

**FLORIDA STATE UNIVERSITY MAGNET  
RESEARCH AND DEVELOPMENT, INC.**

**FINANCIAL STATEMENTS**

**JUNE 30, 2021 AND 2020**

**FLORIDA STATE UNIVERSITY MAGNET RESEACH AND DEVELOPMENT, INC.**  
**TABLE OF CONTENTS**  
**JUNE 30, 2021 AND 2020**

	<u>Page(s)</u>
<b>Independent Auditors' Report</b>	1 – 2
<b>Management's Discussion and Analysis</b>	3 – 4
<b>Financial Statements</b>	
Statements of Net Position	5
Statements of Revenues, Expenses and Changes in Net Position	6
Statements of Cash Flows	7
Notes to Financial Statements	8 – 11
<b>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 <i>Government Auditing Standards</i></b>	12 – 13

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors,  
Florida State University Magnet Research and Development, Inc.:

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

We have audited the accompanying financial statements of Florida State University Magnet Research and Development, Inc. (the Organization), a direct-support organization and component unit of Florida State University, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Organization's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

The Organization's 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 audits 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.

- 1 -

121 Executive Circle  
Daytona Beach, FL 32114-1180  
Telephone: 386-257-4100

133 East Indiana Avenue  
DeLand, FL 32724-4329  
Telephone: 386-738-3300

5931 NW 1st Place  
Gainesville, FL 32607-2063  
Telephone: 352-378-1331

2477 Tim Gamble Place, Suite 200  
Tallahassee, FL 32308-4386  
Telephone: 850-386-6184

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 Florida State University Magnet Research and Development, Inc. as of June 30, 2021 and 2020, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

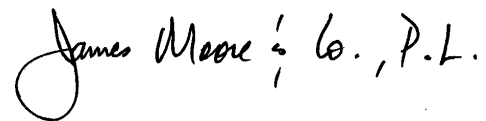
***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated on our consideration of Florida State University Magnet Research and Development, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Florida State University Magnet Research and Development, Inc.'s internal control over financial reporting and compliance.

James Moore & Co., P.L.

Tallahassee, Florida  
August 31, 2021

**FLORIDA STATE UNIVERSITY MAGNET RESEARCH AND DEVELOPMENT, INC.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**JUNE 30, 2021 AND 2020**

The following management’s discussion and analysis (MD&A) provides an overview of the financial performance of Florida State University Magnet Research & Development, Inc. (FSUMRD) based upon currently known facts, decisions, and conditions and is designed to assist the reader in understanding the accompanying financial statements. These financial statements are prepared in accordance with Government Accounting Standards Board (GASB) principles. The MD&A should be read in conjunction with the financial statements and notes thereto.

The FSUMRD financial statements consist of the statements of financial position and the statements of revenues, expenses, and changes in fund net position, and statements of cash flows.

The statements of net position present the financial position of FSUMRD at June 30, 2021 and 2020. This statement provides readers with information on the nature of the entity’s assets, how much the entity owes creditors, and the assets available for the continued operations of FSUMRD. The change in net position is one indicator of whether overall financial condition has improved or declined during the year when considered with all other relevant information available. The following table shows the condensed statements of net position 2021, 2020, and 2019:

Condensed Statements of Net Position

	2021	2020	2019
<b>Assets</b>			
Current assets	\$ 333,322	\$ 360,872	\$ 439,692
<b>Liabilities</b>			
Current liabilities	46,052	44,672	136,676
<b>Net position</b>			
Unrestricted	287,270	316,200	303,016

All net position of the FSUMRD entity are defined as unrestricted, undesignated, and are available for current operations as defined by the Board of Directors and the approved annual operating budget.

The statements of revenues, expenses and changes in net position presents the revenues earned and expenses incurred during the fiscal year, regardless of when cash is received or paid. Activities are reported as either operating or non-operating. The following table shows a condensed statement of revenues, expenses, and changes in net position for the 2021, 2020, and 2019 fiscal years:

**FLORIDA STATE UNIVERSITY MAGNET RESEARCH AND DEVELOPMENT, INC.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**JUNE 30, 2021 AND 2020**

Condensed Statements of Revenues, Expenses and  
Changes in Net Position

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contract revenues	\$ -	\$ 137,712	\$ 95,834
Less: direct contract costs	-	77,213	77,807
Net contract revenues	-	60,499	18,027
Operating expenses	(29,583)	(48,670)	(36,361)
Operating income (loss)	(29,583)	11,829	(18,334)
Net Non-Operating Revenues (expenses)	653	1,355	-
Change in net position	(28,930)	13,184	(18,334)
Net position at beginning of year	316,200	303,016	321,350
Net position at end of year	<u>\$ 287,270</u>	<u>\$ 316,200</u>	<u>\$ 303,016</u>

Operating revenues and expenses are those incurred in the normal business operations of FSUMRD, primarily as a result of Educational Research Agreements in effect with external funding agencies. Net non-operating revenue is a result of interest earned on investments in the Florida State Board of Administration Florida PRIME governmental investment pool, created in January 2020.

Operating revenues decreased approximately 100% and operating expenses decreased approximately 39% from the prior reporting period, as construction of the Hybrid Magnet Phase II project with Nijmegen and the Design Study for Upgrade of HZB 26T Hybrid with Helmholtz Zentrum Berlin was all completed in the prior year. Operating revenues and expenses are projected to remain primarily flat in FY2021-22. Management is not projecting any significant change in net position.

**Request for Information**

Questions concerning the financial information included in this report or requests for additional information should be addressed to Florida State University Magnet Research and Development, Inc., 1800 E Paul Dirac Dr, Tallahassee, FL 32310.

**FLORIDA STATE UNIVERSITY MAGNET RESEARCH AND DEVELOPMENT, INC.**  
**STATEMENTS OF NET POSITION**  
**JUNE 30, 2021 AND 2020**

	<b>2021</b>	<b>2020</b>
<b><u>ASSETS</u></b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 71,315	\$ 59,517
Investments	262,007	301,355
Total current assets	\$ 333,322	\$ 360,872
<b><u>LIABILITIES</u></b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 34,835	\$ 33,455
Advanced contract revenue	11,217	11,217
Total current liabilities	\$ 46,052	\$ 44,672
<b><u>NET POSITION</u></b>		
<b>Net Position</b>		
Unrestricted	\$ 287,270	\$ 316,200

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

**FLORIDA STATE UNIVERSITY MAGNET RESEARCH AND DEVELOPMENT, INC.**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

	<b>2021</b>	<b>2020</b>
<b>Operating revenues</b>		
Contract revenue	\$ -	\$ 137,712
Less: direct contract costs	-	77,213
Net contract revenues	-	60,499
<b>Operating expenses</b>		
Personnel services	14,392	24,339
Professional fees	15,000	19,000
Other	191	5,331
Total operating expenses	29,583	48,670
<b>Operating income (loss)</b>	(29,583)	11,829
<b>Nonoperating revenues (expenses)</b>		
Investment income	653	1,355
Total nonoperating revenues (expenses)	653	1,355
<b>Change in net position</b>	(28,930)	13,184
<b>Net position, beginning of year</b>	316,200	303,016
<b>Net position, end of year</b>	\$ 287,270	\$ 316,200

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

**FLORIDA STATE UNIVERSITY MAGNET RESEARCH AND DEVELOPMENT, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

	<b>2021</b>	<b>2020</b>
<b>Cash flows from operating activities</b>		
Cash received from contracts	\$ -	\$ 78,051
Cash payments to suppliers for goods and services	(15,191)	(24,331)
Cash payments for administrative services	(14,392)	(24,339)
Cash payments for operating contracts	1,380	(59,010)
Net cash used in operating activities	(28,203)	(29,629)
<b>Investing activities</b>		
Cash payments for the purchase of investments	-	(300,000)
Cash received for sales of investments	40,001	-
Net cash provided by (used in) investing activities	40,001	(300,000)
<b>Increase (decrease) in cash and cash equivalents</b>	11,798	(329,629)
<b>Cash and cash equivalents, beginning of year</b>	59,517	389,146
<b>Cash and cash equivalents, end of year</b>	\$ 71,315	\$ 59,517
<b>Reconciliation of operating income (loss) to net cash used in operating activities:</b>		
Operating income (loss)	\$ (29,583)	\$ 11,829
Adjustments to reconcile operating income (loss) to net cash used in operating activities:		
Decrease (increase) in accounts receivable	-	30,454
Decrease (increase) in work in process	-	20,092
Increase (decrease) in accounts payable	1,380	(1,889)
Increase (decrease) in unearned revenue	-	(90,115)
Total adjustments	1,380	(41,458)
<b>Net cash used in operating activities</b>	\$ (28,203)	\$ (29,629)

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

**FLORIDA STATE UNIVERSITY MAGNET RESEARCH AND DEVELOPMENT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

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

The following is a summary of the more significant accounting policies of Florida State University Magnet Research and Development, Inc. (the “Organization”), which affect significant elements of the accompanying financial statements:

(a) **Reporting entity**—Florida State University Magnet Research and Development, Inc. is a direct support organization as provided for in Section 1004.28, Florida Statutes. The Organization is considered a component unit of Florida State University (the University). The Organization was formed as a not-for-profit organization in March 2007, in the state of Florida. The purpose of the Organization is to promote and assist the magnet research activities of the University through income from contracts, grants, and other sources, including income derived from the development and commercialization of the University’s work products.

(b) **Basis of accounting**—The Organization follows financial reporting requirements for enterprise funds, which use the accrual basis of accounting. Under this method, revenues and recorded when earned and expenses are recognized when they are incurred. The financial statements have been prepared in conformity with the pronouncement of the Governmental Accounting Standards Board (GASB) including GASB statement No. 14, *The Financial Reporting Entity*, which defines the organization as a component unit of the University. The financial statements are those of the Organization alone and, accordingly, are not intended to present to net position or the results of operations of the University.

(c) **Cash and cash equivalents**—Cash and cash equivalents consists of noninterest demand accounts and one interest bearing demand account. The financial instruments exposed to concentration of credit risk consist primarily of cash and cash equivalents, for which the aggregate bank balances were \$71,315 and \$59,517 at June 30, 2021 and 2020, respectively. Demand deposits of the Organization are insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized with securities in Florida’s multiple financial institution collateral pool pursuant of Chapter 280, Florida Statutes.

(d) **Revenue recognition**

*Operating revenues*—Operating revenues include activities that have the characteristics of exchange transactions, such as contracts. Exchange transactions are transactions in which each party receives and gives up essentially equal values. Revenue is recognized when project hours have been worked for contracts in which project hours are billed based on agreed upon rate, or when deliverables have been met with deliverable based contracts.

*Nonoperating revenues*—Nonoperating revenues include activities that have characteristics of nonexchange transactions, such as interest income. Nonexchange transactions are transactions in which an entity either gives or receives value to another party without directly giving or receiving equal value in exchange.

(e) **Accounts receivable**—Accounts receivable generally consist of accrued contract revenues and amounts related to purchases of magnet materials and supplies, which are to be reimbursed by the contracted parties. Management considers receivables to be fully collectible; therefore, no provision for doubtful accounts has been recorded.

**FLORIDA STATE UNIVERSITY MAGNET RESEARCH AND DEVELOPMENT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

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

(f) **Work in Progress**—Work in process consists of labor costs incurred in the process of producing contract deliverables that will be realized in a future period.

(g) **Accounts payable**—Accounts payable represents the amount owed to the University for payroll costs during the final month of the fiscal year and amounts due to vendors for magnet materials and supplies.

(h) **Income taxes**—Pursuant to a determination letter received from the Internal Revenue Service, the Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and as such, is liable for tax only on business income unrelated to the purpose for which it is exempt. No provision for income tax expense or liability has been made. There are currently no Internal Revenue Service audits in progress for any tax period. With few exceptions, the Organization is no longer subject to examination by major tax jurisdictions for years ended June 30, 2017 and prior.

(i) **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 disclose 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.

(j) **Investments and fair value measurements**—In general, investments are reported at fair value when available. The Organization categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Investments that are measured at net asset value (NAV) per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

(2) **Revenue Concentration:**

The Organization had no net operating revenue during the year ending June 30, 2021, and 99.9% of its net operating revenue from Helmholtz Zentrum Berlin for the year ending June 30, 2020.

(3) **Advanced Contract Revenue:**

Advanced contract revenue consists of amounts paid to the Organization in excess of revenue earned for services rendered. Such amounts do not meet the criteria for recognition as a deferred inflow of resources under governmental accounting standards. Advanced contract revenue also consists of advanced payment received from contracted parties for anticipated hardware costs needed to complete a specific work packet. The contracted parties advance funds to the Organization, on a quarterly basis, for estimated services to be performed during the quarter.

**FLORIDA STATE UNIVERSITY MAGNET RESEARCH AND DEVELOPMENT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**(4) Investments and Fair Value Measurements:**

The Organization categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. As of June 30, 2021 and June 30, 2020, all of the Organizations investments met the criteria under GASB Statement No. 79 for reporting investments in certain external investment pools at amortized cost therefore all of the Organizations investments were reported at amortized cost.

Investment balances were \$262,007 as of June 30, 2021, and represent amounts held with the Florida State Board of Administration, Local Government Surplus Funds Trust (PRIME Fund). The investment balance as of June 30, 2020 was \$301,355. The fund invests in money market and U.S. treasury notes, collateralized mortgage obligations, asset backed securities, agency notes, agency ARM pass-through, corporate bonds, government related securities, and certificates of deposit. This fund is carried at amortized cost. Amortized cost includes accrued income and is a method of calculating an investment's value by adjusting its acquisition cost for amortization of discount or premium over the period from purchase to maturity. Thus, the balance in the fund is its fair value. The State Board of Administration (SBA)'s interpretation of GASB Statement No. 79 is that the Florida PRIME investment pool currently meets all necessary criteria to measure its investments at amortized cost. Therefore, as a participant in the Florida SBA's Florida PRIME investment pool, the Organization's investments in Florida PRIME were also measured at amortized cost as of June 30, 2021 and 2020, respectively. There were no limitations or restrictions on participant withdrawals including items such as redemption notices, maximum transaction amounts, and the pool's authority to impose liquidity fees or redemption gates.

- **Credit Risk**—The Organization minimizes credit risk, the risk of loss due to failure of the security, by limiting investments to investment pools offered by the State Board of Administration. The Local Government Surplus Funds Trust (PRIME Fund) is rated by Standards & Poors. The current rating is AAAM. The Investment Manager of Florida PRIME managements credit risk by purchasing only high-quality securities, performing a credit analysis to develop a database of issuers and securities that meet the Investment manager's minimum standard and by regularly reviewing the portfolio's securities financial data, issuer news and developments, and ratings of the nationally recognized statistical rating organizations.
- **Interest Rate Risk**—The Organization manages its exposure to declines in fair values of investments by investing operating funds primarily in shorter-term securities and the Florida SBA's Florida PRIME. The weighted average days to maturity of the Local Government Surplus Funds Trust at June 30, 2021, was 50 days. Next interest rate reset dates for floating rate securities are used in the calculation of the weighted average days to maturity.
- **Custodial Credit Risk**—Investments are subject to custodial credit risk if the securities are uninsured, not registered in the Organization's name, and are held by the party that either sells to or buys for the Organization. No investments held at year-end were subject to custodial credit risk. The Florida SBA's Florida PRIME does participate in securities lending, but the Organization owns shares of the Florida PRIME and not the underlying investments. Neither the Organization nor Florida Prime has participated in securities lending program in the fiscal year ended June 30, 2021.

**FLORIDA STATE UNIVERSITY MAGNET RESEARCH AND DEVELOPMENT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

(5) **Pronouncements issued:**

GASB issued Statement No. 87, Leases, in June 2017. GASB 87 aims to better meet the information needs of financial statement users by improving accounting and financial reporting for leases. The provisions in GASB 87 are effective for periods beginning after June 15, 2021. Florida State University Magnet Research and Development, Inc. is currently evaluating the effects that implementation of the new standards will have on its financial position, results of operations, and cash flows.

(6) **Contingencies:**

During the year ended June 30, 2021, 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 Organization as of management believes that a material impact on the Organization's financial position and results of future operations is reasonably possible.

**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,  
Florida State University Magnet Research and Development, 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 University Magnet Research and Development, Inc., which comprise the statement of net position as of June 30, 2021, and the related statements of revenue, expenses, and change of net position, and cash flows for the year then ended, and related notes to the financial statements, and have issued our report thereon dated .

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Florida State University Magnet Research and Development, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Florida State University Magnet Research and Development, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Florida State University Magnet Research and Development, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

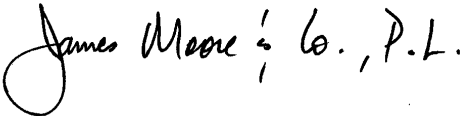
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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 Florida State University Magnet Research and Development, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

James Moore & Co., P.L.

Tallahassee, Florida  
August 31, 2021