

**THE CONSORTIUM OF FLORIDA
EDUCATION FOUNDATIONS, INC.**

FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
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INDEPENDENT AUDITORS' REPORT

Board of Directors,
The Consortium of Florida Education Foundations, Inc.:

We have audited the accompanying financial statements of The Consortium of Florida Education Foundations, Inc. (the Consortium), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Consortium as of June 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

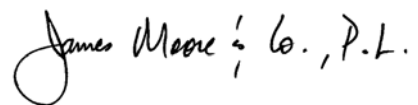
Other Matters

Other 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 is presented for the purpose of additional analysis as required by the audit requirements of Chapter 10.650, *State of Florida Rules of the Auditor General*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of State Financial Assistance is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated **September 28, 2020**, on our consideration of The Consortium of Florida Education Foundations, Inc. 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Consortium of Florida Education Foundations, Inc.' internal control over financial reporting and compliance.



Gainesville, Florida
September 28, 2020

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

	2020	2019
<u>ASSETS</u>		
Current assets		
Cash and cash equivalents	\$ 379,146	\$ 351,130
Certificates of deposit	367,112	308,635
Receivables	-	6,150
Prepaid expenses	220	220
Total current assets	746,478	666,135
Noncurrent assets		
Fixed assets, net of accumulated depreciation	21,760	699
Total Assets	\$ 768,238	\$ 666,834
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities		
Accounts payable and accrued expenses	\$ 9,189	\$ 32,671
Refundable advance	44,000	-
Deferred revenue	220,381	150,930
Total current liabilities	273,570	183,601
Net Assets		
Without donor restrictions		
Operating	147,378	169,053
Board designated (see Note 2)	347,290	314,180
Total net assets	494,668	483,233
Total Liabilities and Net Assets	\$ 768,238	\$ 666,834

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

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
Public support and revenue		
Public support		
State grant	\$ 5,000,000	\$ 4,000,000
Private grants	695,996	722,927
Membership dues	83,531	73,800
Membership fees	8,100	14,300
Contributions	239,995	293,716
Total public support	6,027,622	5,104,743
Other revenue		
Interest income	8,923	7,042
License tag marketing assessment	-	69,672
Registration fees	7,195	11,589
Total other revenue	16,118	88,303
Total public support and revenue	6,043,740	5,193,046
Expenses		
Program services	5,829,089	4,913,817
Management and general	123,512	126,777
Fundraising	79,704	78,888
Total expenses	6,032,305	5,119,482
Change in net assets without donor restrictions	11,435	73,564
Net assets, beginning of year	483,233	409,669
Net assets, end of year	\$ 494,668	\$ 483,233

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

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Expenses				
Grants to local education foundations	\$ 5,430,746	\$ -	\$ -	\$ 5,430,746
Salaries and benefits	230,422	28,803	28,802	288,027
Contract services	-	36,409	36,408	72,817
Membership meetings	29,403	-	-	29,403
Travel	5,754	-	-	5,754
Accounting fees	-	16,566	-	16,566
Insurance	-	3,408	-	3,408
Repairs and maintenance	12,239	1,530	1,530	15,299
Awards	1,262	-	-	1,262
Website	18,874	-	-	18,874
Office expenses	2,562	321	320	3,203
Rent	8,448	1,056	1,056	10,560
Telephone	2,605	326	325	3,256
Printing and reproduction	7,778	972	972	9,722
Marketing	41,163	-	10,291	51,454
Depreciation	1,411	157	-	1,568
Professional development	8,702	458	-	9,160
Professional fees	-	33,003	-	33,003
Consulting	25,710	-	-	25,710
Postage	2,010	503	-	2,513
Total expenses	<u>\$ 5,829,089</u>	<u>\$ 123,512</u>	<u>\$ 79,704</u>	<u>\$ 6,032,305</u>

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

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Expenses				
Grants to local education foundations	\$ 4,507,085	\$ -	\$ -	\$ 4,507,085
Salaries and benefits	216,750	27,094	27,094	270,938
Contract services	-	32,792	32,792	65,584
Membership meetings	43,563	-	-	43,563
Travel	5,331	-	-	5,331
Accounting fees	-	16,567	-	16,567
Insurance	-	2,725	-	2,725
Repairs and maintenance	6,277	785	785	7,847
Awards	3,591	-	-	3,591
Website	14,106	-	-	14,106
Office expenses	2,073	259	259	2,591
Rent	8,512	1,064	1,064	10,640
Telephone	2,012	252	251	2,515
Printing and reproduction	3,902	488	488	4,878
Marketing	64,621	-	16,155	80,776
Depreciation	595	66	-	661
Professional development	6,530	344	-	6,874
Professional fees	-	43,902	-	43,902
Consulting	27,115	-	-	27,115
Postage	1,754	439	-	2,193
Total expenses	<u>\$ 4,913,817</u>	<u>\$ 126,777</u>	<u>\$ 78,888</u>	<u>\$ 5,119,482</u>

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

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
Cash flows from operating activities		
Change in net assets	\$ 11,435	\$ 73,564
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	1,568	661
Receivables	6,150	(2,298)
Refundable advance	44,000	-
Deferred revenue	69,451	-
Accounts payable and accrued expenses	(23,482)	(72,338)
Total adjustments	97,687	(73,975)
Net cash provided by (used in) operating activities	109,122	(411)
Cash flows from investing activities		
Cash proceeds received from interest earned on certificates of deposit	(8,191)	105,715
Purchase of certificates of deposit	(50,286)	(105,206)
Purchase of office equipment	(22,629)	(1,049)
Net cash used in investing activities	(81,106)	(540)
Net increase (decrease) in cash and cash equivalents	28,016	(951)
Cash and cash equivalents, beginning of year	351,130	352,081
Cash and cash equivalents, end of year	\$ 379,146	\$ 351,130

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

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

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

The following is a summary of the significant accounting policies and practices of The Consortium of Florida Education Foundations, Inc. (the Consortium), which affect the accompanying financial statements:

(a) **Nature of operations**—The Consortium was incorporated in March 2001 to support the development of local education foundations aligned with Florida’s 67 county-wide school districts and their efforts to enhance public education at the community level. The Consortium acts as a conduit for public and private sector grant support on a statewide, regional or programs-specific basis, matching the goals and interests of the funders with opportunities to have a direct impact for students, teachers and schools. The main programs of the Consortium are as follows:

School District Education Foundation Matching Grant Program: The Consortium manages a statewide program leveraging funds appropriated by the Florida Legislature as a 1:1 match for private funds raised for eligible initiatives in six areas: Literacy, Support for Low Performing Students, STEM Education, Career/Technical Education, Teaching Quality and Increasing Graduation Rates.

STEM Education & Career Pathways: The Consortium facilitates grants from several corporate foundations for local projects that engage students in hands-on, real world learning activities that connect math and science curriculum and career/technical education programs to the workplace and career pathways.

Teacher Leadership & Instructional Impact: The Consortium encourages development of peer-to-peer learning for teachers and alignment of school district curriculum and resources with support from the other foundations and private companies.

College Readiness & Scholarships: The Consortium facilitates support for underserved students to be successful in post-secondary education and earn college scholarships through partnerships with other organizations.

Basic Classroom, Teacher & Student Needs: Through an annual customer-giving campaign with Amscot Financial, the Consortium facilitates funding for student school supplies, hygiene items and other basic needs to eliminate barriers to learning. The Consortium also has developed systems to respond to immediate needs caused by hurricanes and other events that disrupt the school year, facilitating support in recent years from support from other foundations and private companies.

(b) **Basis of accounting**—The Consortium follows the provisions of the Financial Accounting Standards Board of Accounting Standards Codification (“FASB ASC”) and the standards of financial reporting for not-for-profit organizations as described in the American Institute of Certified Public Accountants’ *Industry Guide for Not-for-Profit Organizations*. Accordingly, the financial statements are prepared on an accrual basis of accounting. The financial statements of the Consortium are the representation of management and include estimates of amounts and judgments it believes are reasonable under the circumstances.

(c) **Basis of presentation**—Net assets of the Consortium and changes therein are classified and reported as follows:

Net assets without donor restrictions—Net assets that are not subject to donor-imposed stipulations.

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

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

Net assets with donor restrictions—Net assets subject to donor-imposed stipulations. Some donor-imposed restrictions are temporary in nature, such as those that will be met either by actions of the Consortium and/or passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by laws. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions. The Consortium implemented ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, during 2019. The Consortium has no net assets with donor restrictions at June 30, 2020 and 2019, and all support and revenue is considered without donor restriction for the years ended June 30, 2020 and 2019. The Consortium's policy is to record restricted contributions as support without donor restrictions when the restrictions are met during the same period.

(d) **Cash and cash equivalents**—Cash equivalents consist of highly liquid short-term money market instruments with a maturity of three months or less when purchased and approximated \$100,000 and \$99,000 for the years ended June 30, 2020 and 2019, respectively. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Conditional gifts received prior to the satisfaction of conditions are recorded as refundable advances.

(e) **Certificates of deposit**—Investments in certificates of deposit with original maturities of greater than three months are recorded at cost, which represents purchases of certificates of deposit plus accrued interest. Investment income is included in the statement of activities. The maturity dates as of June 30, 2020 range from September 2020 to January 2021. Subsequent to year end, the certificates that matured in September were rolled into new 12 and 18 month certificates.

(f) **Receivables**—The Consortium considers all receivables to be fully collectible at June 30, 2020 and 2019. Therefore, no provision for uncollectible amounts has been made in the accompanying financial statements.

(g) **Fixed assets**—Office equipment and software are stated at cost or fair value at the date of donation. Depreciation and amortization is calculated using the straight-line method over an estimated useful life of three to five years. The Consortium capitalizes asset acquisitions over \$1,000.

(h) **Income taxes**—Income taxes are not provided for in the financial statements since the Consortium is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state provisions. Management is not aware of any activities that would jeopardize the Consortium's tax exempt status. The Consortium is not aware of any tax positions it has taken that are subject to a significant degree of uncertainty. Tax years for the past three years remain subject to examination by taxing authorities.

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

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

(i) **Concentrations of credit risk**—Financial instruments that potentially subject the Consortium to concentrations of credit risk consist principally of cash and cash equivalents and certificates of deposit. The Consortium maintains its cash and cash equivalents and certificates of deposit in various bank accounts that, at times, may exceed federally insured limits. The Consortium's cash and cash equivalent accounts have been placed with high credit quality financial institutions. The Consortium has not experienced, nor does it anticipate, any losses with respect to such accounts.

(j) **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 various estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

(k) **Functional allocation of expenses**—The costs of providing the various programs and activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

(l) **Advertising**—Advertising costs are charged to operations as incurred. Advertising costs for the year ended June 30, 2020 and 2019 were \$51,454 and \$80,776, respectively.

(m) **Deferred revenue**—The Consortium receives certain private grants for which the grantors retain the right of return on advanced grant funds that have not yet been utilized for their intended purpose. Accordingly, such grants are recorded as deferred revenue, and recognized as revenue as the funds are being spent. The Consortium also receives membership fees from the local education foundations at the end of the fiscal year for the membership term that covers the following fiscal year. Therefore, such fees are also recorded as deferred revenue.

(n) **Subsequent events**—The Consortium has evaluated events and transactions for potential recognition or disclosure in the financial statements through September 28, 2020, the date the financial statements were available to be issued. See note 1e for disclosure of subsequent event related to certificates of deposit.

(o) **Recent accounting pronouncements**—The FASB and other entities issued new or modifications to, or interpretations of, existing accounting guidance during 2020 and 2019. The Consortium has considered the new pronouncements that altered accounting principles generally accepted in the United States of America, and other than as disclosed in the notes to the financial statements, does not believe that any other new or modified principles will have a material impact on the Consortium's reported financial position or operations in the near term.

In May 2014, the FASB issued Accounting Standards Update 2014-09: *Revenue from Contracts with Customers*, to clarify the principles used to recognize revenue for all entities. The new standard (as amended) is effective for fiscal years beginning after December 15, 2019 and may be adopted early. The Consortium is currently evaluating the effect that implementation of the new standard will have on its financial position, results of operations, and cash flows.

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

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

In February 2016, the FASB issued Accounting Standards Update 2016-02: *Leases (Topic 842)*, to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the consolidated statement of financial position and disclosing key information about leasing arrangements. The new standard is effective for fiscal years beginning after December 15, 2021, and may be adopted early. The Consortium is currently evaluating the effect that implementation of the new standard will have on its financial position, results of operations, and cash flows.

(i) **Adoption of new accounting standards**—The Consortium has adopted Accounting Standards Update (“ASU”) No. 2018-08, “Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic) 605.” The ASU and all subsequently issued clarifying ASUs clarified guidance related to the recognition of nonexchange revenue that does not fall under ASU 606. The Consortium adopted ASC 605 as of July 1, 2019. In adopting this ASU, there was no impact to beginning net assets. As such, no retrospective analysis of account balance changes was required.

(2) **Liquidity and Availability:**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	<u>2020</u>	<u>2019</u>
Financial assets available within one year, at year end:		
Cash and cash equivalents	\$ 379,146	\$ 351,130
Certificates of deposit	367,112	308,635
Receivables	-	6,150
Less those unavailable for general expenditures within one year, due to:		
Board designated	(347,290)	(314,180)
Paycheck Protection Program loan funds	(44,000)	-
Assets available for use over the next 12 months – not designated by donor or board restrictions	<u>\$ 354,968</u>	<u>\$ 351,735</u>

The Consortium has funds that the board designated. Board designated funds consists primarily of amounts allocated for future working capital needs. Additionally, \$7,000 of the \$347,290 at June 30, 2020 is designated for the Consortium’s Find it and Fund it Teachers Grant Portal. As these amounts are already designated for expenses, these are removed from assets available for general expenditures. Additionally, cash received from the Paycheck Protection Program is restricted as to use, and is recorded as a liability on the statement of financial position (see note 7).

As shown in the table above, the Consortium has adequate financial assets available to meet unexpected liquidity needs. Although board designated funds are set aside for a particular purpose, these amounts could be made available if necessary.

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

(3) Concentrations and Contingencies:

The Consortium is the recipient of various grants which restrict the use of funds granted exclusively for the purposes and in the manner indicated in the grant application.

The Consortium disbursed \$5,430,746 and \$4,507,085, in grant funds to local Florida education foundations during the years ended June 30, 2020 and 2019, respectively. This included a grant from the Florida Department of Education of \$5,000,000 and \$4,000,000 for years ended June 30, 2020 and 2019, respectively. The funds were appropriated as specified in the 2019 and 2018 General Appropriations Acts as challenge grants to public school district education foundations for low performing students. The amount of each grant shall be equal to the private contribution made to a qualifying public school district education foundation. Before any funds are released to any public school district education foundation, the public school district foundation must certify to the Commissioner of Education that private cash has actually been received by the public school district education foundation seeking state matching funds.

The 2019 and 2018 General Appropriations Act dictates The Consortium of Florida Education Foundations, Inc. shall be the fiscal agent for this program. The Consortium is allowed administrative costs not to exceed 5%.

Approximately 83% and 77% of the Consortium's funding was provided by the State of Florida during the fiscal years ended June 30, 2020 and 2019, respectively.

(4) Fixed Assets:

Fixed assets consist of the following at June 30, 2020 and 2019:

	2020	2019
Software	\$ 67,270	\$ 45,800
Computer equipment	11,021	16,610
	78,291	62,410
Less: Accumulated depreciation	(56,531)	(61,711)
	\$ 21,760	\$ 699

For the years ended June 30, 2020 and 2019, depreciation expense was \$1,568 and \$661.

(5) Retirement Plan:

The Consortium has a defined contribution retirement plan covering all of its eligible staff members. Contributions to the plan are determined annually by the Consortium's Board of Directors and are based on the participant's annual compensation.

The Consortium contributed \$10,922 and \$11,350 to the plan for each of the years ended June 30, 2020 and 2019, respectively.

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

(6) Related Party Transaction:

The Consortium's Board of Directors is comprised of executives from local education foundations throughout the state of Florida. These executives generally received compensation from their respective foundation. Each of these foundations can and does receive grant funds from the Consortium through the grant request process. These transactions were consummated on terms no less favorable than would have been obtained from an unrelated party.

(7) Refundable Advance:

In April 2020, the Consortium received loan proceeds in the amount of \$44,000, pursuant to the Paycheck Protection Program (PPP) established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act). Under the terms of the PPP, loan proceeds and accrued interest are forgivable after twenty-four weeks if they are used for qualifying expenses such as payroll, benefits, rent and utilities, and the company maintains its payroll levels as described in the CARES Act. Any unforgiven portion of the loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first six months. The Consortium utilized the loan proceeds for purposes consistent with the PPP and applied for loan forgiveness on August 5, 2020. Management believes substantially all of the loan will be forgiven, though it is reasonably possible that conditions could arise that would make the Consortium ineligible for forgiveness of the loan, in whole or in part. The loan has been reported as a refundable advance and included in current liabilities as of June 30, 2020.

(8) Risks and Uncertainties:

During the year ended June 30, 2020, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the Consortium as of September 28, 2020, management believes that a material impact on the Consortium's financial position and results of future operations is reasonably possible.

**THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
SCHEDULE OF EXPENDITURES OF
STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2020**

<u>State Agency / Pass-Through Grantor Program Title</u>	<u>CSFA Number</u>	<u>Contract Grant Identification Number</u>	<u>Expenditures</u>
STATE AGENCY			
<u>State of Florida Department of Education</u>			
School District Education Foundation Matching Grants	48.061	298-93990-9D001	\$ 5,000,000
Total State of Florida Department of Education			<u>5,000,000</u>
TOTAL STATE FINANCIAL ASSISTANCE			<u><u>\$ 5,000,000</u></u>

- See notes to the schedule of expenditures of state financial assistance -

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF STATE AWARDS
AND STATE FINANCIAL ASSISTANCE
JUNE 30, 2020 AND 2019

(1) **Basis of Presentation:**

The accompanying Schedule of Expenditures of State Financial includes the State grant activity of The Consortium of Florida Education Foundations, Inc. (Consortium) and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Chapter 10.650, Rules of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented, or used in the preparation of the basic financial statements.

(2) **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 Consortium's continued participation in specific projects. The amount of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the Consortium expects such amounts, if any to be immaterial.

(3) **Subrecipients:**

The Consortium provided State awards from CSFA number 48.061 of \$4,750,000 to subrecipients.

**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,
The Consortium of Florida Education Foundations, 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 The Consortium of Florida Education Foundations, Inc. (the "Consortium"), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 28, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Consortium'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 Consortium's internal control. Accordingly, we do not express an opinion on the effectiveness of the Consortium'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 Consortium's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

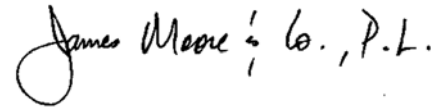
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 Consortium'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 Coalition'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 Consortium of Florida Education Foundations, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Gainesville, Florida
September 28, 2020

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR STATE PROJECT AND REPORT ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH CHAPTER 10.650,
RULES OF THE STATE OF FLORIDA, OFFICE OF THE AUDITOR GENERAL**

To the Board of Directors,
The Consortium of Florida Education Foundations, Inc.:

Report on Compliance for Each Major State Project

We have audited The Consortium of Florida Education Foundations, Inc.'s (the Consortium) compliance with the types of compliance requirements described in the Florida Department of Financial Services' State Projects *Compliance Supplement* that could have a direct and material effect on each of the Consortium's major state projects for the year ended June 30, 2020. The Consortium's major state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its awards applicable to its state projects.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Consortium's major state projects based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Chapter 10.650, Rules of the State of Florida, Office of the Auditor General. Those standards, Chapter 10.650, Rules of the State Florida, Office of the Auditor General require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state project occurred. An audit includes examining, on a test basis, evidence about the Consortium's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state project. However, our audit does not provide a legal determination of the Consortium's compliance.

Opinion on Each Major State Project

In our opinion, the Consortium 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 June 30, 2020.

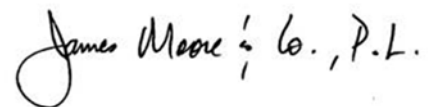
Report on Internal Control Over Compliance

Management of The Consortium of Florida Education Foundations, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Consortium's internal control over compliance with the types of requirements that could have a direct and material effect on each major state project as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state project and to test and report on internal control over compliance in accordance with Chapter 10.650, Rules of the State of Florida and Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Consortium's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

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 the Uniform Guidance, Chapter 10.650 and Rules of the State of Florida Office of the Auditor General. Accordingly, this report is not suitable for any other purpose.



Gainesville, Florida
September 28, 2020

**THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020**

I. Summary of Auditors' Results:

Financial Statements:

Type of audit report issued on the financial statements: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiencies identified? yes none reported

Noncompliance material to financial statements noted? yes no

State Financial Assistance:

Internal control over major State projects:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Types of auditor's report issued on compliance for major State projects: *Unmodified*

Any audit findings disclosed that are required to be reported related to state financial assistance projects? yes no

Identification of major projects

State Project Program	State CSFA Number
School District Matching Grant	48.061
Dollar threshold used to distinguish between type A and type B State programs:	\$ 750,000

II. Financial Statement Findings: None

III. State Project Findings and Questioned Costs: None

IV. Prior Year Audit Findings: None