Florida Education Foundation, Inc. **FINANCIAL STATEMENTS** June 30, 2023 and 2022

	Page
REPORT Independent Auditors' Report	1
MANAGEMENT'S DISCUSSSION AND ANALYSIS	4
FINANCIAL STATEMENTS Statements of Net Position	7
Statements of Revenues, Expenses, and Changes in Net Position	8
Statements of Cash Flows	9
Notes to Financial Statements	10
OTHER REPORT Report of Independent Auditors' 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	20
REQUIRED COMMUNICATIONS Required Communications	22
Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality	27
Summary of Audit Adjustments	28
Management Representation Letter	30
INTERNAL CONTROL RECOMMENDATIONS Internal Controls	35





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INDEPENDENT AUDITORS' REPORT

Board of Directors Florida Education Foundation, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Florida Education Foundation, Inc. (the Foundation) which comprise the statement of net position as of June 30, 2023, the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Foundation, as of June 30, 2023, and the changes in its net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 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.

Prior Period Financial Statements

The financial statements of the Foundation as of June 30, 2022 were audited by other auditors whose report dated January 18, 2023, expressed an unmodified opinion on those statements.

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.

Board of Directors Florida Education Foundation, Inc.

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 within one year after the date that the financial statements are issued.

Auditors' Responsibility 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 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 GAAS 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 GAAS 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.

Board of Directors Florida Education Foundation, Inc.

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 6 be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 financial statements, and other knowledge we obtained during our audit of the 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 January 31, 2024 on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Foundation's internal control over financial reporting and compliance.

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Can Rigge & Ingram, L.L.C.

Tallahassee, Florida January 31, 2024



Florida Education Foundation, Inc. Management's Discussion and Analysis

The Florida Education Foundation, Inc. (the Foundation) is a not-for-profit direct-support organization for the Florida Department of Education (FDOE) under Florida Statute 1001.24.

The Foundation's management's discussion and analysis of the financial performance provides an overview of the Foundation's financial activities for the fiscal year ended June 30, 2023. Please read it with current year financial statements, which follow this section. We are not engaged in Governmental Activities as reflected in GASB Statement No. 34. The financial statements are presented as a special purpose government engaged only as a direct-support organization for a number of funds that support public education programs.

The following are various financial highlights for the fiscal year 2023:

The Foundation's overall net position increased by \$580,507, which is approximately a 11% increase. In the current fiscal year, the assets of the Foundation are reported in eighteen self-balancing funds. Total ending net position was \$6,354,282.

The Foundation had total expenses for the year of \$4,410,626 compared to total revenues of \$4,991,133.

Financial position has increased over the current year. Below are several factors that caused the impact:

- Operating revenue overall this year increased by 80% compared to the prior year. A majority of the revenue increase is primarily due to an increase in contributions and grant activity Including the establishment of a resiliency program.
- Operating expenses overall this year increased by 88% compared to the prior year. A majority of the expense increases are expenditures for meetings and grant expense.
- Overall there is an increase in investments, including money market funds. Interest and dividends increased by \$7,705, realized and unrealized gains decreased \$189,924 and increased \$1,733,265, respectively. The Foundation is closely monitoring the income.
- The Foundation continues to have a high net position which allows it to spend a substantial
 portion of its resources and cash on the eighteen restricted and unrestricted funds that
 support programs and projects for the Florida Department of Education. Those initiatives are
 intended to support state efforts to improve high achievement for every student to
 contribute to Florida's globally competitive workforce.

Overview of the Basic Financial Statements

This annual report contains financial statements that report the Foundation's activities as eighteen self-balancing funds in the current fiscal year.

Florida Education Foundation, Inc. Management's Discussion and Analysis

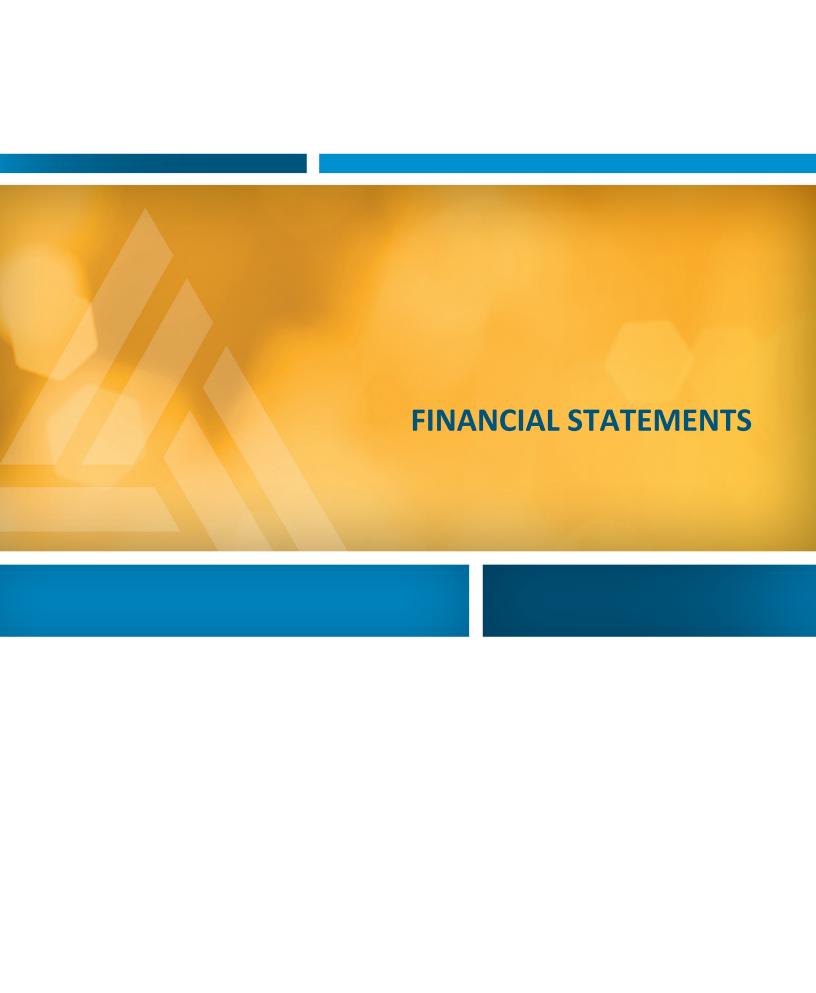
Condensed Statements of Net Position

				Change	Change
June 30,	2023	2022	2021	2022-2023	2021-2022
Assets					
Current assets	\$ 2,279,693	\$ 2,152,967	\$ 1,647,281	\$ 126,726	\$ 505,686
Investments	1,662,713	1,796,614	2,062,010	(133,901)	(265,396)
Cash - board designated	199,321	40,457	163,254	158,864	(122,797)
Investments- board designated	3,824,968	3,588,389	4,233,645	236,579	(645,256)
Total assets	\$ 7,966,695	\$ 7,578,427	\$ 8,106,190	\$ 388,268	\$ (527,763)
Liabilities					
Total liabilities	\$ 1,612,413	\$ 1,804,652	\$ 1,444,472	\$ (192,239)	\$ 360,180
Net position					
Unrestricted					
Undesignated	474,775	877,067	997,662	(402,292)	(120,595)
Board designated	4,352,496	3,627,296	4,396,983	725,200	(769,687)
Restricted	1,527,011	1,269,412	1,267,073	257,599	2,339
Total net position	6,354,282	5,773,775	6,661,718	580,507	(887,943)
Total liabilities and net position	\$ 7,966,695	\$ 7,578,427	\$ 8,106,190	\$ 388,268	\$ (527,763)

Florida Education Foundation, Inc. Management's Discussion and Analysis

Condensed Statements of Revenues, Expenses and Changes in Net Position (Prior to Interfund Eliminations)

For the years ended June 30,	2023	2022	2021	Change 2022-2023	Change 2021-2022
,					
Operating revenues					
Contributions	\$ 1,479,291	\$ 718,433	\$ 606,543	\$ 760,858	\$ 111,890
Program	573,373	462,119	8,665	111,254	453,454
Grants	2,106,495	1,028,332	717,131	1,078,163	311,201
Administrative fees	171,318	124,363	74,867	46,955	49,496
Other	286,727	259,039	272,564	27,688	(13,525)
Total operating revenues	4,617,204	2,592,286	1,679,770	2,024,918	912,516
Operating expenses					
Grants and awards	1,771,148	736,139	632,976	1,035,009	103,163
Administrative fees	171,318	124,561	74,867	46,757	49,694
Conventions and meetings	1,642,224	1,041,728	436,347	600,496	605,381
Program materials	179,416	109,369	77,846	70,047	31,523
Professional fees	460,822	144,983	61,101	315,839	83,882
Other	357,016	317,650	367,659	39,366	(50,009)
Total operating expenses	4,581,944	2,474,430	1,650,796	2,107,514	823,634
On and in a in a second (in an)	25.260	447.056	20.074	(02.506)	00.003
Operating income (loss)	35,260	117,856	28,974	(82,596)	88,882
Total non-operating revenues	545,247	(1,005,799)	1,361,074	1,551,046	(2,366,873)
Change in unt modition	F00 F07	(007.042)	1 200 040	1 460 450	/2 277 004\
Change in net position	580,507	(887,943)	1,390,048	1,468,450	(2,277,991)
Beginning net assets	5,773,775	6,661,718	5,271,670	(887,943)	1,390,048
Ending net assets	\$ 6,354,282	\$ 5,773,775	\$ 6,661,718	\$ 580,507	\$ (887,943)
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Florida Education Foundation, Inc. Statements of Net Position

June 30,	2023	2022
Assets		
Current assets		
Cash and cash equivalents	\$ 1,722,632	\$ 2,102,448
Prepaid expenses	102,399	29,676
Accounts receivable	454,662	20,843
Total current assets	2,279,693	2,152,967
Other assets		
Investments	1,662,713	1,796,614
Cash - board designated	199,321	40,457
Investments - board designated	3,824,968	3,588,389
Total other assets	5,687,002	5,425,460
Total assets	\$ 7,966,695	\$ 7,578,427
Liabilities and Net Position		
Current liabilities		
Unearned revenue	\$ 1,100,289	\$ 1,626,118
Accounts payable	512,124	178,534
Total liabilities	1,612,413	1,804,652
Net position		
Unrestricted		
Undesignated	474,775	877,067
Board designated	4,352,496	3,627,296
Restricted	1,527,011	1,269,412
Total net position	6,354,282	5,773,775
Total liabilities and net position	\$ 7,966,695	\$ 7,578,427

Florida Education Foundation, Inc. Statements of Revenues, Expenses and Changes in Net Position

Operating revenuesContributions\$ 1,479,291Program service573,373In-kind contributions283,413Grants2,106,495	\$ 718,433 462,119 256,732 1,028,332 2,307 2,467,923
Contributions\$ 1,479,291Program service573,373In-kind contributions283,413	462,119 256,732 1,028,332 2,307
Program service 573,373 In-kind contributions 283,413	462,119 256,732 1,028,332 2,307
In-kind contributions 283,413	256,732 1,028,332 2,307
•	1,028,332 2,307
Grants 2,106,495	2,307
National Language	
Miscellaneous 3,314	2,467,923
Total operating revenues 4,445,886	
Operating expenses	
Grants and awards 1,771,148	736,139
Advertising 7,926	7,985
Conventions and meetings 1,642,224	1,041,728
Program materials 179,416	109,369
Professional fees 460,822	144,983
Supplies and postage 20,836	24,458
Travel 30,019	19,290
Salaries and benefits contributed 161,597	144,336
Miscellaneous 136,638	121,779
130,030	121,773
Total operating expenses 4,410,626	2,350,067
Operating income (loss) 35,260	117,856
operating income (1888)	117,030
Non-operating revenues (loss)	
Interest and dividend income 177,200	169,495
Realized gain (loss) on investments (81,979)	107,945
Unrealized gain (loss) on investments 450,026	(1,283,239)
Total non enerating revenues (less)	(1 00E 700)
Total non-operating revenues (loss) 545,247	(1,005,799)
Change in net position 580,507	(887,943)
	, , ,
Net position, beginning of year 5,773,775	6,661,718
Net position, end of year \$ 6,354,282	\$ 5,773,775

Florida Education Foundation, Inc. Statements of Cash Flows

For the years ended June 30,	2023	2022
Cash flow from operating activities		
Receipts from contributions and program services	\$ 3,486,236	\$ 2,677,583
Payments to vendors	(2,378,609)	(1,471,889)
Payments for grants and awards	(1,771,148)	(736,139)
Tayments for grants and awards	(2)772)210)	(100)2007
Net cash provided by (used in) operating activities	(663,521)	469,555
Cash flow from investing activities		
Purchase of investments	(2,829,751)	(2,432,035)
Proceeds from the sale of investments	3,095,120	
		2,167,393
Interest and dividends earned on investments	177,200	169,495
Net cash provided by (used in) investing activities	442,569	(95,147)
Net change in cash and cash equivalents	(220,952)	374,408
Cash and cash equivalents, beginning of year	2,142,905	1,768,497
Cash and cash equivalents, end of year	\$ 1,921,953	\$ 2.142.905
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Reconciliation of operating income (loss) to net cash provided by (used in) operating activities Operating income (loss) Adjustments to reconcile operating income (loss) to net cash provided by	\$ 35,260	\$ 117,856
(used in) operating activities:	(== ===)	(40.050)
Increase (decrease) in other assets	(72,723)	(13,360)
Increase (decrease) in accounts receivable	(433,819)	4,879
(Increase) decrease in unearned revenue	(525,829)	461,513
(Increase) decrease in accounts payable	333,590	(101,333)
Net cash provided by (used in) operating activities	\$ (663,521)	\$ 469,555
Cash and cash equivalents consist of:		
Cash and cash equivalents	\$ 1,722,632	\$ 2,102,448
Cash - board designated	199,321	40,457
Total cash and cash equivalents	\$ 1,921,953	\$ 2,142,905
SUPPLEMENTAL DISCLOSURES Non-cash investing, capital, and financing activities:		
Contribution of salaries and benefits	\$ 161,597	
Contribution of materials, supplies, scholarships and awards	\$ 121,816	
Unrealized gain (loss) on investments	\$ 450,026	\$ (1,283,239)

Florida Education Foundation, Inc. Notes to Financial Statements

Note 1: NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Florida Education Foundation, Inc. (the Foundation) is organized as a Florida Department of Education direct-support organization and was incorporated under the laws of the State of Florida on April 2, 1985. The Foundation is organized exclusively to receive, hold, invest, and administer property and to make expenditures to or for the benefit of public pre-kindergarten through grade 12 education in Florida. The primary purpose of the Foundation is to pursue a future in which every Florida student graduates from high school ready for post-secondary education and a career. As the Florida Department of Education's direct-support organization, the Foundation serves as a nexus connecting well-informed strategic direction with philanthropic and other resources to leverage effective change in Florida's education system. The Foundation's mission is to invest in high achievement for every student to contribute to Florida's globally competitive workforce.

Reporting Entity

The Foundation meets the criteria set forth by the Governmental Accounting Standards Board (GASB) for inclusion as a component unit within the Florida Department of Education's (FDOE) comprehensive annual financial reports based on FDOE's ability to appoint the Board of Directors. As a component unit, the Foundation's financial statements are discretely presented in FDOE's comprehensive annual financial reports. The accompanying financial statements present the financial position of the Foundation only. The Foundation does not have any component units and is not involved in any joint ventures.

Basis of Accounting

The Foundation follows financial reporting requirements for enterprise funds, which use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recognized when they are incurred.

The financial statements have been prepared in conformity with the pronouncements of the Governmental Accounting Standards Board (GASB), including GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB 61, which defines the Foundation as a component unit with the FDOE.

Note 1: NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Cash and cash equivalents consist of deposits with a financial institution and deposits in highly liquid money market funds. The financial instruments exposed to concentrations of credit risk consist primarily of its cash and cash equivalents. Deposits with financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor. Bank deposits at times may exceed federally insured limits. The Foundation has not experienced any losses in such accounts.

For purposes of the statement of cash flows, cash and interest bearing deposits with an original maturity of three months or less are considered cash equivalents.

Investments

Investments held by the Foundation are reported at fair values for securities traded on national or international exchanges or over-the-counter are valued at quoted market prices.

Contributions and Grants

Contributions and grants from two of the Foundation's largest private donors totaled 55% and 43% of contributions revenue for the years ended June 30, 2023 and 2022, respectively.

Revenue Recognition

Operating revenues consist of grants, contributions and event registrations/sponsorships and are recognized when earned. Non-operating revenues consist of various forms of investment income.

Fund Accounting

To ensure observance of limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. Separate accounts are maintained for each fund; however, for financial statement reporting purposes all funds are combined.

Note 1: NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Programs

The Foundation administers financial accounts (unrestricted, board designated and restricted) for various funds/programs of FDOE. The Foundation is organized by unrestricted and restricted funds that support FDOE.

Unrestricted Funds

a. Commissioner's Enhancement Program Fund (General Fund) - includes unrestricted resources available for support of the Foundation.

Board Designated

b. Mary E. Murdock Endowment Fund - includes unrestricted resources from a single donor for support of the Foundation's mission to promote and support academic excellence for pre-kindergarten through 12th grade students in Florida.

Restricted Funds

- c. Career and Technical Education (CTE) The aim of the fund is to provide increased support for all of Florida's career and technical education programs. These programs matter for economic growth and prosperity as we think and plan strategically about how to build robust career pathways starting at the middle grades through our postsecondary partners. The fund will support efforts to align all workforce programs to industry demand, the engagement and support of students, particularly those historically underrepresented populations, in workforce education programs, and the scaling of entrepreneurship education and training.
- d. Exceptional Education/Student Services (EESS) supports programs for students with disabilities and strengthens the quality and variety of services available to students with special needs. The programs and activities include the Administrators' Management Meeting (AMM), Regional Roundtables, SAC and Parent Services Meetings, and New Directors' Academy. AMM is designed for administrators of district exceptional student education (ESE) and student services programs, special projects personnel, state agency programs and residential schools, and for representatives of related college and university training programs. AMM provides important information related to the State Performance Plan, compliance, and monitoring. This meeting is typically held each September.

Florida Education Foundation, Inc. Notes to Financial Statements

Note 1: NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted Funds (continued)

- e. Educator Quality (EQ) was originally established in 2005 as the Teacher Recruitment Fund when a statewide teacher recruitment initiative was started. Since that time, the fund expanded to include other initiatives and recognition programs. With this expansion, it was determined that the fund title did not adequately describe the programs being supported and in May 2015 the fund title was changed.
- f. Emergency Relief Fund was originally established to support schools affected by hurricanes. During 2004, Florida was hit by four hurricanes (Charley, Frances, Ivan and Jeanne) affecting many schools in the state. The Florida Education Foundation served as a conduit for supplies and information. Requests to donate were forwarded from Volunteer Florida and throughout other areas of FDOE. District superintendents were asked to report their needs so that priority could be given to those schools most in need. In 2020, the Coronavirus (COVID-19) pandemic hit, and Florida schools were forced to close their brick and mortar and operate solely thought distance learning.
- g. Family & Community Outreach provides resources, training, recognition and technical assistance for parents, volunteers, schools and communities to support families in making choices that will promote a high-quality education for their children. The programs and activities include Dropout Prevention and Academic Intervention, Faith and Community-Based Outreach and Parent Involvement.
- h. FAU Principal Preparation Initiative includes resources from a grant provided by the Wallace Foundation through Florida Atlantic University to support the creation and implementation of FDOE rules for educational leadership certification program approval that supports university-district partnerships that contain strong components to advance the development of highly effective school leaders.
- i. Florida Civics and Debate Initiative The Florida Civics and Debate Initiative (FCDI) is made possible by a \$5 million grant from the Bernie Marcus Foundation. The goal of the FCDI is to improve civic literacy skills in middle and high school grade students and prepare them via programs like speech and debate. The initiative is three-year, multi- phase plan to ultimately incorporate Civics programs in every Florida school district.
- j. Florida Future Educators of America (FFEA) sponsors and administers the annual Future Educators state conference for students. Since 1986, FDOE has provided assistance to schools in starting and maintaining chapters of Florida Future Educators of America pre-collegiate and collegiate teacher recruitment programs. The program provides a forum for students to become aware of career opportunities in education and nurtures their interest in teaching as a career. Each year, FDOE coordinates the state conference for the postsecondary chapters and the senior high school student members and their advisors. FDOE also provides promotional materials to support the advancement of the FFEA program.

Florida Education Foundation, Inc. Notes to Financial Statements

Note 1: NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted Funds (continued)

- k. Independent Education & Parental Choice (IEPC) Choice The Foundation Charter School Conference is an annual event presented by FDOE's IEPC and the Foundation. The conference has been in existence since the first Florida charter schools opened in 1996 and began its collaboration with the Foundation in 2006. This multi-day event draws over 800 attendees and more than 448 exhibitor representatives. The conference is designed to provide Florida charter school authorizers, operators, administrators, board members and teachers the opportunity to network with each other and FDOE staff, share best practices and gather information from key FDOE personnel during workshops and breakout sessions, and meet with exhibitors who offer goods and services designed for the charter school community.
- Just Read, Florida! (JRF) supports reading activities that comply with the goal to have every child reading at grade level. These reading activities relate to reading research, teacher training, parent training, and community and corporate involvement.
- m. K-12 Public Schools includes resources from public and/or private donations for use in support of public schools in Florida. The programs and activities include Become a Mentor! and Dads Take Your Child to School day.
- n. Office of Healthy Schools (OHS) promotes and facilitates professional development for school health specialists. Beginning in 2010, OHS began the Summer Academy for Teachers of Health Education which focuses on the professional development needs of teachers responsible for providing instruction on any health education topic for students in their district. The Academy includes elementary, middle and high school classroom teachers, certified health educators, physical education teachers, guidance counselors and teachers responsible for teaching any health education topic.
- o. Summer Science and Math Symposium is a continuation of the 2019 Next Generation Summer Science Symposium. The purpose of this project is science and math professional development across grades levels. The goal of the Summer Science Symposium is to build capacity among Florida's science and math teachers to increase student achievement in science and math. Each symposium location will offer three tracks per content area: (1) grades 3-5, (2) middle school (grades 6-8), and (3) biology/algebra.
- p. Sunshine State Scholars includes resources from public and private donations to recognize each district's top 11th grade STEAM (science, technology, engineering, arts and math) students and recruit them to pursue their postsecondary education in a Florida college or university. The scholars, their parents and a teacher of their choice are brought together for a two-day recognition program and college/university recruitment fair. This includes workshops for college applications, college funding and teacher professional development.

Note 1: NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted Funds (continued)

- q. Teacher of the Year recognizes and honors the contributions of outstanding classroom teachers who have demonstrated a superior capacity to inspire a love of learning in students of all backgrounds and abilities. In accordance with Florida Statutes section 1012.77 F.S., FDOE coordinates the nomination and selection of the Florida Teacher of the Year and the Finalists. FDOE also coordinates recognition events, the scheduling of presentations and workshops by the Teacher of the Year in his/her service as the Christa McAuliffe Ambassador for Education and the planning and coordination of the annual Florida Teacher Roundtable, a symposium for all nominees.
- r. Resiliency Florida Initiative supports student resiliency and character education by providing public awareness materials aimed at students, parents and teachers that would educate, promote perseverance, and help connect students to available resources. The public awareness campaign should include a website, videos, social media graphics, and public service announcements that direct students, parents and teachers to the Resiliency Toolkit created by the Department of Education.

Donated Services

As a direct-support organization, the Foundation occupies certain premises, and uses the services, including management services, of certain employees of FDOE. Management services, including salaries and benefits, totaled \$161,597 and \$144,336 for the years ended June 30, 2023 and 2022, respectively. Additionally, the Foundation received certain in-kind materials and supplies totaling \$121,816 and \$112,396, for the years ended June 30, 2023 and 2022, respectively. These amounts are included as in-kind contributions in the accompanying financial statements.

Advertising Costs

Advertising costs are expensed as incurred.

Income Taxes

Pursuant to a determination letter received from the Internal Revenue Service, the Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, and as such, is liable for tax only on business income unrelated to the purpose for which it is exempt. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

Note 1: NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

The Foundation has evaluated subsequent events through January 31, 2024, the date the financial statements were available to be issued. During the period from June 30, 2023 to January 31, 2024, the Foundation did not have any material recognizable subsequent events.

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 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: INVESTMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under GASB 72 are described as follows:

- <u>Level 1</u>: Quoted prices (unadjusted) in active markets for identical assets or liabilities that a government can access at the measurement date.
- <u>Level 2</u>: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for an asset or liability.

The Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Investments consist of mutual funds with quoted prices on active markets. Investments in mutual funds are further broken down into equity and fixed income securities as reported by the custodian.

Note 2: INVESTMENTS (Continued)

Fair Value on a Recurring Basis

The table below presents the balances of assets and liabilities measured at fair value on a recurring basis.

Investments consist of the following at June 30, 2023:

		Unrealized		
June 30, 2023	Cost	gains (losses)	Fair value	Level 1
Equity securities	\$ 3,146,848	\$ 435,380	\$ 3,582,228	\$ 3,582,228
Fixed income	2,085,060	(179,607)	1,905,453	1,905,453
Total investments	\$ 5,231,908	\$ 255,773	\$ 5,487,681	\$ 5,487,681

Investments consist of the following at June 30, 2022:

		Unrealized		
June 30, 2022	Cost	gains (losses)	Fair value	Level 1
Equity securities	\$ 3,298,200	\$ 65,875	\$ 3,364,075	\$ 3,364,075
Fixed income	2,246,465	(225,537)	2,020,928	2,020,928
Total investments	\$ 5,544,665	\$ (159,662)	\$ 5,385,003	\$ 5,385,003

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of the custodial entity, the Foundation's deposits may not be returned to it. At June 30, 2023 and 2022, the Foundation has one custodian: PNC Bank. The Foundation believes the custodial risk to be minimal.

Interest Rate Risk

Interest rate risk arises from investments in debt instruments and is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The Foundation is not directly subject to interest rate risk for its investment in mutual funds that purchase debt instruments, as the Foundation is able to sell their interest in these mutual funds at will (subject to potential redemption fees). Duration of mutual funds comprised of debt instruments was not readily available as of June 30, 2023 and 2022.

Note 2: INVESTMENTS (Continued)

Credit Quality Risk

The Foundation's policy is to invest in high quality instruments with the lowest level of risk. Investments are rated by either Standard & Poor's or Moody's at the time of purchase. Because mutual funds are listed and valued as a whole, not by individual holdings, information about specific ratings cannot be obtained; however, the mutual funds do have exposure to non-investment grade securities.

Foreign Currency Risk

Investments in international equity securities are limited to SEC-Registered, U.S. exchange listed, U.S. dollar-denominated securities in foreign domiciled issuers. The Foundation invests in international securities through American Depository Receipts (ADRs). ADRs represent investments in shares of foreign companies traded on the U.S. financial markets and are denominated in U.S. dollars and, thus, are not exposed to foreign currency risk. Securities of foreign companies traded on foreign stock exchanges may be purchased only with the written permission of the Foundation's Investment Committee. The Foundation has no investments with foreign currency risk at June 30, 2023 and 2022.

Concentration of Credit Risk

The Investment Policies require investments to be diversified such that there is not an undue concentration in a single industry sector. Investments in equity or fixed income securities are subject to a maximum 5% commitment at cost of the account's total market value for any individual security or single issuer.

Note 3: COMMITMENTS AND CONTINGENCIES

During the ordinary course of business, the Foundation executes agreements with hotels for future events. In the case of an unforeseen cancellation, the Foundation is not liable for any significant penalties unless the event is booked at another venue within the area. As of June 30, 2023, management has no intentions to terminate any of the existing agreements which extend through 2023.

Note 4: PROGRAMS AND AWARDS

The Foundation presented Teacher of the Year awards of \$5,000 and \$5,750 for the fiscal years ended June 30, 2023 and 2022, respectively, to selected Florida teachers and their schools. Awards are given for district, regional, and state Teachers of the Year in amounts ranging from \$250 to \$5,000.

The Foundation presented other grants/awards as part of other programs totaling \$978,810 and \$390,744 for the fiscal years ended June 30, 2023 and 2022, respectively.

Florida Education Foundation, Inc. Notes to Financial Statements

Note 5: ADMINISTRATIVE FEES

Individual funds were charged a fee to recover the costs of administering these funds. Administrative fees are eliminated when operating and other funds are combined for financial statement presentation. The administrative fee was 5% of gross revenues for each fund unless otherwise negotiated.

Note 6: OPERATING EXPENSES

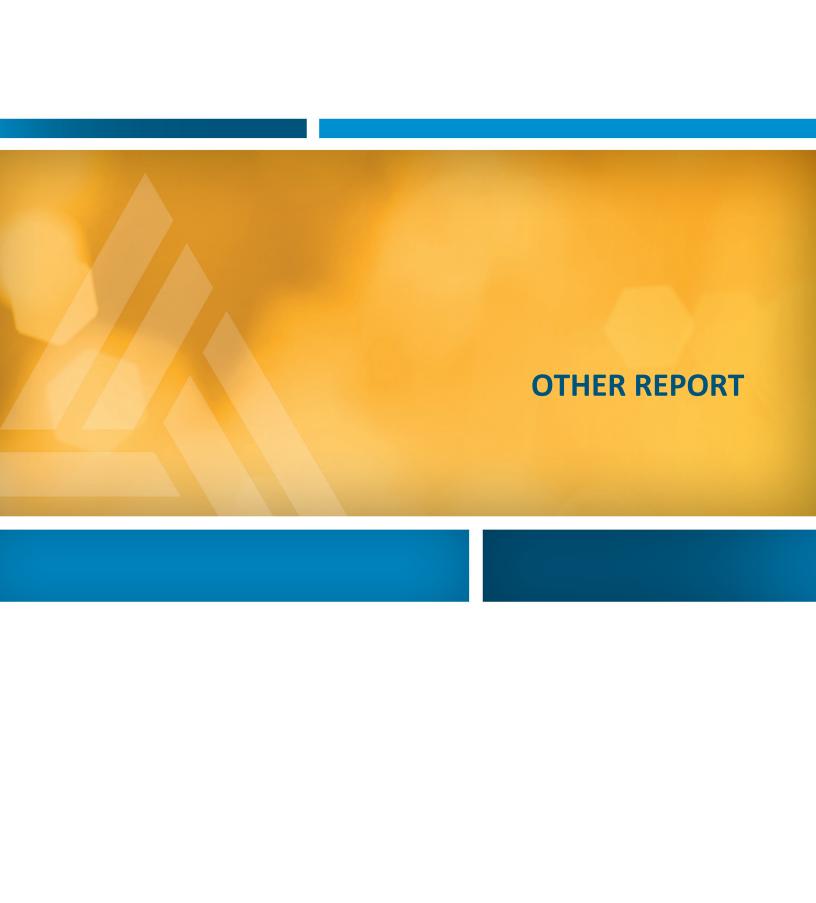
Operating expenses of the Foundation include both administrative and program expenses. For the years ended June 30, 2023 and 2022 the administrative component of operating expenses was \$250,287 and \$126,960, respectively. The program expenses component for the years ended June 30, 2023 and 2022 was \$4,160,339 and \$2,223,107 respectively.

Note 7: RELATED PARTY

During the normal course of business, the Foundation receives contributions, including cash, from board members and their affiliated entities.

Note 8: DESIGNATED NET POSITION, CASH, AND INVESTMENTS

The Board of Directors has designated unrestricted net position for each of the years ended June 30, 2023 and 2022 for the Mary Murdock Endowment Fund in the amount of \$4,352,496 and \$3,627,296, respectively. In addition, the Board of Directors has designated cash and investments in the amount equal to the above designation.





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

Board of Directors Florida Education 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, the financial statements of Florida Education Foundation (the Foundation), which comprise the statement of financial position as of June 30, 2023, and the related statements of revenues, expenses, and changes in net position and cash flows for the year ended, and the related notes to the financial statements, and have issued our report thereon dated January 31, 2024.

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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

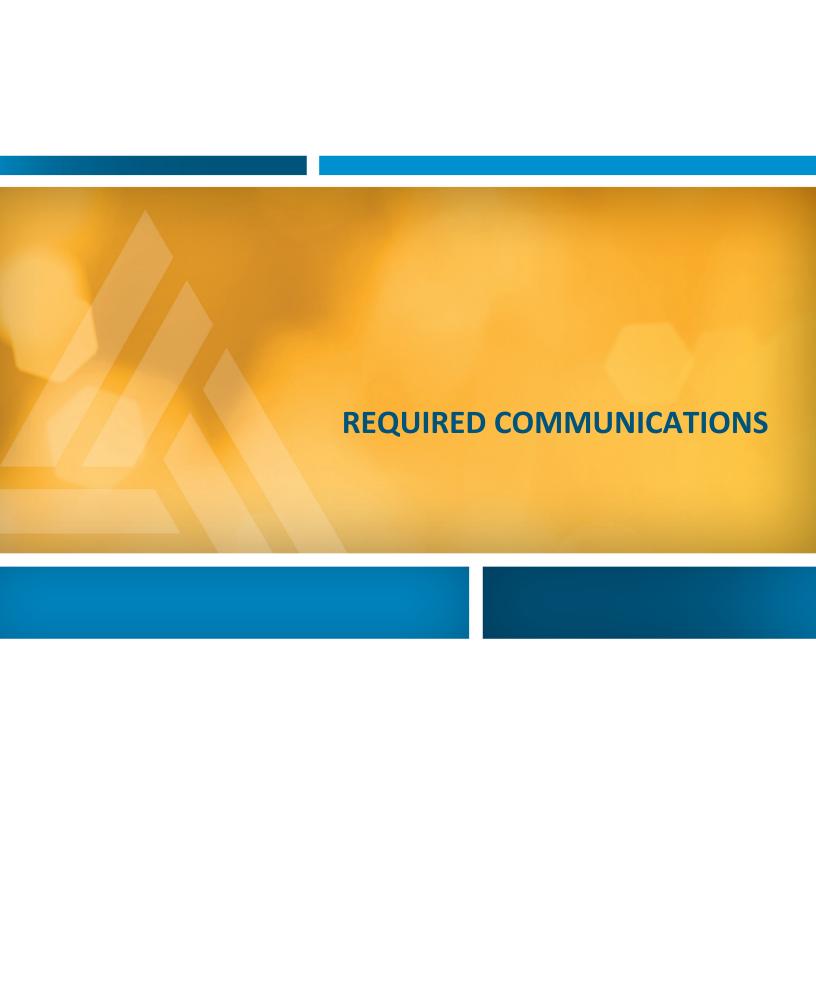
Purpose of this Report

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

Tallahassee, Florida

Caux Rigge & Ingram, L.L.C.

January 31, 2024



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

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



We have audited the financial statements of Florida Education Foundation, Inc. (the Foundation) for the year ended June 30, 2023, and have issued our report thereon dated January 31, 2024. Professional standards require that we provide you with the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
Auditors' responsibility under Generally Accepted Auditing Standards and Government Auditing Standards	As stated in our engagement letter dated June 30, 2023, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP). Our audit of the financial statements does not relieve you or management of your responsibilities.
	As part of our audit, we considered the internal control of the Foundation. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.
Client's responsibility	Management, with oversight from those charged with governance, is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with the applicable framework. Management is responsible for the design and implementation of programs and controls to prevent and detect fraud. Management is responsible for overseeing nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.
Planned scope and timing of the audit	Our initial audit plan was not significantly altered during our fieldwork.
Management judgments and accounting estimates The process used by management in forming particularly sensitive accounting estimates and the basis for the auditors' conclusion regarding the reasonableness of those estimates.	Please see the following section titled "Accounting Policies, Judgments and Sensitive Estimates and CRI Comments on Quality."

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
Potential effect on the financial statements of	No such risks or exposures were noted.
any significant risks and exposures Major risks and exposures facing the Foundation and how they are disclosed.	
Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditors' judgment about the quality of accounting principles	Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Foundation are described in Note 2 to the financial statements. No changes in accounting policies or their application occurred during the current fiscal year. We noted no transactions entered into by the Foundation during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period. Further, the disclosures in the Foundation's financial
Significant difficulties encountered in the audit Any significant difficulties, for example, unreasonable logistical constraints or lack of cooperation by management.	statements are neutral, consistent, and clear. We encountered no significant difficulties in dealing with management in performing and completing our audit.
Disagreements with management Disagreements, whether or not subsequently resolved, about matters significant to the financial accounting, reporting, or auditing matter, that could be significant to the financial statements or the auditors' report. This does not include those that came about based on incomplete facts or preliminary information. Other findings or issues Matters significant to oversight of the financial reporting practices by those charged with governance, including any circumstances that could affect the form or content of the report. For example, an entity's failure to obtain the necessary type of audit, such as one under Government Auditing Standards, in addition to GAAS.	We are pleased to report that no such disagreements arose during the course of our audit. None noted.

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
Matters arising from the audit that were	None noted.
discussed with, or the subject of	
correspondence with, management	
Business conditions that might affect risk or	
discussions regarding accounting practices or	
application of auditing standards.	
Corrected and uncorrected misstatements	See "Summary of Audit Adjustments" section.
All significant audit adjustments arising from the	,
audit, whether or not recorded by the	
Foundation, that could individually or in the	
aggregate have a significant effect on the	
financial statements. We should also inform the	
Board of Directors about uncorrected	
misstatements aggregated by us during the	
current engagement and pertaining to the latest	
period presented, that were determined by	
management to be immaterial, both individually	
and in the aggregate, to the financial statements	
taken as a whole. Any internal control	
deficiencies that could have prevented the	
misstatements.	
Major issues discussed with management prior	Discussions occurred in the normal course of our
to retention	professional relationship and our responses were not
Any major accounting, auditing or reporting	a condition to our retention.
issues discussed with management in connection	a condition to our retention.
with our initial or recurring retention.	
Consultations with other accountants	To our knowledge, there were no such consultations
When management has consulted with other	with other accountants.
accountants about significant accounting or	with other accountants.
auditing matters.	
Written representations	See "Management Representation Letter" section.
A description of the written representations the	·
auditor requested (or a copy of the	
representation letter).	
Internal control deficiencies	See "Internal Control Findings" section.
Any significant deficiencies or material	
weaknesses in the design or operation of internal	
control that came to the auditors' attention	
during the audit.	

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
Fraud and illegal acts Fraud involving senior management or those responsible for internal controls, or causing a material misstatement of the financial statements, where the auditor determines there is evidence that such fraud may exist. Any illegal acts coming to the auditors' attention involving senior management and any other illegal acts, unless clearly inconsequential. Other information in documents containing audited financial statements The external auditors' responsibility for information in a document containing audited financial statements, as well as any procedures performed and the results.	We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements. Our responsibility related to documents (including annual reports, websites, etc.) containing the financial statements is to read the other information to consider whether: • Such information is materially inconsistent with the financial statements; and • We believe such information represents a material misstatement of fact. • We have not been provided any such items to date and are unaware of any other
Significant unusual accounting transactions Auditor communication with governance to include auditors' views on policies and practices management used, as well as the auditors' understanding of the business purpose.	documents that contain the audited financial statements. No significant unusual accounting transactions were noted during the year.
Supplementary Information in relation to the financial statements as a whole The auditors' responsibility for supplementary information accompanying the financial statements, as well as any procedures performed and the results.	We made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

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



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

AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	AUDITORS' CONCLUSIONS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Investments	The Foundation follows the provisions of GASB 40, Deposit and Investment Risk Disclosures, when reporting investments.	X	The Foundation relies on valuations from its brokers for asset values. The allocation between levels 1-3 under GASB 40 is based on a detailed management review of the underlying investments.	The Foundation's policies are in accordance with all applicable accounting guidelines.
In-kind contributions	The Foundation receives certain services from the Florida Department of Education and certain other donors, and records them as revenue and expense when received.	Х	The Foundation records the in-kind contributions based on the value of goods and services as provided by the Florida Department of Education and other donors.	The Foundation's policies are in accordance with all applicable accounting guidelines.

Summary of Audit Adjustments



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

See attached schedule.

QUALITATIVE MATERIALITY CONSIDERATIONS

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

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

Summary of Audit Adjustments



Account	Description	Debit	Credit
Adjusting Journal	Entries JE # 1		
	nd 2023 and record contribution.		
6040	Conf/Event	289,580	
6300	In Kind Expense	117,279	
6310	In-kind contributions - salaries	136,511	
6320	In-kind contributions - benefits	25,086	
4000	Corporate Contributions		289,580
4400	In-Kind Income		117,279
5700	In-kind contributions - salaries		136,511
5800	In-kind contributions - benefits		25,086
Total		568,456	568,456
Adjusting Journal	Entries JE # 2		
PBC - State placed	a hold on accepting funds from this vendor.		
4000	Corporate Contributions	100,000	
12000	Accounts Receivable	,	100,000
Total		100,000	100,000
Adjusting Journal	Entries JE # 3		
	stment fees recorded to unrealized gains/losses.		
6120	Professional Services:Prof Svcs Investment Fees	13,275	
6120	Professional Services:Prof Svcs Investment Fees	1,316	
6120	Professional Services:Prof Svcs Investment Fees	4,147	
5300	Other Income: Unrealized Gain/Loss	•	13,275
5300	Other Income: Unrealized Gain/Loss		1,316
5300	Other Income: Unrealized Gain/Loss		4,147
Total		18,738	18,738
Adjusting Journal	Entries JE # 4		
	ent upon issuance date related to a late invoice		
discovered.			
6114	Restricted grant expense	429	
6114	Restricted grant expense	42,042	
6114	Restricted grant expense	2,145	
2600	Accrued Expenses	2,173	429
2600	Accrued Expenses		42,042
2600	Accrued Expenses		2,145
Total		44,616	44,616
		=======================================	44,010

Management Representation Letter





2023-2024 BOARD OF DIRECTORS

Rebecca Matthews, Chair Andrea Tovar, Vice Chair Gary Chartrand
Ronald Brisé, Treasurer Steve Crisafulli
Kristin Crawford-Whitaker, Secretary Raquel "Rocky" Egusquiza Carlos Alvarez

Marcus Chambers John Grant

Charles Hokanson Scott Ross Tara Tedrow Mary Chance, Ex-Officio Adrianna Swearingen, Ex-Officio

Manny Diaz, Jr., Commissioner of Education

January 31, 2024

Carr, Riggs and Ingram, LLC 2633 Centennial Boulevard Suite 200 Tallahassee, FL 32308

To Whom It May Concern:

This representation letter is provided in connection with your audit of the financial statements of the Florida Education Foundation, Inc., which comprise the respective financial position of the businesstype activities as of June 30, 2023 and 2022, and the respective changes in financial position and cash flows for the years then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

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

Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter 1) dated June 30, 2023, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.

Florida Education Foundation

Tel (850) 245-5087 Fax (850) 245-9642 325 West Gaines Street, Suite 1524 Tallahassee, FI 32399



- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- Guarantees, whether written or oral, under which the Florida Education Foundation, Inc. is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 10) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters [and all audit or relevant monitoring reports, if any, received from funding sources].
 - Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the Florida Education Foundation, Inc. from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the board of directors or summaries of actions of recent meetings for which minutes have not yet been prepared.

Florida Education Foundation

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Management Representation Letter

- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the Florida Education Foundation, Inc. and involves—
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the Florida Education Foundation, Inc.'s financial statements communicated by employees, former employees, regulators, or others.
- 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 17) We have disclosed to you the names of the Florida Education Foundation, Inc.'s related parties and all the related party relationships and transactions, including any side agreements.

Government Specific

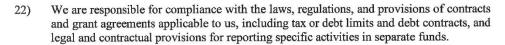
- 18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 19) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
- 20) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- 21) The Florida Education Foundation, Inc. has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.

Florida Education Foundation

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Management Representation Letter



- 23) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
- 24) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- As part of your audit, you assisted with preparation of the financial statements and disclosures, as well as the preparation of the Form 990. We acknowledge our responsibility as it relates to those non-audit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.
- 26) The Florida Education Foundation, Inc. has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 27) The Florida Education Foundation, Inc. has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 28) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 29) The financial statements include all fiduciary activities required by <u>GASBS No. 84</u>, as amended.
- 30) The financial statements properly classify all funds and activities in accordance with GASBS No. 34, as amended.
- 31) All funds that meet the quantitative criteria in <u>GASBS Nos. 34</u> and <u>37</u> for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

Florida Education Foundation

325 West Gaines Street, Suite 1524 Tallahassee, FI 32399



- ntation Letter
- 32) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (non-spendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 33) Investments are properly valued.
- 34) Provisions for uncollectible receivables have been properly identified and recorded.
- 35) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 36) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- Deposits and investment securities are properly classified as to risk and are properly disclosed.
- 39) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 40) We have appropriately disclosed the Florida Education Foundation, Inc.'s policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 41) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 42) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

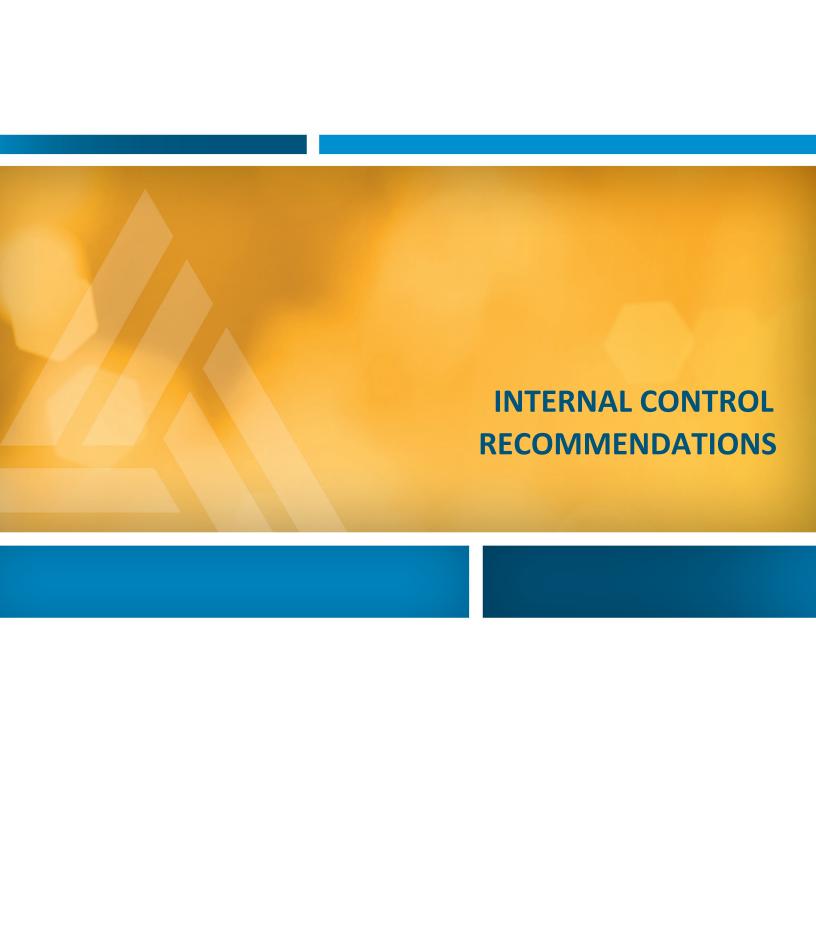
Sincerely,

Lindsey Zander Executive Director

Florida Education Foundation

Tel (850) 245-5087 Fax (850) 245-9642 325 West Gaines Street, Suite 1524 Tallahassee, Fl 32399





Internal Controls



The Board of Directors and Management of Florida Education Foundation, Inc.

In planning and performing our audit of the financial statements of the Florida Education Foundation, Inc. as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered Florida Education 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Florida Education Foundation, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Florida Education 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 the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

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

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

CARR, RIGGS & INGRAM, LLC

Can Rigge & Ingram, L.L.C.

Tallahassee, Florida January 31, 2024