

Financial Statements

**Florida State Parks Foundation, Inc.**

*Years ended December 31, 2020 and 2019  
with Report of Independent Auditors*



Florida State Parks Foundation, Inc.

Financial Statements

Years ended December 31, 2020 and 2019

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## Report of Independent Auditors

Board of Directors  
Florida State Parks Foundation, Inc.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Florida State Parks Foundation, Inc. (the Foundation) which comprise the statements of financial position as of December 31, 2020 and 2019, the related statements of activities and changes in net assets, functional expenses, and cash flows 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.

### **Auditor's 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 auditor's 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.

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## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Florida State Parks Foundation, Inc., as of December 31, 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.

## **Report on Summarized Comparative Information**

We have previously audited Florida State Parks Foundation, Inc.'s 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 7, 2020. In our opinion, the summarized comparative information presented in the statements of activities and changes in net assets and functional expenses as of and for the year ended December 31, 2019, 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 3, 2021 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 the Foundation's internal control over financial reporting and compliance.

*Thomas Howell Ferguson P.A.*

Tallahassee, Florida  
September 3, 2021

Florida State Parks Foundation, Inc.

Statements of Financial Position

	December 31,	
	<u>2020</u>	<u>2019</u>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,056,559	\$ 1,027,266
Prepaid expenses and other assets	<u>8,247</u>	<u>7,080</u>
Total current assets	1,064,806	1,034,346
Investments	<u>20,100,357</u>	<u>17,467,201</u>
Total assets	<u>\$ 21,165,163</u>	<u>\$ 18,501,547</u>
<b>Liabilities and net assets</b>		
Current liabilities:		
Accounts payable	\$ <u>38,151</u>	\$ <u>6,709</u>
Total current liabilities	38,151	6,709
Amounts held for the accounts of others	<u>700</u>	<u>844</u>
Total liabilities	<u>38,851</u>	<u>7,553</u>
Net assets:		
Without donor restrictions		
Undesignated	20,803,916	18,294,224
With donor restrictions		
Restricted for purpose or time	<u>322,396</u>	<u>199,770</u>
Total net assets	<u>21,126,312</u>	<u>18,493,994</u>
Total liabilities and net assets	<u>\$ 21,165,163</u>	<u>\$ 18,501,547</u>

*See accompanying notes.*

Florida State Parks Foundation, Inc.

Statements of Activities and Changes in Net Assets

	Years ended December 31,			
	2020			2019
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b>Changes in net assets:</b>				
Revenues and other support				
Contribution revenue	\$ 1,189,702	\$ 230,333	\$ 1,420,035	\$ 1,154,034
Grant revenue	-	167,605	167,605	-
Membership dues	36,226	-	36,226	35,988
Net investment income	1,720,992	-	1,720,992	2,479,897
Net assets released from restrictions	275,312	(275,312)	-	-
Other revenue	50,551	-	50,551	6,337
Total revenues and other support	<u>3,272,783</u>	<u>122,626</u>	<u>3,395,409</u>	<u>3,676,256</u>
Expenses:				
Fundraising	207,815	-	207,815	116,753
Program services	445,724	-	445,724	148,944
General and administrative	109,552	-	109,552	206,188
Total expenses	<u>763,091</u>	<u>-</u>	<u>763,091</u>	<u>471,885</u>
Change in net assets	2,509,692	122,626	2,632,318	3,204,371
Net assets at beginning of year	<u>18,294,224</u>	<u>199,770</u>	<u>18,493,994</u>	<u>15,289,623</u>
Net assets at end of year	<u>\$20,803,916</u>	<u>\$ 322,396</u>	<u>\$21,126,312</u>	<u>\$18,493,994</u>

See accompanying notes.

Florida State Parks Foundation, Inc.

Statements of Functional Expenses

	For the years ended December 31,				2019
	2020			Total	
	Fundraising	Program Services	General and Administrative		Total
<b>Functional expenses:</b>					
Supplies	\$ 63	\$ 79	\$ 907	\$ 1,049	\$ 1,989
Bank and credit card fees	7,149	864	-	8,013	2,927
Accounting fees	-	-	32,085	32,085	39,154
Professional services	-	-	-	-	25,807
Postage and shipping	996	590	836	2,422	1,090
Insurance	-	351	13,333	13,684	12,749
Computer services	-	-	448	448	723
Printing and copying	2,305	-	2,578	4,883	5,560
Subscriptions	1,583	1,395	570	3,548	12,980
Conferences and meetings	-	1,229	1,221	2,450	26,709
Advertising	71,265	5,675	7,205	84,145	50,583
Salaries and related expenses	123,995	127,298	42,580	293,873	216,610
Travel	-	-	2,416	2,416	8,046
Office rental	-	-	4,784	4,784	3,631
Miscellaneous expenses	-	-	589	589	580
Grant programs	-	107,840	-	107,840	22,702
Volunteer and staff recognition	-	4,051	-	4,051	13,977
State parks gathering	-	4,447	-	4,447	4,455
Access for all	459	187,698	-	188,157	742
Disaster fund	-	-	-	-	1,760
LIFE program	-	1,131	-	1,131	1,672
Yellow buses	-	3,076	-	3,076	17,439
Total functional expenses	<u>\$ 207,815</u>	<u>\$ 445,724</u>	<u>\$ 109,552</u>	<u>\$ 763,091</u>	<u>\$ 471,885</u>

See accompanying notes.

Florida State Parks Foundation, Inc.

Statements of Cash Flows

	<u>Years ended</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
<b>Operating activities</b>		
Change in net assets	\$ 2,632,318	\$ 3,204,371
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized gain on investments	(1,154,610)	(2,000,629)
Realized loss on investments	41,753	53,114
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	(1,167)	(526)
Accounts payable	31,442	2,029
Amounts held for the accounts of others	(144)	20
Net cash provided by operating activities	<u>1,549,592</u>	<u>1,258,379</u>
<b>Investing activities</b>		
Purchases of investments	(13,715,820)	(4,917,239)
Proceeds from sale of investments	<u>12,195,521</u>	<u>3,986,827</u>
Net cash used in investing activities	<u>(1,520,299)</u>	<u>(930,412)</u>
Increase in cash and cash equivalents	29,293	327,967
Cash and cash equivalents at beginning of year	<u>1,027,266</u>	<u>699,299</u>
Cash and cash equivalents at end of year	<u>\$ 1,056,559</u>	<u>\$ 1,027,266</u>
PPP loan received and recognized in income	<u>\$ 38,895</u>	<u>\$ -</u>

*See accompanying notes.*

# Florida State Parks Foundation, Inc.

## Notes to Financial Statements

Years ended December 31, 2020 and 2019

### 1. Nature of Operations and Significant Accounting Policies

#### Nature of Activities

The Florida State Parks Foundation, Inc. (the Foundation), founded in 1993, is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC), with its central office located in Tallahassee, Florida. The primary purpose of the Foundation is to support and help sustain the Florida Park Service and to preserve the natural beauty and resources of the Real Florida for generations to come. The Foundation supports the entire Florida State Parks system through programs that preserve and protect state parks, educate visitors and provide financial support to supplement state funding.

#### Basis of Presentation

Effective January 1, 2019, the Foundation has adopted Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* (Topic 606). This ASU superseded nearly all existing revenue recognition guidance under U.S. GAAP. The core principle of ASU 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity is expected to be entitled for those goods or services. The adoption of the standard had no effect on previously reported financial statements.

#### Basis of Accounting

The Foundation uses the accrual basis of accounting. The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The significant accounting policies are described below.

#### Cash and Cash Equivalents

Cash and cash equivalents consist of deposits with a financial institution and deposits in highly liquid money market funds.

For purposes of the statements of cash flows, the Foundation considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

#### Investments

Investments consist of equity securities and mutual funds. Investments are reported at fair value, which is based on quoted market values for these instruments. Net investment income is reported in the statements of activities and changes in net assets and consists of interest and dividend income, realized and unrealized capital gains and losses, less investment fees.

# Florida State Parks Foundation, Inc.

## Notes to Financial Statements

### 1. Nature of Operations and Significant Accounting Policies (continued)

#### Concentration of Credit Risk

The Foundation's financial instruments exposed to concentrations of credit risk consist primarily of its cash, cash equivalents, and investments. The Foundation maintains its cash and cash equivalents at one financial institution. Deposits with the financial institution 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.

All investment transactions have credit exposure to the extent that a counterparty may default on an obligation to the Foundation. Credit risk is a consequence of carrying investment positions. To manage credit risk, the Foundation focuses primarily on higher quality, fixed income and equity securities, reviews the credit strength of all entities in which it invests, limits its exposure in any one investment, and monitors portfolio quality, taking into account credit ratings assigned by recognized credit rating organizations.

The Foundation received approximately 68% and 77% of its contributions from a single donor during the years ended December 31, 2020 and 2019, respectively.

#### Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Donor-imposed restrictions can be temporary in nature, such as those that will be met by the passage of time or other events specified by the donor.

Contributions that are restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions.

# Florida State Parks Foundation, Inc.

## Notes to Financial Statements

### 1. Nature of Operations and Significant Accounting Policies (continued)

#### Revenue and Revenue Recognition

Membership dues, which are nonrefundable, is considered an exchange transaction based on the value of benefits provided. The Foundation considers the benefits to be received and consumed simultaneously during the membership period, which coincides with the Foundation's fiscal year.

The Foundation recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give with a measurable performance or other barrier and a right of return are not recognized until the conditions on which they depend have been met.

#### Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. The statements of functional expenses present the natural classification detail of expenses by function. The statements of functional expenses contain certain categories of expenses that are attributable to one or more program or supporting functions of the Foundation. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Some personnel-related expenses are allocated to the programs based on estimates of time and effort by individual employees. Expenses directly relating to or benefitting a program are allocated to that program. Otherwise, expenses are allocated to general and administrative.

#### Income Taxes

The Association is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the IRC and has been classified as an other-than-private foundation. Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Association is no longer subject to examinations by major tax jurisdictions for years ended December 31, 2016 and prior.

#### 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.

# Florida State Parks Foundation, Inc.

## Notes to Financial Statements

### 1. Nature of Operations and Significant Accounting Policies (continued)

#### Subsequent Events

The Foundation has evaluated subsequent events through September 3, 2021, the date the financial statements were available to be issued. December 31, 2020 to September 3, 2021, the Foundation did not have any material recognizable subsequent events, with the exception of the matter described in Note 7.

#### Reclassification

Certain prior year amounts have been reclassified to conform to the current year presentation.

### 2. Available Resources and Liquidity

The Foundation receives contributions, grants and investment income and considers these revenue streams to be without donor restrictions (if unspecified) and available to meet cash needs for general expenditures.

The table below presents financial assets available for general expenditures within one year at December 31:

	<u>2020</u>	<u>2019</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 1,056,559	\$ 1,027,266
Prepaid expenses and other assets	8,247	7,080
Investments	<u>20,100,357</u>	<u>17,467,201</u>
Total financial assets available to meet cash needs for general expenditures	<u>\$ 21,165,163</u>	<u>\$ 18,501,547</u>

### 3. Investments

The Fair Value Measurement and Disclosures Topic of the FASB Accounting Standards Codification 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under the Fair Value Measurement and Disclosure Topic are described as follows:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market based inputs or unobservable inputs that are corroborated by the market data.

Level 3: Unobservable inputs that are not corroborated by market data.

Florida State Parks Foundation, Inc.

Notes to Financial Statements

**3. Investments (continued)**

Investments consist of the following at December 31, 2020:

	<u>Cost</u>	<u>Unrealized Gains</u>	<u>Market and Carrying Value</u>	<u>Level 1</u>
Equity securities	\$ 5,443,480	\$ 63,857	\$ 5,507,337	\$ 5,507,337
Mutual funds	<u>12,408,281</u>	<u>2,184,739</u>	<u>14,593,020</u>	<u>14,593,020</u>
Total	<u>\$ 17,851,761</u>	<u>\$ 2,248,596</u>	<u>\$ 20,100,357</u>	<u>\$ 20,100,357</u>

Investments consist of the following at December 31, 2019:

	<u>Cost</u>	<u>Unrealized Losses</u>	<u>Market and Carrying Value</u>	<u>Level 1</u>
Equity securities	\$ 2,648,632	\$ 356,662	\$ 3,005,294	\$ 3,005,294
Mutual funds	<u>13,726,616</u>	<u>735,291</u>	<u>14,461,907</u>	<u>14,461,907</u>
Total	<u>\$ 16,375,248</u>	<u>\$ 1,091,953</u>	<u>\$ 17,467,201</u>	<u>\$ 17,467,201</u>

Investment income consists of the following:

	<u>Years ended December 31,</u>	
	<u>2020</u>	<u>2019</u>
Interest and dividends	\$ 681,668	\$ 598,276
Net realized loss	(41,753)	(53,114)
Net unrealized gain	1,154,610	2,000,629
Investment fees	<u>(73,533)</u>	<u>(65,894)</u>
Total net investment income	<u>\$ 1,720,992</u>	<u>\$ 2,479,897</u>

**4. Amounts Held for the Account of Others**

The Foundation serves as custodian of funds for certain local state parks. These funds are included on the statements of financial position in cash and cash equivalents. The Foundation maintained custody of the following local state park funds as of December 31:

	<u>2020</u>	<u>2019</u>
John Pennekamp Coral Reef State Park	\$ -	\$ 144
St. Lucie Inlet Preserve State Park	<u>700</u>	<u>700</u>
	<u>\$ 700</u>	<u>\$ 844</u>

# Florida State Parks Foundation, Inc.

## Notes to Financial Statements

### 5. Advertising

Advertising costs are charged to operations when incurred and are reported by functional allocation. Advertising expenses were \$84,145 and \$50,583 for the years ended December 31, 2020 and 2019, respectively.

### 6. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes as of December 31:

	2020	2019
Subject to expenditure for specified purpose:		
Felburn Foundation grant for Accessible Boat	\$ -	\$ 100,000
NextEra grant for MacArthur Tram	-	12,226
St. Joe Community Foundation for St. Andrews Pavillion	<b>53,533</b>	60,000
Learning in Florida's Environment grant	<b>2,847</b>	5,936
Mizell-Johnson State Park grant	<b>13,329</b>	13,729
Access for All donations	<b>2,609</b>	1,477
Disaster fund donations	<b>3,765</b>	2,645
Batchelor Foundation: Sea Turtle Grant	<b>19,757</b>	-
NextEra: Hugh Taylor Tram	<b>12,130</b>	-
Selby Foundation: Pier and Trailer	<b>77,000</b>	-
Plant a Pine	<b>87,660</b>	-
Bonnie Lizer Birding Project	<b>25,000</b>	-
Other minor grant programs	<b>24,766</b>	<u>3,757</u>
	<b><u>\$ 322,396</u></b>	<b><u>\$ 199,770</u></b>

### 7. Paycheck Protection Program Loan

During the year ended December 31, 2020, the Foundation received loan proceeds in the amount of \$38,895 under the Paycheck Protection Program (PPP). The PPP, established as a part of the CARES Act, provides for loans to qualifying borrowers for amounts up to 2.5 times the average monthly payroll expenses of the qualifying borrower. As of March 2021, the Foundation met all qualifications for forgiveness and received confirmation of forgiveness from the lender. The Foundation recognized the PPP loan as other revenue in the accompanying statement of activities and changes in net assets for the year ended December 31, 2020.

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*

The Management and the Board of Directors  
Florida State Parks 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 State Parks Foundation, Inc. (the Foundation), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year ended, and the related notes to the financial statements, and have issued our report thereon dated September 3, 2021.

**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.

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### **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.

*Thomas Howell Ferguson P.A.*

Tallahassee, Florida  
September 3, 2021

To the Board of Directors  
Florida State Parks Foundation, Inc

We are pleased to present this report related to our audit of the financial statements of Florida State Parks Foundation, Inc (the Foundation) as of and for the year ended December 31, 2020. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the Foundation's financial reporting process.

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication with Those Charged with Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

<b>Area</b>	<b>Comments</b>
<b>Our Responsibilities With Regard to the Financial Statement Audit</b>	Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated April 19, 2021. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.
<b>Overview of the Planned Scope and Timing of the Financial Statement Audit</b>	We discussed with members of the Board of Directors and the Foundation's management various matters about which generally accepted auditing standards require communication. These include matters concerning two-way communication, our independence, the audit planning process, the concept of materiality in planning and executing the audit, our approach to internal control relevant to the audit, and the timing of the audit.

<b>Area</b>	<b>Comments</b>
<b>Accounting Policies and Practices</b>	<p data-bbox="771 394 1421 430"><b>Adoption of, or Change in, Accounting Policies</b></p> <p data-bbox="771 451 1453 661">Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Foundation. The Foundation did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.</p> <p data-bbox="771 703 1274 739"><b>Significant or Unusual Transactions</b></p> <p data-bbox="771 760 1453 892">We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</p>
<b>Management's Judgments and Accounting Estimates</b>	<p data-bbox="771 934 1453 1396">Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events, and certain assumptions about future events. Management has informed us that they used all the relevant facts available to them at the time to make the best judgments about accounting estimates, and we considered this information in the scope of our audit. Estimates significant to the financial statements include the allocation of functional expenses and the fair value of investments.</p> <p data-bbox="771 1417 1453 1522">The Board of Directors may wish to monitor throughout the year the process used to determine and record these accounting estimates.</p>
<b>Audit Adjustments</b>	<p data-bbox="771 1564 1453 1732">Audit adjustments, including those proposed by us and recorded by Foundation as well as those provided to us by the Foundation following initial receipt of the trial balance, are shown on the attached <b>Exhibit A.</b></p>
<b>Uncorrected Misstatements</b>	<p data-bbox="771 1774 1453 1843">There were no uncorrected misstatements that management determined to be immaterial.</p>

<b>Area</b>	<b>Comments</b>
<b>Disagreements With Management</b>	We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.
<b>Consultations With Other Accountants</b>	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
<b>Significant Issues Discussed With Management</b>	No significant issues arising from the audit were discussed or the subject of correspondence with management.
<b>Significant Difficulties Encountered in Performing the Audit</b>	We did not encounter any significant difficulties in dealing with management during the audit. We received full cooperation and appreciate the assistance provided by the Foundation's financial and accounting personnel.
<b>Letter(s) Communicating Significant Deficiencies and Material Weaknesses in Internal Control Over Financial Reporting</b>	We have separately communicated any significant deficiencies and material weaknesses in internal control over financial reporting identified during our audit of the financial statements as required by <i>Government Auditing Standards</i> . This communication is included in the Other Reports section of the financial statements. We have separately communicated the control deficiencies in internal control over financial reporting identified during our audit of the financial statements, and this communication is attached as <b>Exhibit B</b> .
<b>Significant Written Communications Between Management and Our Firm</b>	See <b>Exhibit C</b> for a copy of the representation letter provided to us by the Foundation's management.

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This report is intended solely for the information and use of the Board of Directors and management of the Foundation and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this letter. We appreciate the opportunity to continue to be of service to Florida State Parks Foundation, Inc.

*Thomas Howell Ferguson P.A.*

Tallahassee, Florida  
September 3, 2021

Florida State Parks Foundation, Inc.

Year End: December 31, 2020

Journal Entries: Adjusting

Date: 1/1/2020 To 12/31/2020

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
AJE1	12/31/2020	Net assets released from restrictions - unrest.	4.1.400.1	6922			275,312.00		
AJE1	12/31/2020	Net assets released from restrictions - temp. r	4.1.400.2	6922		275,312.00			
To record net assets released from restriction during 2020									
PBC1	12/31/2020	CURRENT LIABILITIES:PPP Loan from SunTru: 2070		6002		38,895.00			
PBC1	12/31/2020	OTHER REVENUE:Misc revenue	4530	6002			38,895.00		
PBC - To reclassify PPP loan from a liability to revenue.									
						<b>314,207.00</b>	<b>314,207.00</b>		
<b>Net Income (Loss)</b>			<b>2,632,318.00</b>						

To Management and the Board of Directors  
Florida State Parks Foundation, Inc.

In planning and performing our audit of the financial statements of Florida State Parks Foundation, Inc. (the Foundation) as of and for the year ended December 31, 2020, in accordance with auditing standards generally accepted in the United States of America, 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 deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

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.

Following is the description of an identified deficiency in internal control that we determined did not constitute a significant deficiency or material weakness:

### **Bank Reconciliations**

A critical control over the cash receipts and disbursements transactions cycles is the completion of timely bank reconciliations and disposition of identified adjustments or reconciling items by someone independent of the initiation and recording functions. We noted that while the CEO receives and reviews the bank statements, and subsequently reviews the bank reconciliations once they are prepared, there is no evidence of her review. We recommend that bank statements should be received, opened, and initialed by the CEO. The signature or initials of the CEO would then provide evidence that the bank statements were scanned for unusual vendors and reviewed to ensure signatures are authorized.

Page Two

Further, both the preparer and reviewer should initial the completed reconciliation(s) signifying that there are no unreconciled items and that the reconciled balances agree to the general ledger. Either a hard copy or a digitally-initialed electronic copy of the reconciliation should be maintained with the bank statement or with other monthly closing documents.

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

*Thomas Howell Ferguson P.A.*

Tallahassee, Florida  
September 3, 2021



**FLORIDA STATE PARKS  
FOUNDATION**

Exhibit C

September 3, 2021

Thomas Howell Ferguson, PA  
2615 Centennial Blvd., Suite 200  
Tallahassee, Florida 32308

**Board of Directors**

**Officers**

Gil Ziffer  
President

Don Philpott  
President-Elect

Emily Lewis  
Secretary

Audrine Piasecki Finnerty  
Treasurer

**Board Members**

Kathleen Brennan

Dr. Dale Brill

Derek Bruce

Lynn Cherry

Karen Cyphers

Paula Dockery

Gwen Graham

Tammy Gustafson

Robert Larkin

Ryan Matthews

Liza McFadden

Tom Pennekamp

Jose Romano

Jorge Rubi

Wendy Spencer

**Board Members Emeritus**

Richard Goldman

Sally Hess

Marylou Klein

Amy Rodriguez

Paula Russo

**Ex-officio Board Members**

W. Dale Allen

Eric Draper

**Chief Executive Officer**

Julia Gill Woodward

This representation letter is provided in connection with your audits of the financial statements of Florida State Parks Foundation, Inc (the Foundation) which comprise the statement of financial position as of December 31, 2020 and 2019 and the related statements of activities, changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

We confirm, to the best of our knowledge and belief, as of the date of this letter:

*Financial Statements*

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated April 19, 2021, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.
2. 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.
3. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and reflect our judgment based on our knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.
5. Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
6. All events subsequent to the date of the financial statements, for which U.S. GAAP requires adjustment or disclosure, have been adjusted or disclosed.

7. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
  
8. The following have been properly recorded and/or disclosed in the financial statements:
  - a. Guarantees, whether written or oral, under which the Foundation is contingently liable.
  - b. Agreements to repurchase assets previously sold.
  - c. Security agreements in effect under the Uniform Commercial Code.
  - d. Amounts of contractual obligations for construction and purchase of real property or equipment not included in the liabilities recorded on the books.
  - e. All other liens or encumbrances on assets or revenues or any assets or revenues which were pledged as collateral for any liability or which were subordinated in any way.
  - f. All liabilities that are subordinated to any other actual or possible liabilities of the Foundation.
  - g. All leases and material amounts of rental obligations under long-term leases.
  - h. Investments in debt and equity securities.
  - i. Derivative financial instruments.
  - j. Assets and liabilities measured at fair value in accordance with the Fair Value Measurements and Disclosures Topic of the FASB Accounting Standards Codification.
  - k. All current and deferred assets and liabilities related to the accounting for income taxes. Additionally, we have evaluated the tax positions under the two-step approach for recognition and measurement of uncertain tax positions required by the Income Taxes Topic of the FASB Accounting Standards Codification.
  - l. All recordable contributions, by appropriate net asset class.
  - m. Reclassifications between net asset classes.
  - n. Allocations of functional expenses based on reasonable basis.
  - o. Composition of assets in amounts needed to comply with all donor restrictions.
  - p. Deferred revenue from exchange transactions.
  - q. Refundable advances.
  - r. Board designated unrestricted net assets.
  - s. Net positions and fund balance classifications.
  - t. All significant estimates and material concentrations known to management that are required to be disclosed in accordance with the Risks and Uncertainties Topic of the FASB Accounting Standards Codification. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer

to volumes of business, revenues, available sources of supply, or markets for which events could occur that would significantly disrupt normal finances within the next year.

9. With respect to the financial statement preparation services performed in the course of the audit:
  - a. We have made all management decisions and performed all management functions;
  - b. We assigned an appropriate individual to oversee the services;
  - c. We evaluated the adequacy and results of the services performed, and made an informed judgment on the results of the services performed;
  - d. We have accepted responsibility for the results of the services; and
  - e. We have accepted responsibility for all significant judgments and decisions that were made.
10. We have no knowledge of any uncorrected misstatements in the financial statements.

*Information Provided*

11. 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, documentation, and other matters;
  - b. Additional information that you have requested from us for the purpose of the audit;
  - c. Unrestricted access to persons within the Foundation from whom you determined it necessary to obtain audit evidence; and
  - d. Minutes of the meetings of the governing board and committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.
12. All transactions have been recorded in the accounting records and are reflected in the financial statements.
13. We have disclosed to you the results of our assessment of risk that the financial statements may be materially misstated as a result of fraud.
14. We have no knowledge of allegations of fraud or suspected fraud affecting the Foundation's financial statements involving:
  - a. Management.
  - b. Employees who have significant roles in the internal control.
  - c. Others where the fraud could have a material effect on the financial statements.

15. We have no knowledge of any allegations of fraud or suspected fraud affecting the Foundation's financial statements received in communications from employees, former employees, regulators, or others.
16. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations. Additionally, we specifically represent that we are responsible for determining that we are not subject to the requirements of the Single Audit Act because we have not received, expended, or otherwise been the beneficiary of the required amount of federal awards during the period of this audit.
17. We have disclosed to you all known actual or possible litigation and claims whose effects were considered when preparing the financial statements.
18. We have disclosed to you the identity of the Foundation's related parties and all the related-party relationships and transactions of which we are aware.
19. We have informed you of all significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the Foundation's ability to record, process, summarize, and report financial data.
20. We have informed you of all communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
21. We have no plans or intentions that may materially affect the carrying value or classification of assets. In that regard:
  - a. The Foundation has no significant amounts of idle property and equipment or property or equipment.
  - b. The Foundation has no plans or intentions to discontinue the operations of any activities or programs or to discontinue any significant operations.
22. We are responsible for making the accounting estimates included in the financial statements. Those estimates reflect our judgment based on our knowledge and experience about past and current events and our assumptions about conditions we expect to exist and courses of action we expect to take. In that regard, adequate provisions have been made:
  - a. To reduce receivables to their estimated net collectable amounts.
  - b. For pension obligations, postretirement benefits other than pensions, and deferred compensation agreements attributable to employee services rendered through December 31, 2020.
  - c. For any material loss to be sustained in the fulfillment of or from the inability to fulfill any sales commitments, including promises to give.
  - d. For any material loss to be sustained as a result of purchase commitments for inventory quantities in excess of normal requirements or at prices in excess of the prevailing market prices.

- e. For environmental clean-up obligations.
- f. For amounts held for others under agency and/or split interest agreements.

23. There are no:

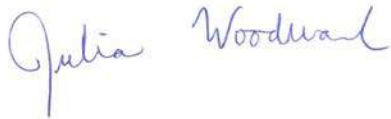
- a. Material transactions that have not been properly recorded in the accounting records underlying the financial statements.
- b. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency. In that regard, we specifically represent that we have not been designated as, or alleged to be, a "potentially responsible party" by the Environmental Protection Agency in connection with any environmental contamination.
- c. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed.

24. The satisfactory has satisfactory title to all owned assets.

25. We have received a determination from the Internal Revenue Service that we are exempt from federal income taxes as a Section 501(c)(3) not-for-profit corporation, and we have complied with the IRS regulations regarding this exemption.

26. During the course of your audit, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

Florida State Parks Foundation, Inc.



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Julia Gill Woodward  
Chief Executive Officer

*Heather Sherman*

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Heather Sherman  
Bookkeeper