discount	(146,170)
Total Pledges Receivable, Net	557,597
Less: Current Portion of Restricted Pledges Receivable	(247,267)
Long-Term Portion of Restricted Pledges Receivable	$ 310,330

Pledges receivable include amounts due under various contribution, sponsorship, and naming rights agreements, some of which extend over multiple years. Future payments under these agreements are included in pledges receivable, net of applicable discounts, in the statements of net position. Related revenues are recognized as contributions and sponsorship revenue in the statements of revenues, expenses, and changes in net position.

As of June 30, 2026, the Foundation recorded an allowance for doubtful pledges of $5,000 related to certain outstanding pledges for which collectability was uncertain. No allowance for doubtful pledges was recorded as of June 30, 2025, as management determined all outstanding pledges were collectible.

NOTE 6 – CAPITAL ASSETS

In May 2008, the Foundation purchased 3.28 acres at the northern gateway to the College and, in August 2014, acquired an additional 1.5673-acre parcel adjacent to the original property for future use. As of June 30, 2026, no active development plans exist for the property.

Capital asset activity for the fiscal year ended June 30, 2026, was as follows:

	July 1, 2025	Increases	Decreases	June 30, 2026
Capital Assets Not Being Depreciated:				
Land	$ 1,472,171	$ -	$ -	$ 1,472,171
Total Capital Assets, Net	$ 1,472,171	$ -	$ -	$ 1,472,171

Capital asset activity for the fiscal year ended June 30, 2025, was as follows:

	July 1, 2024	Increases	Decreases	June 30, 2025
Capital Assets Not Being Depreciated:				
Land	$ 1,472,171	$ -	$ -	$ 1,472,171
Total Capital Assets, Net	$ 1,472,171	$ -	$ -	$ 1,472,171

There were no depreciation expenses for the years ended June 30, 2026 and 2025, respectively.

NOTE 7 – ENDOWMENT AND RESTRICTED NET POSITION

The Foundation's endowment funds are donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America, assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Endowment Spending Policy

The Board-approved spending rate for endowed scholarships was 4.5% of the five-year moving average market value of eligible endowment funds during the academic years ended June 30, 2026 and 2025.

Interpretation of Relevant Law

The Board of Directors of the Foundation has interpreted *the Florida Uniform Prudent Management of Institutional Funds Act* (UPMIFA) as requiring the preservation of the original gift amount of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation designates the following as non-expendable endowments: (a) the original value of the gifts 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 remaining portion of donor-restricted endowment funds is classified as Restricted Expendable Net Position until appropriated for expenditure in accordance with UPMIFA.

NOTE 7 – ENDOWMENT AND RESTRICTED NET POSITION (CONTINUED)

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the endowment fund.
- The purpose of the Foundation and the donor-restricted endowment fund.
- General economic conditions.
- The possible effect of inflation or deflation.
- The expected total return from income and the appreciation of investment.
- Other resources of the Foundation.
- The investment policies of the Foundation.

Endowment and Restricted Net Position

Investment income, including realized and unrealized gains and losses, is allocated to Restricted Expendable Net Position based on the proportionate share of Restricted Non-Expendable Endowment balances. These amounts become available for expenditure when appropriated by the Board of Directors in accordance with UPMIFA and donor restrictions.

The following summarizes endowment-related net position as of June 30, 2026 and 2025:

	2026	2025
Total Endowment Balance	$ 29,483,839	$ 22,961,176
Less: Restricted Expendable Net Position	(11,426,204)	(6,839,968)
Restricted Nonexpendable Net Position	$ 18,057,635	$ 16,121,208

Included in Restricted Expendable Net Position is approximately $1,200,000 and $1,125,000 as of June 30, 2026 and 2025, respectively, related to the U.S. Department of Education Title III Program. The purpose of the program is to establish or increase endowment challenge funds, promote fundraising activities, and foster institutional independence and financial sustainability. The Foundation provided the required matching funds from October 1, 2003 through September 30, 2008, and is required to invest the matching funds, federal funds, and at least one-half of the related investment income for a 20-year period beginning October 1, 2008.

Quasi-Endowments

The Foundation also maintains quasi-endowment funds designated by the Board of Directors. These funds are reported as Unrestricted Board-Designated Net Position and totaled approximately $8,062,000 and $8,037,000 as of June 30, 2026 and 2025, respectively.

NOTE 8 – SPECIAL EVENTS

The Foundation's fundraising events include the Dream Gala and the Dream Cup Challenge Golf Tournament. The Dream Cup Challenge Golf Tournament was conducted during fiscal year 2025 but was not held during fiscal year 2026 due to a scheduling change that moved the event from the spring season

NOTE 8 – SPECIAL EVENTS (CONTINUED)

to fall 2026. As a result, the next tournament will occur during fiscal year 2027. Special event revenues are reported in the statements of revenues, expenses, and changes in net position, net of related costs of approximately $181,000 and $158,000 for the years ended June 30, 2026 and 2025, respectively.

NOTE 9 – ASSESSMENT FEES

Revenue Fee
The Foundation assesses a revenue fee to support fundraising, processing, administration, and stewardship activities. The fee generally equals 2% of contributions received and totaled approximately $83,000 and $77,000 for the years ended June 30, 2026 and 2025, respectively.

Endowment Fee
The Foundation assesses an administrative fee on endowed funds, excluding the Title III quasi-endowment and any funds governed by donor-imposed fee limitations. The fee is calculated quarterly based on fair value and generally equals 1.5% annually. Fee revenue totaled approximately $386,000 and $337,000 for the years ended June 30, 2026 and 2025, respectively. Fees are charged against investment earnings rather than endowment principal.

NOTE 10 – RELATED-PARTY TRANSACTIONS

In-Kind Contributions
The College provides certain services to the Foundation at no cost. Salary and benefit support provided by the College totaled approximately $742,000 and $703,000 for the years ended June 30, 2026 and 2025, respectively, and is reported as in-kind support.

The College also provides office space and related occupancy support with an estimated fair value of approximately $80,000 and $68,000 for the years ended June 30, 2026 and 2025, respectively, which is also reported as in-kind support.

NOTE 11 – CONTINGENCIES

The Foundation participates in state assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional upon compliance with the terms and conditions of the grant agreements and applicable state regulations. Any disallowance resulting from a regulatory audit may become a liability to the Foundation. Liabilities from any such audits, if any, are recorded when the amounts of such liabilities become reasonably determinable.

SUPPLEMENTARY INFORMATION

FOUNDATION FOR SEMINOLE STATE COLLEGE OF FLORIDA, INC.
(A COMPONENT UNIT OF SEMINOLE STATE COLLEGE OF FLORIDA)
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2026

		Restricted		
	Unrestricted	Expendable	Non-Expendable Endowments	Total
Revenues				
Operating Revenues:				
Contributions	$ 391,821	$ 3,944,551	$ -	$ 4,336,372
Program Revenues	-	151,511	-	151,511
Special Events, Net	526,757	-	-	526,757
Total Operating Revenues	918,578	4,096,062	-	5,014,640
Expenses				
Operating Expenses:				
Personnel Services	891,172	-	-	891,172
Scholarships and Program Support	104,216	2,904,909	-	3,009,125
Contractual Services	272,046	-	-	272,046
Materials and Supplies	98,360	-	-	98,360
Other Services and Expenses	120,652	-	-	120,652
Total Operating Expenses	1,486,446	2,904,909	-	4,391,355
Operating Income (Loss)	(567,868)	1,191,153	-	623,285
Non-Capital Subsidies				
State Grants	-	93,419	-	93,419
In-Kind Support - Seminole State College of Florida	821,956	-	-	821,956
Interfund Transfers	(94,409)	94,409	-	-
Transfer to Non-Expendable Endowment	(1,572,904)	-	1,572,904	-
Total Non-Capital Subsidies	(845,357)	187,828	1,572,904	915,375
Operating Income (Loss) and Non-Capital Subsidies	(1,413,225)	1,378,981	1,572,904	1,538,660
Other Non-Operating Revenues (Expenses)				
Assessment Fees	370,894	(370,894)	-	-
Realized and Unrealized Gains/(Losses) on Investments, Net	865,511	4,708,678	-	5,574,189
Interest and Dividends	611,929	705,802	-	1,317,731
Additions to Permanent Endowments	-	-	363,523	363,523
Total Other Non-Operating Revenues (Expenses)	1,848,334	5,043,586	363,523	7,255,443
Change in Net Position	435,109	6,422,567	1,936,427	8,794,103
Net Position, Beginning of Year	13,734,730	14,974,593	16,121,208	44,830,531
Net Position, End of Year	$ 14,169,839	$ 21,397,160	$ 18,057,635	$ 53,624,634

Notes:

1. This schedule is provided in accordance with the basis of accounting used by the Foundation in the preparation of the internal financial statements.

2. Unrestricted net position includes amounts in net investment in capital assets.

OTHER REPORT – *GOVERNMENT AUDITING STANDARDS*

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*

To the Board of Directors
Foundation for Seminole State College
of Florida, Inc.

We have audited, 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, the financial statements of the Foundation for Seminole State College of Florida, Inc. (the Foundation), a component unit of Seminole State College of Florida, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements and have issued our report thereon dated August 18, 2026.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Foundation's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Directors
Foundation for Seminole State College
of Florida, Inc.

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*

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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 non-compliance 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 Foundation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Purvis Gray

August 18, 2026
Ocala, Florida

PURVIS GRAY

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