FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

TAMPA BAY INNOVATION HUB, INC.

December 31, 2023

TABLE OF CONTENTS

Independent Auditors' Report	3 - 5
Financial Statements	
Statement of Financial Position	6
Statement of Activities and Changes in Net Assets	7
Statement of Cash Flows	8
Statement of Functional Expenses	9
Notes to Financial Statements	10 - 18
Supplementary Information	19
Schedule of Expenditures of State Financial Assistance	20
Notes to Schedule of Expenditures of State Financial Assistance	21
Compliance Reports	22
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	23 - 25
Independent Auditors' Report on Compliance for Each Major State Project and on Internal Control Over Compliance Required by Chapter 10.650, *Rules of the Auditor General*	26 - 29
Schedule of Findings and Questioned Costs	30 - 31

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Tampa Bay Innovation Hub, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Tampa Bay Innovation Hub, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tampa Bay Innovation Hub, Inc. as of December 31, 2023, and the changes in its net assets 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, 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 Tampa Bay Innovation Hub, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 the 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 Tampa Bay Innovation Hub, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Tampa Bay Innovation Hub, Inc.'s internal control. Accordingly, no such opinion is expressed.

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance as required by Chapter 10.650, *Rules of the Auditor General* is presented for purposes of additional analysis and is not a required part of the 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 schedule of expenditures of state projects is fairly stated, in all material respects, in relation to the financial statements as a whole.

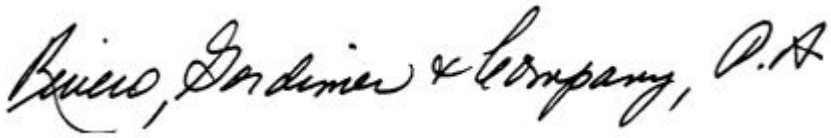
Report on Summarized Comparative Information

We have previously audited Tampa Bay Innovation Hub, Inc.'s 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 5, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated September 12, 2024 on our consideration of Tampa Bay Innovation Hub, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 Tampa Bay Innovation Hub, Inc.'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 Tampa Bay Innovation Hub, Inc.'s internal control over financial reporting and compliance.

Tampa, Florida
September 12, 2024



Tampa Bay Innovation Hub, Inc.

STATEMENT OF FINANCIAL POSITION

December 31, 2023
(With comparative totals for December 31, 2022)

	2023	2022
ASSETS		
Current assets		
Cash	$ 274,861	$ 809,804
Investments	929,237	-
Accounts receivable	-	1,600
Grants receivable	-	873,885
Pledges receivable, net - current portion	900,000	900,000
Prepaid expenses and other assets	32,960	16,535
Total current assets	2,137,058	2,601,824
Property and equipment, net	15,714,882	15,980,252
Pledges receivable, net - noncurrent portion	554,429	1,414,704
Total assets	$ 18,406,369	$ 19,996,780
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	$ 418,919	$ 415,095
Deferred revenues	106,250	91,684
Tenant security deposits	92,909	103,356
Total current liabilities	618,078	610,135
Long-term debt	13,400,000	14,150,000
Total liabilities	14,018,078	14,760,135
Net assets		
Without donor restrictions	2,933,862	2,921,941
With donor restrictions	1,454,429	2,314,704
Total net assets	4,388,291	5,236,645
Total liabilities and net assets	$ 18,406,369	$ 19,996,780

The accompanying notes are an integral part of these statements.

Tampa Bay Innovation Hub, Inc.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended December 31, 2023
(With comparative totals for the year ended December 31, 2022)

	2023			2022
	Without donor restrictions	With donor restrictions	Total	(Totals Only)
Public support				
Grants and contributions	$ 1,266,685	$ -	$ 1,266,685	$ 2,507,428
Sponsorship events	484,914	-	484,914	831,939
Tenant revenue	626,828	-	626,828	614,255
Membership fees	251,538	-	251,538	231,797
In-kind services	62,310	-	62,310	76,236
Event revenue	78,214	-	78,214	62,688
Other	11,669	-	11,669	6,060
Investment income	26,221	-	26,221	-
Interest income	39,725	-	39,725	26,668
Total public support	2,848,104	-	2,848,104	4,357,071
Net assets released from restrictions	860,275	(860,275)	-	-
Total public support, revenue and net assets released from restrictions	3,708,379	(860,275)	2,848,104	4,357,071
Expenses				
Program expenses	3,110,309	-	3,110,309	2,808,767
General and administration	342,705	-	342,705	630,064
Fundraising	243,444	-	243,444	380,941
Total expenses	3,696,458	-	3,696,458	3,819,772
Change in net assets	11,921	(860,275)	(848,354)	537,299
Net assets at beginning of year	2,921,941	2,314,704	5,236,645	4,699,346
Net assets at end of year	$ 2,933,862	$ 1,454,429	$ 4,388,291	$ 5,236,645

The accompanying notes are an integral part of these statements.

Tampa Bay Innovation Hub, Inc.

STATEMENT OF CASH FLOWS

For the year ended December 31, 2023
(With comparative totals for the year ended December 31, 2022)

	2023	2022
Cash flows from operating activities		
Change in net assets	$ (848,354)	$ 537,299
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	395,824	776,581
Net realized and unrealized gain on investments	(7,594)	-
Decrease in accounts receivable	1,600	9,639
Decrease (increase) in grants receivable	873,885	(873,885)
Decrease (increase) in pledges receivable	860,275	(547,744)
(Increase) decrease in prepaid expenses	(16,425)	5,734
Increase in accounts payable and accrued expenses	3,824	380,568
Increase (decrease) in deferred revenue	14,566	(63,915)
(Decrease) increase in tenant security deposits	(10,447)	18,711
Total adjustments	2,115,508	(294,311)
Net cash provided by operating activities	1,267,154	242,988
Cash flows from investing activities		
Purchase of property and equipment	(130,454)	(13,391,263)
Purchase of investments	(1,221,668)	(752,488)
Proceeds from sales of investments	300,025	752,488
Net cash used by investing activities	(1,052,097)	(13,391,263)
Cash flows from financing activities		
Payments on lease liability	-	(354,509)
Payments on long term debt	(750,000)	-
Proceeds from long term debt	-	13,400,000
Net cash (used) provided by financing activities	(750,000)	13,045,491
Net change in cash	(534,943)	(102,784)
Cash at beginning of year	809,804	912,588
Cash at end of year	$ 274,861	$ 809,804
Supplemental disclosures of cash flow information		
Cash paid during the year		
Interest	$ 310,510	$ 289,479
Income taxes	$ -	$ -

The accompanying notes are an integral part of these statements.

Tampa Bay Innovation Hub, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2023
(With comparative totals for the year ended December 31, 2022)

	2023				2022
	Program Services	General and Administration	Fundraising	Total Expenses	(Totals Only)
Salaries and related expenses	$ 1,303,662	$ 107,111	$ 158,580	$ 1,569,353	$ 1,155,079
Professional fees	516,473	60,404	24,064	600,941	544,703
Events and community development	-	-	-	-	216,391
Depreciation and amortization	362,970	13,063	19,791	395,824	776,581
Insurance	45,838	25,826	3,772	75,436	53,060
Occupancy	260,590	30,658	15,329	306,577	401,818
Office supplies and equipment	264,217	23,905	2,500	290,622	260,207
Travel costs	56,401	9,944	1,100	67,445	53,315
Dues and subscriptions	5,775	2,101	-	7,876	2,871
Interest expense	263,934	31,050	15,526	310,510	289,479
Other expenses	30,449	38,643	2,782	71,874	66,268
Total expenses	$ 3,110,309	$ 342,705	$ 243,444	$ 3,696,458	$ 3,819,772

The accompanying notes are an integral part of this statement.

Tampa Bay Innovation Hub, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A description of the organization and a summary of its significant accounting policies consistently applied in the preparation of the accompanying financial statements follow:

1. Description of the Organization

Tampa Bay Innovation Hub, Inc., d/b/a Embarc Collective (the "Organization") is a not-for-profit corporation originally established under the laws of the State of Delaware in 2018. The Organization is an educational nonprofit that offers hands-on support to help Tampa Bay's startup talent build bold, scalable, thriving companies. Our staff of executive advisors and function-specific experts deliver individualized support to startups inside of Embarc Collective's state of the art 32,000 square foot collaboration facility.

The Organization's program services include:

Events & Community Development – Community development events, including education and training for entrepreneurs and employees of startup companies in the Tampa Bay region and unemployed or underemployed individuals in the Tampa Bay region. Including initiatives with/for Government and College & Universities and corporate partnerships to foster an entrepreneurship ecosystem and advance the greater Tampa Bay area economy.

Membership – Helps member startups access capital to expand their businesses. Membership-directed community development (community-building events and activities).

Programming & Coaching – Membership-directed education, training, and coaching.

Research – Conducts research on successful startups.

Space – Provides shared office space and other services and support to entrepreneurs and startups.

Tampa Bay Marketing – Conducts activities to attract promising job creating startups to the Tampa Bay Area, possibly including awarding grants to startups willing to relocate.

2. Basis of Accounting

The financial statements, presented on the accrual basis of accounting, have been prepared to focus on the Organization as a whole, and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of assets, liabilities, and net assets into two self-balancing net asset groups as follow:

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

- Without Donor Restrictions - Net assets without donor restrictions are net assets not subject to donor-imposed restrictions or the donor-imposed restrictions have expired. These net assets are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes.

- With Donor Restrictions - Net assets with donor restrictions are net assets subject to donor-imposed stipulations that may be fulfilled by actions of the Organization to meet the stipulations, that may become undesignated by the passage of time, or that require net assets to be permanently maintained, thereby restricting the use of principal.

3. 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 as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

4. Income Taxes

The Organization is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code. Unrelated business income, if any, is not exempt from income tax and is taxed at statutory rates.

Management is not aware of any activities that would jeopardize the Organization's tax-exempt status. The Organization is not aware of any tax positions it has taken that are subject to a significant degree of uncertainty. Tax years after 2019 remain subject to examination by federal and state taxing authorities.

5. Liquidity

Assets are presented in the accompanying Statement of Financial Position according to their nearness of conversion to cash and liabilities according to the nearness of their maturity and resulting use of cash.

6. Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentration of credit risk are primarily cash and money market funds. The Organization's cash deposits are placed in financial institutions which at times may exceed the Federal Deposit Insurance Corporation (FDIC) coverage. The Organization has not experienced any losses in its cash deposits and does not believe it is exposed to any significant credit risks related to uninsured amounts.

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

7. Accounts and Pledges Receivable

The Organization considers all receivables to be fully collectible; accordingly, no allowance for doubtful accounts is required and no late fees are assessed. Accounts and pledges receivable are charged to bad debt expense as they are deemed uncollectible, based upon a periodic management review of the accounts.

8. Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial positions. Unrealized gains and losses are included in the change in net assets.

9. Property and Equipment

Property and equipment are recorded at cost. Depreciation and amortization are calculated by the straight-line method over the estimated useful lives of the assets, ranging generally from three to ten years. The Organization capitalizes all fixed asset expenditures greater than $2,500 with a life span greater than one year. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

10. Revenue Recognition

Membership fees and tenant revenues are recorded as revenues on a straight-line basis. Payments received for membership dues and tenant revenues in advance are recorded as deferred revenues, if any. Membership fees and tenant revenues are billed monthly. Event and program revenue is recognized on the date that each event or program occurs. Payments received for event and program revenue in advance of each event or program are recorded as deferred revenues.

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions, depending on the absence or existence and nature of any donor restrictions. Contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions, which increases that class of net assets. When a restriction expires, net assets with donor restrictions are released to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

11. Functional Allocation of Expenses

The statement of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas. Expenses that benefit multiple functional areas have been allocated across programs, general and administrative, and fundraising expenses based on the proportion of employee time involved or other some other reasonable measurement methodology. These expenses include salaries, payroll taxes and benefits, occupancy, depreciation and amortization, finance costs, and other expenses.

12. Comparative Information

The financial statements include certain prior period summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2022, from where it was derived.

13. Accounting Standard Adopted

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurements of Credit Losses on Financial Instruments ("ASU 2016-13" or "ASC 326"). ASU 2016-13 revises the accounting requirements related to the measurement of credit losses and requires organizations to measure all expected credits losses for financial assets based on historical experiences, current conditions, and reasonable and supportable forecasts about collectability. Assets must be presented in the financial statements at the net amount expected to be collected. The adoption of this accounting standard had no impact on the financial statements.

NOTE B - LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following at December 31, 2023:

Cash	$ 274,861
Investments	929,237
Pledges receivable, current portion	900,000
	$ 2,104,098

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization also maintains a revolving line of credit. See note G.

NOTE C - PLEDGES RECEIVABLE

Pledges receivable represent unconditional promises to give by donors. Pledges that are expected to be collected after one year have been discounted at the applicable federal rate at the time of commitment by the donor and are reflected on the statement of financial position at their net present value. Pledges receivable consist of the following at December 31, 2023:

Gross pledges receivable	$ 1,500,000
Less unamortized discount	(45,571)
Net pledges receivable	$ 1,454,429

Pledges receivable expected to be collected after December 31, 2023 are as follows:

Amount due in:	
Less than one year	$ 900,000
One to five years	600,000
	1,500,000
Less unamortized discount	(45,571)
Net pledges receivable	$ 1,454,429

NOTE D - INVESTMENTS

Investment income consisted of the following for the year ended December 31, 2023:

Realized and unrealized gain on investments	$	7,594
Interest and dividend income		18,627
	$	26,221

NOTE E - FAIR VALUE MEASUREMENTS

FASB ASC 820 establishes a framework for measuring fair value. That framework 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 measurement) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

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 inactive markets;
- Inputs other than quoted prices that are observable for that asset or liability;
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

NOTE E - FAIR VALUE MEASUREMENTS - Continued

The following is a description of valuation methodologies used for assets measured at fair value at December 31, 2023:

Money market funds – measured at fair value based on quoted market prices on an active market.

The following table presents financial assets measured at fair value on a recurring basis as of December 31, 2023:

	Fair Value	Level 1	Level 2	Level 3
Money market funds	$ 929,237	$ 929,237	$ -	$ -
Total	$ 929,237	$ 929,237	$ -	$ -

NOTE F - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31, 2023:

Land	$ 1,000,000
Buildings	15,234,670
Furniture and fixtures	36,902
Website development costs	70,660
Computers and equipment	52,049
	16,394,281
Less accumulated depreciation and amortization	(679,399)
Total property and equipment	$ 15,714,882

Depreciation and amortization expense was $395,824 for the year ended December 31, 2023.

NOTE G - LINE OF CREDIT

The Organization has entered into an agreement with a related party for a $1,000,000 revolving line of credit with a maturing of January 1, 2029. Interest is due quarterly based on federal rate with principal due on demand. No amounts were outstanding at December 31, 2023.

NOTE H - LONG-TERM DEBT

Long-term debt at December 31, 2023 is as follows:

Unsecured note payable to related party, interest rate of 2.23%, monthly interest only payments through January 2030, then monthly principal and interest payments of $124,683 through maturity of December 2039.	$ 13,400,000
Current portion	-
Total long-term debt	$ 13,400,000

Interest expense for the year ended December 31, 2023 was $310,510 and is included in the statement of functional expenses.

Future minimum payments related to long-term debt is as follows:

Year ending December 31, :	
2023	$ -
2024	-
2025	-
2026	-
2027	-
Thereafter	13,400,000
	$ 13,400,000

NOTE I - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2023 were as follows:

Time restrictions on pledges	$ 1,454,429
Net assets with donor restrictions	$ 1,454,429

NOTE I - NET ASSETS WITH DONOR RESTRICTIONS - Continued

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors. The net assets released from restrictions are as follows for the year ended December 31, 2023:

Time restrictions on pledges expired	$ 860,275
Net assets released from restrictions	$ 860,275

NOTE J - IN-KIND SERVICES

In-kind services included on the statement of activities and changes in net assets as revenues and management and general expenses for the year ended December 31, 2023, included $62,310 related to accounting services. The value of the services is based on actual cost as reported by the donor.

NOTE K - RELATED PARTY TRANSACTIONS

Transactions occurring with related parties are approved by the board of directors, with the conflicted board member abstaining from voting. The following balances or transactions occurred with entities controlled by a board member during the year ended December 31, 2023 or prior:

Borrowings of long-term debt totaling $750,000, including interest expense of $24,902. This transaction originated during 2020 for the Vinik Family Foundation Operating Note. Borrowings were fully paid as of December 31, 2023.

Borrowings of long-term debt totaling $13,400,000, including interest expense of $310,297. This transaction originated during 2022 for the Vinik Family Foundation Building Purchase note.

Revolving line of credit of $1,000,000 with no amounts outstanding at December 31, 2023.

During 2023, in-kind services from personnel of entities controlled by a board member of $62,310.

NOTE L - SUBSEQUENT EVENTS

Management has evaluated events and transactions occurring subsequent to December 31, 2023 as of September 12, 2024, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

Tampa Bay Innovation Hub, Inc.

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

December 31, 2023

State Grantor/Pass-through Grantor/Program or Cluster Title	State CSFA #	Pass-through Entity Identifying Number	Total State Expenditures	Transfers to Subrecipients
State				
State of Florida Department of Economic Opportunity				
Direct Projects				
Local Economic Development Initiatives	40.012*	SL069	$ 1,197,243	$ -
Total State of Florida Department of Economic Opportunity			1,197,243	-
Total expenditures of state awards			$ 1,197,243	$ -

* Denotes major project

The accompanying notes are an integral part of this schedule.

Tampa Bay Innovation Hub, Inc.

NOTES TO SCHEDULE OF EXPENDITURE OF STATE FINANCIAL ASSISTANCE

December 31, 2023

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of State Financial Assistance (the "Schedule") includes the state award activity of Tampa Bay Innovation Hub, Inc. under programs of State of Florida for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Chapter 10.650, *Rules of the Auditor General*. Because the Schedule only presents a selected portion of the operations of Tampa Bay Innovation Hub, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Tampa Bay Innovation Hub, Inc. Expenditures reported on the Schedule are reported on the accrual basis of accounting.

NOTE B - CONTINGENCIES

These State projects are subject to financial and compliance audits by grantor agencies, which, if instances of material noncompliance are found, may result in disallowed expenditures, and affect the Organization continued participation in specific projects. The amount of expenditures which may be disallowed by grantor agencies cannot be determined at this time, although the Organization expects such amounts, if any, to be immaterial.

COMPLIANCE REPORTS

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

TAMPA BAY INNOVATION HUB, INC.

December 31, 2023

RIVERO, GORDIMER & COMPANY, P.A.

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James K. O'Connor
David M. Bohnsack
Julie A. Davis

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

To the Board of Directors
Tampa Bay Innovation Hub, 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 Tampa Bay Innovation Hub, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and changes in net assets, cash flows and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 12, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Tampa Bay Innovation Hub, Inc.'s internal control over financial reporting (internal control) as a basis of 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 Tampa Bay Innovation Hub, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Tampa Bay Innovation Hub, 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. 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 charges with governance.

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

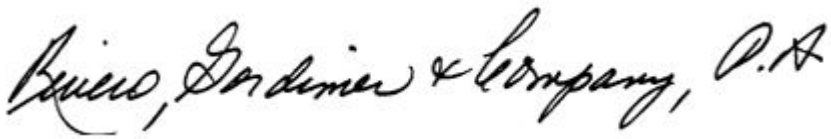
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Report on Compliance and Other Matters

As a part of obtaining reasonable assurance about whether Tampa Bay Innovation Hub, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 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 Tampa Bay Innovation Hub, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Tampa, Florida
September 12, 2024

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CHAPTER 10.650, *RULES OF THE AUDITOR GENERAL*

TAMPA BAY INNOVATION HUB, INC.

December 31, 2023

RIVERO, GORDIMER & COMPANY, P.A.

CPAS AND ADVISORS

Member
American Institute of Certified Public Accountants
Florida Institute of Certified Public Accountants

Herman V. Lazzara
Sam A. Lazzara
Kevin R. Bass
Jonathan E. Stein
Stephen G. Douglas
Marc D. Sasser, of Counsel
Cesar J. Rivero, in Memoriam (1942-2017)
Michael E. Helton
James K. O'Connor
David M. Bohnsack
Julie A. Davis

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CHAPTER 10.650, *RULES OF THE AUDITOR GENERAL*

Board of Directors
Tampa Bay Innovation Hub, Inc.

Report on Compliance for Each Major State Project

Opinion on Each Major State Program

We have audited Tampa Bay Innovation Hub Inc.'s compliance with the types of compliance requirements identified as subject to the audit in Chapter 10.650*, Rules of the Auditor General* that could have a direct and material effect on each of Tampa Bay Innovation Hub Inc.'s major state programs for the year ended December 31, 2023. Tampa Bay Innovation Hub Inc.'s major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Tampa Bay Innovation Hub, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended December 31, 2023.

Basis for Opinion on Each Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.650, *Rules of the Auditor General.* Our responsibilities under those standards and Chapter 10.650, *Rules of the Auditor General* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Tampa Bay Innovation Hub, Inc. and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major state project. Our audit does not provide a legal determination of Tampa Bay Innovation Hub, Inc.'s compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Tampa Bay Innovation Hub, Inc.'s state projects.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Tampa Bay Innovation Hub, Inc.'s compliance based on our audit. 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, *Government Auditing Standards* and Chapter 10.650, *Rules of the Auditor General* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Tampa Bay Innovation Hub, Inc. 's compliance with the requirements of each major state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards* and Chapter 10.650, *Rules of the Auditor General*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, 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 Tampa Bay Innovation Hub, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Tampa Bay Innovation Hub, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Chapter 10.650, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of Tampa Bay Innovation Hub, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over

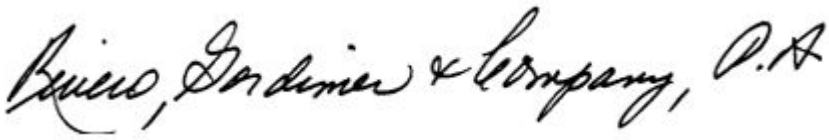
compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose

Tampa, Florida
September 12, 2024



Tampa Bay Innovation Hub, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended December 31, 2023

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements were prepared in accordance with GAAP:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	yes	X no
Significant deficiency(ies) identified?	yes	X none reported
Noncompliance material to financial statements noted?	yes	X no

State Projects

Internal control over major projects:		
Material weakness(es) identified?	yes	X no
Significant deficiency(ies) identified?	yes	X none reported
Type of auditors' report issued on compliance for major projects:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with Chapter 10.656, *Rules of the Auditor General?*	yes	X no

Identification of major projects:

State Project

CSFA Number	Name of State Project
40.012	Local Economic Development Initiatives

Dollar threshold used to distinguish between type A and type B programs - State projects:	$ 359,173

Tampa Bay Innovation Hub, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended December 31, 2023

Section II - Financial Statement Findings

No matters were reported for the year ended December 31, 2023.

Section III - State Financial Assistance Findings and Questioned Costs

No matters were reported for the year ended December 31, 2023.

Other Issues

a) A management letter is not required because there were no findings required to be reported in the management letter (see AG Rule Section 10.656(3)(e).

b) A summary Schedule of Prior Audit Findings is not required because there were no prior audit findings related to State projects (see AG Rules 10.557(3)(e)5. and 10.656(3)(d)5.).