



**Florida High School Athletic  
Association, Inc. and Affiliates**

**Combined Financial Statements**

**June 30, 2021**

**REPORT**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Florida High School Athletic Association, Inc.

### ***Opinion***

We have audited the accompanying combined financial statements of the Florida High School Athletic Association, Inc. (a nonprofit organization) and Affiliates (the "Association"), which comprise the combined statement of financial position as of June 30, 2021, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Association as of June 30, 2021, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of the Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Combined Financial Statements***

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association'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 Combined Financial Statements***

Our objectives are to obtain reasonable assurance about whether the combined 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 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, including omissions, 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined 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 combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association'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 combined financial statements as a whole. The combining statements are presented for purposes of additional analysis and are not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

*Carr, Riggs & Ingram, L.L.C.*

Gainesville, Florida  
February 18, 2022

**Florida High School Athletic Association, Inc. and Affiliates**  
**Combined Statement of Financial Position**

<i>June 30,</i>	2021
<b>Assets</b>	
Current Assets	
Cash	\$ 983,452
Accounts receivable, net	566,997
Prepaid expenses	-
Total current assets	1,550,449
Non-current assets	
Investments	5,417,794
Property and equipment, net	1,742,756
Total non-current assets	7,160,550
Total assets	\$ 8,710,999
<b>Liabilities and Net Assets</b>	
Current liabilities	
Accounts payable	\$ 131,251
Accrued payroll and payroll taxes	71,253
Deferred revenue	22,660
Compensated absences, current portion	90,000
Total current liabilities	315,164
Long-term liabilities	
Compensated absences, net of current portion	313,498
Total long-term liabilities	313,498
Total liabilities	628,662
Net assets without donor restrictions	8,082,337
Total liabilities and net assets	\$ 8,710,999

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

**Florida High School Athletic Association, Inc. and Affiliates  
Combined Statement of Activities**

<i>For the year ended June 30,</i>	2021
<b>Revenue and Other Support</b>	
General athletics	\$ 833,231
Championships	790,553
Member dues	325,520
Investment income and other	929,628
Corporate marketing	2,521,072
Officials programs	310,209
Compliance	154,651
Recognition	-
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Total revenue and other support without donor restrictions	5,864,864
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<b>Expenses</b>	
<i>Program Services</i>	
General athletics	1,286,003
Championships	595,193
Compliance	617,215
Communications	858,430
Officials	333,612
Recognition	127,182
<hr/>	
Total program services	3,817,635
<hr/>	
<i>Supporting Services</i>	
Management and general	1,461,274
<hr/>	
Total expenses	5,278,909
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<b>Change in net assets</b>	585,955
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<b>Net assets without donor restrictions at beginning of year</b>	7,496,382
<hr/>	
<b>Net assets without donor restrictions at end of year</b>	\$ 8,082,337
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The accompanying notes are an integral part of these financial statements.

**Florida High School Athletic Association, Inc. and Affiliates**  
**Combined Statement of Functional Expenses**

For the year ended June 30,	Program Services						Total Program Services	Management and General	2021 Total Expenses
	General Athletics	Championships	Compliance	Communications	Officials	Recognition			
Salaries and wages	\$ 837,444	\$ -	\$ 520,837	\$ 516,526	\$ 166,137	\$ 38,535	\$ 2,079,479	\$ 862,740	\$ 2,942,219
Professional services	109,800	1,185	33,912	496	9,206	500	155,099	293,317	448,416
Lobbying	-	-	-	240,537	-	-	240,537	-	240,537
Insurance	2,338	-	1,336	2,338	90,407	-	96,419	160,326	256,745
Transportation and travel	9,936	26,727	3,751	5,624	-	-	46,038	42,875	88,913
Infractions	-	-	-	-	-	-	-	-	-
Other committee costs	602	-	301	301	391	-	1,595	871	2,466
Repairs & maintenance	6,208	-	4,939	1,221	349	-	12,717	1,614	14,331
Rentals & leases	-	36,895	-	-	-	-	36,895	-	36,895
Communications	1,948	-	3,123	35,352	2,340	841	43,604	13,973	57,577
Utilities	10,312	-	5,893	10,312	2,946	-	29,463	7,366	36,829
Game officiating	-	177,157	-	-	4,866	-	182,023	-	182,023
Office supplies	126,336	53,561	22,024	10,940	3,528	1,390	217,779	21,971	239,750
Event supplies	14,346	12,867	-	-	43,298	-	70,511	-	70,511
Scholarships and other awards	-	286,801	-	-	-	85,396	372,197	5,753	377,950
Equipment	-	-	-	-	-	-	-	1,035	1,035
Computers and software	-	-	-	-	-	-	-	22,940	22,940
Land improvements	3,414	-	1,951	3,414	975	-	9,754	2,438	12,192
Dues and fees	23,119	-	1,248	1,144	327	-	25,838	1,081	26,919
Miscellaneous	109,255	-	-	-	-	520	109,775	-	109,775
Training and development	2,800	-	1,817	2,080	800	-	7,497	2,870	10,367
Depreciation	28,145	-	16,083	28,145	8,042	-	80,415	20,104	100,519
<b>Total</b>	<b>\$ 1,286,003</b>	<b>\$ 595,193</b>	<b>\$ 617,215</b>	<b>\$ 858,430</b>	<b>\$ 333,612</b>	<b>\$ 127,182</b>	<b>\$ 3,817,635</b>	<b>\$ 1,461,274</b>	<b>\$ 5,278,909</b>

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

**Florida High School Athletic Association, Inc. and Affiliates  
Combined Statement of Cash Flows**

<i>For the year ended June 30,</i>	2021
<b>Cash Flows from Operating Activities</b>	
Change in net assets	\$ 585,955
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Bad debt	2,213
Depreciation	100,519
Net gain on investments	(371,154)
Interest and dividend reinvestments	226,015
Changes in operating assets and liabilities	
Accounts receivable, net	16,568
Prepaid expenses	3,507
Accounts payable	94,778
Accrued payroll and payroll taxes	11,789
Deferred revenue	(2,782)
Compensated absences	56,327
Net cash (used) by operating activities	723,735
<b>Investing Activities</b>	
Cash paid for property and equipment	(23,072)
Net cash (used) by investing activities	(23,072)
<b>Financing Activities</b>	
Proceeds from note payable	(452,300)
Net cash provided by financing activities	(452,300)
<b>Net change in cash</b>	248,363
<b>Cash, beginning of year</b>	735,089
<b>Cash, end of year</b>	\$ 983,452
<b>NON-CASH TRANSACTIONS</b>	
Net gain on investments	\$ 371,154
Interest and dividend reinvestment	\$ 226,015

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



## **Florida High School Athletic Association, Inc. and Affiliates**

### **Notes to Combined Financial Statements**

#### **NOTE 1: DESCRIPTION OF THE ASSOCIATION**

##### ***Combined Financial Statements***

The financial statements include the combined accounts of Florida High School Athletic Association, Inc., an organization established in 1920, designated as a 501C(3) in 1951 and incorporated as a State of Florida not for profit corporation in 1962; and the Florida High School Athletic Association's Land Corporation, established in 1950, incorporated as a State of Florida not for profit corporation in 1993 and designated by the IRS as a 501C(2) organization, collectively referred to as the "Association." These entities have the same board of directors and are under the operational control of the Executive Director of the Association. The accounts of these organizations have been combined and all interorganization transactions and balances have been eliminated.

##### ***Nature of Activities***

The Association regulates, promotes and administers high school interscholastic athletic competition within the State of Florida for both public and private member schools. The Association conducts interscholastic athletic post season tournaments throughout the state, promotes values of high school curriculums, promotes sportsmanship and safety of participants and provides training of coaches, athletic directors and game officials. In 1976, the Florida Legislature designated the FHSAA, Inc. as the governing non-profit organization of athletics in Florida public schools, a designation that continues today as specified in Florida Statute 1006.20(1). The Association also registers, tests, and certifies high school athletic officials. Athletic program revenue includes a share of the gate receipts from FHSAA State Series post season playoff games and state championship games as well as fees for other sanctioned athletic events that occur pre and post season.

#### **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### ***Basis of Accounting***

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

##### ***Use of Estimates***

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. There are no estimates that are particularly susceptible to significant change in the near term.

## **Florida High School Athletic Association, Inc. and Affiliates**

### **Notes to Combined Financial Statements**

#### **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### ***Cash***

The Association's cash consists of cash in bank checking accounts. At times, amounts in these accounts exceed FDIC insurance limits.

##### ***Accounts Receivable***

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Association provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of members to meet their obligations.

Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Association's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

##### ***Investments***

The Association reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

##### ***Property and Equipment***

All acquisitions of property and equipment in excess of \$600 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method.

##### ***Net Assets***

All of the Association's net assets are without donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Association, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

## **Florida High School Athletic Association, Inc. and Affiliates**

### **Notes to Combined Financial Statements**

#### **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### ***Revenue Recognition***

Revenue is recognized when cash, other assets, or notification of a beneficial interest is received. Championships and Corporate Marketing are accounted for under ASC Topic 606, Revenue from Contracts with Customers (ASC 606), recognizing revenue when performance obligations under the terms of the contracts with customers are satisfied.

##### ***Donated Assets***

Donated sports equipment are recorded as contributions at their fair values at the date of donation, and expensed when provided to schools for use in events.

##### ***Functional Allocation of Expenses***

Directly identifiable expenses are charged to programs and supporting services. Expenses related to payroll, payroll taxes, and employee benefits are allocated based on actual percentages of time spent in each functional area. Expenses related to maintenance and upkeep of the entire facility are allocated across functional areas based on estimates of time and effort.

##### ***Income Taxes***

Under Sections 501(c)(2) and 501(c)(3) of the Internal Revenue Code, the Association is exempt from taxes on income other than unrelated business income. In addition, the Association has been classified as an organization that is not a private foundation. In 1996, the Association filed form 5768 making it eligible to make expenditures to influence legislation.

The Association utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2021, the Association has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements.

##### ***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, February 18 2022. See Note 13 for relevant disclosures. No subsequent events occurring after this date have been evaluated for inclusion in these consolidated financial statements.

## Florida High School Athletic Association, Inc. and Affiliates Notes to Combined Financial Statements

### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *Recent Accounting Pronouncements*

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The guidance in this ASU and its amendments supersedes the leasing guidance in Topic 840, entitled *Leases*. Under the guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. For nonpublic entities, the standard is effective for fiscal years beginning after December 15, 2020. Early adoption is permitted.

Effective July 1, 2020, the Association adopted ASC 2016-02. As the Association has no leases, no change to the financial statements were necessary.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities* (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. This change in accounting principal did not have a material impact on the financial statements

### NOTE 3: FINANCIAL ASSET AVAILABILITY AND LIQUIDITY

The Association maintains its financial assets primarily in cash and investments to provide liquidity to ensure funds are available as the Association's expenditures come due. The following reflects the Association's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual restrictions.

<i>June 30,</i>	<b>2021</b>
Total assets at year end	\$ 8,710,999
Less non-financial assets	
Property and equipment, net	(1,742,756)
Financial assets, at year-end	\$ 6,968,243
Less those not available for general expenditures within one year, due to contractual restrictions	
Restricted by contractual restrictions	-
Board designations	-
Financial assets available to meet cash needs for general expenditures within one year	\$ 6,968,243

The Association is principally supported by dues and fees charged for services it provides.

**Florida High School Athletic Association, Inc. and Affiliates**  
**Notes to Combined Financial Statements**

**NOTE 4: ACCOUNTS RECEIVABLE**

Accounts receivable consist of the following:

<i>June 30,</i>	<i>2021</i>
Athletics	\$ 560,542
Interest	25,972
Total accounts receivable	586,514
Less allowance for doubtful accounts	(19,517)
Accounts receivable, net	\$ 566,997

Bad debts expense totaled \$2,213 for 2020.

**NOTE 5: INVESTMENTS**

The investment objectives of the Association are to provide a reserve fund for future long-term uncertainty and to provide current income to smooth income fluctuations from other revenue sources. The Association invests long-term and generally accepts a conservative yield for minimum risk. Investments are generally held to maturity.

Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the Association's financial condition.

Investments are stated at fair value and consist of the following at June 30, 2021:

Cash and money market	\$ 578,583
Fixed Income:	
Mortgage backed securities	18,519
Corporate securities	4,173,920
US treasury securities	146,611
Mutual Funds	500,161
Total investments	\$ 5,417,794

**Florida High School Athletic Association, Inc. and Affiliates**  
**Notes to Combined Financial Statements**

**NOTE 5: INVESTMENTS (CONTINUED)**

Investment income for the year consisted of the following:

Interest and dividend income	\$	93,104
Net gain		371,154
		\$ 464,258

**NOTE 6: PROPERTY AND EQUIPMENT**

Property and equipment - net consists of the following:

	Estimated Useful Lives (in years)		2021
Buildings and improvements	15-40	\$	2,296,702
Furniture and equipment	3-5		224,967
Total cost			2,521,669
Less: accumulated depreciation			1,168,942
Land			390,029
Total		\$	1,742,756

Depreciation expense was \$100,519 for the year ended June 30, 2021.

**NOTE 7: LONG-TERM DEBT**

In May 2020, in response to the global pandemic, the Association applied for and received a \$452,300 Paycheck Protection Program (PPP) loan. On January 21, 2021, the Association received notice that the full amount and related interest had been forgiven. The full amount was recorded as other income during this fiscal year.

**NOTE 8: REVENUE**

The Association is recognizing revenue over time for its championships and corporate marketing. As of June 30, 2021, all performance obligations had been satisfied for championships and corporate marketing contracts. The performance obligations are based upon timing of events, which take place on an annual basis.

The Association recognizes revenue once the event particular to the contract has taken place.

**Florida High School Athletic Association, Inc. and Affiliates**  
**Notes to Combined Financial Statements**

**NOTE 8: REVENUE (CONTINUED)**

***Disaggregated Revenues***

A summary of disaggregated revenues information follow:

<i>For the year ended June 30,</i>	<b>2021</b>
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Championships	
State Final	\$ 788,562
Sales	1,991
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Total championships	790,553
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Corporate marketing	
Direct sponsor	589,853
Marketing program	515,834
TV contracts	735,141
Royalties	457,159
3rd party corporate events	32,785
Other	190,300
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Total corporate marketing	2,521,072
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Total revenue	\$ 3,311,625
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The Association's customers are primarily schools and high school sports related entities located in the State of Florida. All revenue was earned during 2021.

***Contract Balances***

<i>June 30,</i>	<b>2021</b>
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Receivable from contracts, beginning of year	\$ 585,778
Receivable from contracts, end of year	\$ 566,997

**NOTE 9: FAIR VALUE MEASUREMENTS**

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

## Florida High School Athletic Association, Inc. and Affiliates Notes to Combined Financial Statements

### NOTE 9: FAIR VALUE MEASUREMENTS (CONTINUED)

*Level 1:* Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

*Level 2:* Significant other observable inputs other than Level 1 prices, such as:

- 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; or
  - can be corroborated by observable market data.

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 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. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2021.

*Cash and money markets* — The fair value of cash and money markets is determined using trade prices in an active market, then uses a discounted cash flow model to determine the price.

*Mortgage backed securities* — The fair value of mortgage backed securities is determined using an active TBA market for mortgage pools, which is the basis for determining many prices, yields, and option-adjusted spreads in the mortgage arena.

*Corporate securities* — The fair value of corporate securities is determined using the discounted cash flow model. The key inputs to the discounted cash flow model are the coupon, yield, expected maturity date, and any applicable options.

*US Treasury securities* — The fair value of US Treasury securities is determined using the yield on the on-the-run treasury that is most similar to the US Treasury being valued. The yield is adjusted for variances in maturity, coupon, and other features. A discounted cash flow model is used to discount the payments using the yield determined for most US Treasury securities.

*Mutual funds* — The fair value of mutual funds is determined using quoted prices in active markets for identical assets accessed at the measurement date. An active market is a principal market in which transactions for the asset are open to many and occur with sufficient frequency and volume.



**Florida High School Athletic Association, Inc. and Affiliates**  
**Notes to Combined Financial Statements**

**NOTE 9: FAIR VALUE MEASUREMENTS (CONTINUED)**

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

Assets and liabilities measured at fair value on a recurring basis, are summarized for the years ended June 30, 2020:

Description	Level 1	Level 2	Level 3	Total
Cash and money markets	\$ 578,583	\$ -	\$ -	\$ 578,583
Fixed income:				
Mortgage backed securities	-	18,519	-	18,519
Corporate securities	2,909,772	1,202,748	61,400	4,173,920
US treasury securities	146,611	-	-	146,611
Mutual funds	500,161	-	-	500,161
<b>Total</b>	<b>\$4,135,127</b>	<b>\$1,221,267</b>	<b>\$ 61,400</b>	<b>\$5,417,794</b>

***Changes in Fair Value Levels***

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total assets.

Beginning Balance	Change between levels	Ending Balance
\$ 43,800	\$ 17,600	\$ 61,400

**NOTE 10: CONCENTRATIONS OF CREDIT RISK**

The Association maintains cash with a financial institution in excess of the FDIC limit of \$250,000 by approximately \$608,000 at June 30, 2021.

## **Florida High School Athletic Association, Inc. and Affiliates**

### **Notes to Combined Financial Statements**

#### **NOTE 11: DEFINED CONTRIBUTION PLAN**

The Association provides a defined contribution retirement plan for all employees aged 20 and over. Contributions to the plan amounted to \$300,545, 15% of the gross annual wages for the year ended June 30, 2021.

#### **NOTE 12: SUBSEQUENT EVENTS**

Management evaluated all events or transactions that occurred after June 30, 2021, through February 18, 2022, the date the Association's financial statements were available to be issued. The following items occurred:

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. The Governor of Florida declared a public health emergency in Florida due to COVID-19 and imposed "shelter-in-place" orders, quarantines, executive orders and similar government orders and restrictions for Florida residents to control the spread of COVID-19. These orders have resulted in business closures, work stoppages, slowdowns and delays, work-from-home policies, travel restrictions and cancellation of events, among other effects, thereby negatively impacting providers and clients served. As a result, uncertainties have arisen that may have a significant impact on the operating activities and results of the Association. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

High school sports continue to have restricted capacity, in some areas, related to the pandemic.

## **Supplementary Information**

## Florida High School Athletic Association, Inc. and Affiliates Combining Statement of Financial Position

Year ended June 30, 2021	Florida High School Athletic Association, Inc.	Land Corporation	Eliminations	Total
<b>Assets</b>				
Current assets				
Cash	\$ 818,771	\$ 164,681	\$ -	\$ 983,452
Accounts receivable, net	566,997	-	-	566,997
Prepaid expenses	-	-	-	-
<b>Total current assets</b>	<b>1,385,768</b>	<b>164,681</b>	<b>-</b>	<b>1,550,449</b>
Non-current assets				
Investments	5,417,794	-	-	5,417,794
Property and equipment, net	-	1,742,756	-	1,742,756
<b>Total non-current assets</b>	<b>5,417,794</b>	<b>1,742,756</b>	<b>-</b>	<b>7,160,550</b>
<b>Total assets</b>	<b>\$ 6,803,562</b>	<b>\$ 1,907,437</b>	<b>\$ -</b>	<b>\$ 8,710,999</b>
<b>Liabilities and net assets</b>				
Current liabilities				
Accounts payable	\$ 131,251	\$ -	\$ -	\$ 131,251
Accrued payroll and payroll taxes	71,253	-	-	71,253
Deferred revenue	22,660	-	-	22,660
Compensated absences, current portion	90,000	-	-	90,000
<b>Total current liabilities</b>	<b>315,164</b>	<b>-</b>	<b>-</b>	<b>315,164</b>
Long-term liabilities				
Compensated absences, net of current portion	313,498	-	-	313,498
<b>Total long-term liabilities</b>	<b>313,498</b>	<b>-</b>	<b>-</b>	<b>313,498</b>
<b>Total liabilities</b>	<b>628,662</b>	<b>-</b>	<b>-</b>	<b>628,662</b>
<b>Net assets without donor restrictions</b>	<b>6,174,900</b>	<b>1,907,437</b>	<b>-</b>	<b>8,082,337</b>
<b>Total liabilities and net assets</b>	<b>\$ 6,803,562</b>	<b>\$ 1,907,437</b>	<b>\$ -</b>	<b>\$ 8,710,999</b>

## Florida High School Athletic Association, Inc. and Affiliates Combining Statement of Activities

Year ended June 30, 2021	Florida High School Athletic Association, Inc.	Land Corporation	Eliminations	Total
<b>Revenue and Other Support</b>				
General athletics	\$ 833,231	\$ -	\$ -	\$ 833,231
Championships	790,553	-	-	790,553
Member dues	325,520	-	-	325,520
Investment income and other	929,628	-	-	929,628
Corporate marketing	2,521,072	-	-	2,521,072
Officials programs	310,209	-	-	310,209
Compliance	154,651	-	-	154,651
Recognition	-	-	-	-
Transfer from Association	-	60,000	(60,000)	-
<b>Total revenue and other support without donor restrictions</b>	<b>5,864,864</b>	<b>60,000</b>	<b>(60,000)</b>	<b>5,864,864</b>
<b>Expenses</b>				
<i>Program Services</i>				
General athletics	1,234,192	51,811	-	1,286,003
Championships	595,193	-	-	595,193
Compliance	587,609	29,606	-	617,215
Communications	806,619	51,811	-	858,430
Officials	318,809	14,803	-	333,612
Recognition	127,182	-	-	127,182
<b>Total program services</b>	<b>3,669,604</b>	<b>148,031</b>	<b>-</b>	<b>3,817,635</b>
<i>Supporting Services</i>				
Management and general	1,420,006	41,268	-	1,461,274
Transfer to land corporation	60,000	-	(60,000)	-
<b>Total supporting services</b>	<b>1,480,006</b>	<b>41,268</b>	<b>(60,000)</b>	<b>1,461,274</b>
<b>Total expenses</b>	<b>5,149,610</b>	<b>189,299</b>	<b>(60,000)</b>	<b>5,278,909</b>
<b>Change in net assets</b>	<b>715,254</b>	<b>(129,299)</b>	<b>-</b>	<b>585,955</b>
<b>Net assets without donor restrictions beginning of year</b>	<b>5,459,646</b>	<b>2,036,736</b>	<b>-</b>	<b>7,496,382</b>
<b>Net assets without donor restrictions end of year</b>	<b>\$ 6,174,900</b>	<b>\$ 1,907,437</b>	<b>\$ -</b>	<b>\$ 8,082,337</b>

**Florida High School Athletic Association, Inc. and Affiliates**  
**Combining Statement of Functional Expenses**

Florida High School Athletic Association, Inc.

	General Athletics	Championships	Compliance	Communications	Officials	Recognition	Total Program Services	Management and General	Total FHSAA
Salaries and wages	\$ 837,444	\$ -	\$ 520,837	\$ 516,526	\$ 166,137	\$ 38,535	\$ 2,079,479	\$ 862,740	\$ 2,942,219
Professional services	109,800	1,185	33,912	496	9,206	500	155,099	289,057	444,156
Lobbying	-	-	-	240,537	-	-	240,537	-	240,537
Insurance	-	-	-	-	89,739	-	89,739	158,656	248,395
Transportation and travel	9,936	26,727	3,751	5,624	-	-	46,038	42,875	88,913
Infractions	-	-	-	-	-	-	-	-	-
Other committee costs	602	-	301	301	391	-	1,595	871	2,466
Repairs & maintenance	4,987	-	4,242	-	-	-	9,229	742	9,971
Rentals & leases	-	36,895	-	-	-	-	36,895	-	36,895
Communications	1,948	-	3,123	35,352	2,340	841	43,604	13,973	57,577
Utilities	-	-	-	-	-	-	-	-	-
Game officiating	-	177,157	-	-	4,866	-	182,023	-	182,023
Office supplies	121,099	53,561	19,031	5,703	2,032	1,390	202,816	18,230	221,046
Event supplies	14,346	12,867	-	-	43,298	-	70,511	-	70,511
Scholarships and other awards	-	286,801	-	-	-	85,396	372,197	5,753	377,950
Equipment	-	-	-	-	-	-	-	1,035	1,035
Computers and software	-	-	-	-	-	-	-	22,940	22,940
Land improvements	-	-	-	-	-	-	-	-	-
Dues and fees	21,975	-	595	-	-	-	22,570	264	22,834
Miscellaneous	109,255	-	-	-	-	520	109,775	-	109,775
Training and development	2,800	-	1,817	2,080	800	-	7,497	2,870	10,367
Depreciation	-	-	-	-	-	-	-	-	-
Transfer to land corporation	-	-	-	-	-	-	-	60,000	60,000
<b>Total</b>	<b>\$ 1,234,192</b>	<b>\$ 595,193</b>	<b>\$ 587,609</b>	<b>\$ 806,619</b>	<b>\$ 318,809</b>	<b>\$ 127,182</b>	<b>\$ 3,669,604</b>	<b>\$ 1,480,006</b>	<b>\$ 5,149,610</b>

**Florida High School Athletic Association, Inc. and Affiliates**  
**Combining Statement of Functional Expenses**

	Land Corporation								
	General Athletics	Compliance	Communications	Officials	Total Program Services	Management and General	Total Land Corp.	Eliminations	Total Combined
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,942,219
Professional services	-	-	-	-	-	4,260	4,260	-	448,416
Lobbying	-	-	-	-	-	-	-	-	240,537
Insurance	2,338	1,336	2,338	668	6,680	1,670	8,350	-	256,745
Transportation and travel	-	-	-	-	-	-	-	-	88,913
Infractions	-	-	-	-	-	-	-	-	-
Other committee costs	-	-	-	-	-	-	-	-	2,466
Repairs & maintenance	1,221	697	1,221	349	3,488	872	4,360	-	14,331
Rentals & leases	-	-	-	-	-	-	-	-	36,895
Communications	-	-	-	-	-	-	-	-	57,577
Utilities	10,312	5,893	10,312	2,946	29,463	7,366	36,829	-	36,829
Game officiating	-	-	-	-	-	-	-	-	182,023
Office supplies	5,237	2,993	5,237	1,496	14,963	3,741	18,704	-	239,750
Event supplies	-	-	-	-	-	-	-	-	70,511
Scholarships and other awards	-	-	-	-	-	-	-	-	377,950
Equipment	-	-	-	-	-	-	-	-	1,035
Computers and software	-	-	-	-	-	-	-	-	22,940
Land improvements	3,414	1,951	3,414	975	9,754	2,438	12,192	-	12,192
Dues and fees	1,144	653	1,144	327	3,268	817	4,085	-	26,919
Miscellaneous	-	-	-	-	-	-	-	-	109,775
Training and development	-	-	-	-	-	-	-	-	10,367
Depreciation	28,145	16,083	28,145	8,042	80,415	20,104	100,519	-	100,519
Transfer to land corporation	-	-	-	-	-	-	-	(60,000)	-
<b>Total</b>	<b>\$ 51,811</b>	<b>\$ 29,606</b>	<b>\$ 51,811</b>	<b>\$ 14,803</b>	<b>\$ 148,031</b>	<b>\$ 41,268</b>	<b>\$ 189,299</b>	<b>\$ (60,000)</b>	<b>\$ 5,278,909</b>

## Florida High School Athletic Association, Inc. and Affiliates Combining Statement of Cash Flows

	Florida High School Athletic Association, Inc.	Land Corporation	Eliminations	Total
<b>Cash Flows from Operating Activities</b>				
Change in net assets	\$ 715,254	\$ (129,299)	\$ -	\$ 585,955
Adjustments to reconcile change In net assets to net cash provided (used) by operating activities				
Bad debt	2,213	-	-	2,213
Depreciation	-	100,519	-	100,519
Net gain on investments	(371,154)	-	-	(371,154)
Interest and dividend reinvestment	226,015	-	-	226,015
Change in operating assets and liabilities				-
Accounts receivable, net	16,568	-	-	16,568
Prepaid expenses	3,507	-	-	3,507
Accounts payable	94,778	-	-	94,778
Accrued payroll and payroll taxes	11,789	-	-	11,789
Deferred revenue	(2,782)	-	-	(2,782)
Compensated absences	56,327	-	-	56,327
<b>Net cash (used) by operating activities</b>	<b>752,515</b>	<b>(28,780)</b>	<b>-</b>	<b>723,735</b>
<b>Investing Activities</b>				
Cash paid for property and equipment	-	(23,072)	-	(23,072)
<b>Net cash (used) by investing activities</b>	<b>-</b>	<b>(23,072)</b>	<b>-</b>	<b>(23,072)</b>
<b>Financing Activities</b>				
Proceeds from note payable	(452,300)	-	-	(452,300)
<b>Net cash provided by financing activities</b>	<b>(452,300)</b>	<b>-</b>	<b>-</b>	<b>(452,300)</b>
<b>Net change in cash</b>	<b>300,215</b>	<b>(51,852)</b>	<b>-</b>	<b>248,363</b>
<b>Cash, beginning of year</b>	<b>518,556</b>	<b>216,533</b>		<b>735,089</b>
<b>Cash, end of year</b>	<b>\$ 818,771</b>	<b>\$ 164,681</b>	<b>\$ -</b>	<b>\$ 983,452</b>
<b>NON-CASH TRANSACTIONS</b>				
Net gain on investments	\$ 371,154	\$ -	\$ -	\$ 371,154
Interest and dividend reinvestment	\$ 226,015	\$ -	\$ -	\$ 226,015