

Financial Statements

Volunteer Florida Foundation, Inc.

*Year ended June 30, 2021
with Report of Independent Auditors*



Volunteer Florida Foundation, Inc.

Financial Statements

Year ended June 30, 2021

Contents

Report of Independent Auditors	1
Management’s Discussion and Analysis	4
Audited Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	8
Statement of Activities.....	9
Fund Financial Statements	
Balance Sheet – Governmental Funds	10
Reconciliation of Balance Sheet – Governmental Funds to the Statement of Net Position	11
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	12
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	13
Statement of Fiduciary Net Position – Fiduciary Fund	14
Statement of Changes in Fiduciary Net Position – Fiduciary Fund.....	15
Notes to Financial Statements.....	16

Other Required Supplementary Information

Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – General Fund.....23

Schedule of Revenue, Expenditures, and Changes in Fund Balance –
Budget and Actual – Special Revenue Fund.....24

Other Reports

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.....25

Report of Independent Auditors

Board of Directors
Volunteer Florida Foundation, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Volunteer Florida Foundation, Inc. (the Foundation) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Foundation's basic 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.

Page Two

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Foundation as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

The financial statements of the Foundation as of and for the year ended June 30, 2020, were audited by other auditors whose report dated December 18, 2020, expressed an unmodified opinion on those statements.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as presented 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.

Page Three

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 20, 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
October 20, 2021

Volunteer Florida Foundation, Inc.

Management's Discussion and Analysis

In accordance with Section 14.29(2) Florida Statutes, the Florida Commission on Community Service (the Commission) is administratively housed within the Executive Office of the Governor and independently exercises the responsibilities required to comply with the Florida Volunteer and Community Service Act of 2001, the National and Community Service Trust Act of 1993 (Federal Law), and other provisions of state law. In accordance with section 14.29(9)(a) of Florida Statutes, the Commission may establish a Direct Support Organization which is a not for profit that is organized to operate exclusively to receive and administer funds and make expenditures to or for the benefit of the program.

The Volunteer Florida Foundation, Inc. (the Foundation) was created on May 5, 2010. The Foundation is a non-profit charity established, organized and operated exclusively as a Direct Support Organization to assist the Commission in its mission of strengthening Florida's communities as well as key Governor's initiatives throughout the year. The Foundation's activities are guided by a voluntary bipartisan board of directors.

In addition to supporting the Commission's primary programs, the Foundation also raises funds for special initiatives including the Florida Black History Month and Florida Hispanic Heritage Month statewide celebrations and other award programs honoring our state's outstanding volunteers, veterans and educators. The Foundation also administers the Florida Disaster Fund.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Foundation's basic financial statements. The Foundation's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

The Foundation interprets its status as a *discretely presented component unit* of the Commission.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Foundation's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Foundation's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Foundation is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Volunteer Florida Foundation, Inc.

Management's Discussion and Analysis (continued)

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Foundation, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Foundation has two fund categories - the governmental funds and the fiduciary fund.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*. The Foundation maintains two (2) individual governmental funds, the general fund and the special revenue fund. The basic governmental fund financial statements can be found in this report as noted in the table of contents.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in this report as noted in the table of contents.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Foundation's budgetary information. Required supplementary information can be found in this report as noted in the table of contents.

Volunteer Florida Foundation, Inc.

Management's Discussion and Analysis (continued)

Condensed Statements of Net Position. The following table presents the Foundation's condensed Statements of Net Position as of June 30, 2021 and 2020, as derived from the government-wide Statements of Net Position.

	<u>2021</u>	<u>2020</u>
Current and other assets	\$ 3,436,935	\$ 11,105,431
Capital assets	1,175	-
Total assets	<u>3,438,110</u>	<u>11,105,431</u>
Total liabilities	1,456,852	1,373,353
Net position:		
Net investment in capital assets	1,175	-
Restricted	1,986,751	9,527,026
Unrestricted	(6,668)	205,052
Total net position	<u>\$ 1,981,258</u>	<u>\$ 9,732,078</u>

Condensed Statements of Activities. The following table presents the Foundation's condensed Statements of Activities for the fiscal years ended June 30, 2021 and 2020, as derived from the government-wide Statements of Activities.

	<u>2021</u>	<u>2020</u>
Revenues		
Program revenues		
Operating grants & contributions	\$ 8,874,939	\$ 6,002,912
Total program revenues	<u>8,874,939</u>	<u>6,002,912</u>
General revenues		
Investment earnings	6,167	156,011
Miscellaneous revenue	-	74,881
Total general revenues	<u>6,167</u>	<u>230,892</u>
Total revenues	<u>8,881,106</u>	<u>6,233,804</u>
Program expenses		
General government	372,509	280,768
Community development projects	213,361	31,675
Florida disaster fund	16,046,056	13,407,818
Total program expenses	<u>16,631,926</u>	<u>13,720,261</u>
Excess (deficiency) before transfers (net)	<u>(7,750,820)</u>	<u>(7,486,457)</u>
Change in net position	<u>\$ (7,750,820)</u>	<u>\$ (7,486,457)</u>

Volunteer Florida Foundation, Inc.

Management's Discussion and Analysis (continued)

Overall Analysis

Financial highlights for the Foundation as a whole include the following:

- The assets of the Foundation exceeded its liabilities (net position) at the close of fiscal year 2021 by \$1,981,258, as compared to \$9,732,078 for fiscal year 2020. The majority of the net position balance is restricted for projects relating to community award programs, community development programs, and the Florida disaster fund.
- The Foundation's total net position decreased by \$7,750,820 during the fiscal year 2021, as compared to a \$7,486,457 decrease in fiscal year 2020.

Major Fund Analysis

The following funds experienced significant changes during the year:

General fund. Fund balance as of June 30, 2021 has decreased to a total of \$(6,668), as compared to \$205,052 as of June 30, 2020. This decrease relates to increases in expenditures from changing expense allocation ratios for shared costs between the Foundation and the Commission. Additionally, the decrease relates to a decrease in interest income derived from interest bearing accounts.

Special Revenue Fund. Fund balance as of June 30, 2021 has decreased to a total of \$1,986,751, as compared to \$9,527,026 as of June 30, 2020. This decrease relates to a continuation of program expenditures outpacing program specific grant and contribution revenues for the Florida Disaster Fund.

Budget Variances in the General Fund

The Foundation made no significant revisions in its budget during the year. There were some significant variations between final budgeted and actual results. These variations were caused by changing allocation percentages of shared costs between the Foundation and the Commission, as well as limitations on travel and decreased office expenses as a result of the COVID pandemic. Refer to the budgetary comparison schedule for the General Fund in the Other Required Supplementary section of the Financial Statements.

Capital Asset Activity

The Foundation reported \$1,175 in capital asset activity for governmental activities as of June 30, 2021 versus \$0 as of June 30, 2020. Please refer to note 4 in the Notes to the Financial Statements for additional information on capital assets.

Requests for Information

Questions concerning any of the information provided in this report or requests for additional information should be addressed to Jason Norris, Chief Financial Officer, Florida Commission on Community Service.

Volunteer Florida Foundation, Inc

Statement of Net Position

June 30, 2021

	<u>Governmental Activities</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 3,413,245
Accounts receivable	11,075
Other assets	12,615
Total current assets	<u>3,436,935</u>
Noncurrent assets:	
Capital assets:	
Depreciable (net)	<u>1,175</u>
Total noncurrent assets	<u>1,175</u>
Total assets	<u><u>\$ 3,438,110</u></u>
Liabilities and net position	
Accounts payable and accrued liabilities	\$ 1,407,217
Due to Commission	49,635
Total liabilities	<u>1,456,852</u>
Net position	
Net investment in capital assets	1,175
Restricted for:	
Community awards programs	3,982
Community development programs	18,288
Florida Disaster Fund	1,964,481
Unrestricted	<u>(6,668)</u>
Total net position	<u><u>\$ 1,981,258</u></u>

See accompanying notes.

Volunteer Florida Foundation, Inc

Statement of Activities

Year ended June 30, 2021

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net (Expenses) Revenues and Change in Net Position</u>
		<u>Operating Grants and Contributions</u>	<u>Primary Government Governmental Activities</u>
Primary Government Governmental Activities:			
General government	\$ 372,509	\$ 152,309	\$ (220,200)
Community development projects	213,361	15,000	(198,361)
Florida Disaster Fund	16,046,056	8,707,630	(7,338,426)
Total governmental activities	<u>16,631,926</u>	<u>8,874,939</u>	<u>(7,756,987)</u>
General revenues:			
Unrestricted investment earnings			<u>6,167</u>
Total general revenues			<u>6,167</u>
Change in net position			(7,750,820)
Net position at beginning of year			<u>9,732,078</u>
Net position at end of year			<u>\$ 1,981,258</u>

See accompanying notes.

Volunteer Florida Foundation, Inc

Balance Sheet – Governmental Funds

June 30, 2021

	General Fund	Special Revenue Fund	Total Governmental Funds
Assets:			
Cash and cash equivalents	\$ 30,359	\$ 3,382,886	\$ 3,413,245
Accounts receivable	-	11,075	11,075
Other assets	12,615	-	12,615
Total assets	<u>\$ 42,974</u>	<u>\$ 3,393,961</u>	<u>\$ 3,436,935</u>
Liabilities:			
Accounts payable	\$ 7	\$ -	\$ 7
Sub-grantee payables	-	1,407,210	1,407,210
Due to Commission	49,635	-	49,635
Total liabilities	<u>49,642</u>	<u>1,407,210</u>	<u>1,456,852</u>
Fund balance:			
Restricted for:			
Community award programs	-	3,982	3,982
Community development programs	-	18,288	18,288
Florida Disaster Fund	-	1,964,481	1,964,481
Unassigned fund balance	(6,668)	-	(6,668)
Total fund balance	<u>(6,668)</u>	<u>1,986,751</u>	<u>1,980,083</u>
Total liabilities and fund balance	<u>\$ 42,974</u>	<u>\$ 3,393,961</u>	<u>\$ 3,436,935</u>

See accompanying notes.

Volunteer Florida Foundation, Inc

Reconciliation of Balance Sheet - Governmental Funds
to the Statement of Net Position

June 30, 2021

Total fund balance – governmental funds \$ 1,980,083

Amounts reported for governmental activities in the
Statement of Net Position are different because:

Capital assets used in governmental activities are not financial
resources, and therefore are not reported as assets in
governmental funds.

Governmental capital assets	1,245	
Less accumulated depreciation	<u>(70)</u>	
		<u>1,175</u>

Net position of governmental activities \$ 1,981,258

See accompanying notes.

Volunteer Florida Foundation, Inc.

Statement of Revenues, Expenditures, and Changes in
Fund Balance – Governmental Funds

Year Ended June 30, 2021

	General Fund	Special Revenue Fund	Total Governmental Funds
Revenues:			
Contributions	\$ 152,309	\$ -	\$ 152,309
Program specific grant and contributions:			
Black History Month	-	7,500	7,500
Florida Disaster Fund	-	130,901	130,901
Hispanic Heritage Month	-	7,500	7,500
Florida Disaster Fund matching funds	-	8,576,729	8,576,729
Interest income	-	6,167	6,167
Total revenues	<u>152,309</u>	<u>8,728,797</u>	<u>8,881,106</u>
Expenditures:			
Current:			
Direct program services	19,698	7,469,327	7,489,025
Operating expenses	59,477	6,883	66,360
Personnel services	235,599	-	235,599
Professional services	58,910	206,478	265,388
Program matching services	-	8,576,729	8,576,729
Total expenditures	<u>373,684</u>	<u>16,259,417</u>	<u>16,633,101</u>
Net change in fund balance	(221,375)	(7,530,620)	(7,751,995)
Interfund transfers	9,655	(9,655)	-
Fund balance at beginning of year	<u>205,052</u>	<u>9,527,026</u>	<u>9,732,078</u>
Fund balance at ending of year	<u>\$ (6,668)</u>	<u>\$ 1,986,751</u>	<u>\$ 1,980,083</u>

See accompanying notes.

Volunteer Florida Foundation, Inc

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balance of Governmental Funds to the Statement of Activities

Year Ended June 30, 2021

Net change in fund balances - total governmental funds \$ (7,751,995)

Amounts reported for governmental activities in the
Statement of Activities are different because:

Governmental funds report capital outlays as expenditures.

However, in the Statement of Activities, the cost of those assets is
allocated over their estimated useful lives as depreciation expenses.

Expenditures for capital assets	1,245	
Less current year depreciation	<u>(70)</u>	
		<u>1,175</u>
Change in net position of governmental activities		<u><u>\$ (7,750,820)</u></u>

See accompanying notes.

Volunteer Florida Foundation, Inc.

Statement of Fiduciary Net Position
– Fiduciary Fund

June 30, 2021

	Custodial Fund
Assets:	
Cash and cash equivalents	\$ 118,622
Total assets	<u>\$ 118,622</u>
Liabilities:	
Accounts payable	\$ 500
Other liabilities	104
Total liabilities	<u>604</u>
Net Position:	
Restricted for:	
Gubernatorial Fellows	118,018
Total net position	<u>\$ 118,018</u>

See accompanying notes.

Volunteer Florida Foundation, Inc.

Statement of Changes in Fiduciary Net
Position – Fiduciary Fund

Year Ended June 30, 2021

	Custodial Fund
Additions:	
Contributions	\$ 35,000
Non-cash contributions	437,000
Total additions	<u>472,000</u>
Deductions:	
Direct program services	24,000
Non-cash items transferred to other governmental agencies	437,000
Operating expenses	3,939
Professional services	1,000
Total deductions	<u>465,939</u>
Net change in fiduciary net position	6,061
Beginning net position	<u>111,957</u>
Ending net position	<u><u>\$ 118,018</u></u>

See accompanying notes.

Volunteer Florida Foundation, Inc.

Notes to Financial Statements

Year ended June 30, 2021

1. Summary of Significant Accounting Policies

A. Reporting Entity

These financial statements are intended to present the financial position and results of operations of the Volunteer Florida Foundation, Inc. (the Foundation). The Foundation is a component unit of the Florida Commission on Community Service (the Commission) and is included in the state of Florida's annual financial report. The financial statements contained herein represent the financial transactions of only the Foundation.

The Foundation was created pursuant to Section 14.29(9)(a) of Florida Statutes on May 5, 2010. The Foundation is a non-profit charity established, organized and operated exclusively as a direct support organization to assist the Commission. The Foundation raises funds through contributions and grants to aid the Commission in accomplishing its goals of meeting important human needs in Florida. The Foundation supports the Commission's AmeriCorps, emergency management and volunteer programs. The Foundation also supports special Governor's initiatives including Florida Black History Month and Florida Hispanic Heritage Month statewide celebrations, the Florida Disaster Fund, and other award programs honoring our state's outstanding volunteers, veterans and educators.

Basis of Presentation – Government-Wide and Fund Accounting

The Foundation's financial statements have been prepared in accordance with generally accepted accounting principles prescribed by the Governmental Accounting Standards Board (GASB). GASB Statement No. 34 establishes financial reporting requirements for state and local governments throughout the United States. The financial data of the Foundation is presented in the required GASB format as discussed on the following pages.

Basis of Presentation – Government-Wide Financial Statements

The government-wide financial statements consist of a statement of net position and a statement of activities. These statements report all assets, liabilities, revenues, and expenses on all of the nonfiduciary activities of the Foundation, providing a consolidated financial picture of the government as a whole. The effect of interfund activity has been removed from these statements.

The statement of net position reports all financial and capital resources and obligations of the Foundation as a whole. The effects of fiduciary funds are not included as a part of this statement. The difference between assets and liabilities is reported as net position. The statement of activities presents information showing how the Foundation's net position changed during the fiscal year. Further, this statement demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues.

Volunteer Florida Foundation, Inc.

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

A. Reporting Entity (continued)

Basis of Presentation – Government-Wide Financial Statements (continued)

For identifying the function to which program revenue pertains, the determining factor for charges for services is the function that generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Basis of Presentation – Fund Financial Statements

The accounts of the Foundation are organized on the basis of funds, each of which is considered a separate accounting entity. Fund structures, where applicable, have been designed to comply with all requirements of regulatory provisions or administrative action. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of its assets, liabilities, equities, revenues, and expenditures, or expenses, as appropriate. The various funds are grouped into two categories: governmental funds and fiduciary funds. Separate financial statements are provided for each of these categories. Major individual governmental funds are reported as separate columns in the fund financial statements. The remaining governmental funds are aggregated and reported as nonmajor funds.

Governmental Funds – Governmental Funds focus primarily on the sources, uses, and balances of current financial resources and often have a budgetary orientation. The governmental fund category includes the general fund and special revenue fund. The Foundation reports the following major governmental funds:

- The General Fund is the general operating fund of the Foundation. All general contribution revenues and other receipts that are not required either legally or by generally accepted accounting principles to be accounted for in other funds are accounted for in the General Fund.
- The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than special assessments or expendable trusts) that are legally restricted to expenditures for specific purposes.

Fiduciary Funds – Fiduciary Funds are used to account for assets held in a trustee or agency capacity for others and therefore cannot be used to support the Foundation's own programs. The following funds are classified as custodial funds since the Foundation does not have administrative involvement or direct financial involvement in the activities:

- Florida Gubernatorial Fellows Fund – The Foundation acts in an agency capacity for the Executive Office of the Governor who administers the program.
- Department of Emergency Management Contribution Fund – The Foundation acts in an agency capacity for the Florida Division of Emergency Management (the Division), where the Foundation collects non-cash donations from organizations and directly remits them to the Division for their use.

Volunteer Florida Foundation, Inc.

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

B. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources or economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Contributions and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within sixty (60) days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Foundation.

C. Assets, Liabilities and Net Position

Cash and Cash Equivalents

The Foundation's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three (3) months or less from the date of acquisition.

Volunteer Florida Foundation, Inc.

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

C. Assets, Liabilities and Net Position (continued)

Due to Commission

These are activities between the Commission and the Foundation. Such amounts represent expenses paid by the Commission that are due from the Foundation at the end of the fiscal year.

Capital Assets

The Foundation has established a capitalization threshold of \$5,000 for property expected to benefit the operations of the organization for multiple years to be considered.

- A capital asset is defined as a unit of tangible property that has an economic useful life of more than twelve (12) months; and was acquired or produced for a cost of more than \$5,000, including acquisition and installation costs on the same invoice. Capital assets must be capitalized and depreciated for financial statement purposes.
- Capital assets include furniture and equipment.
- Property purchased meeting the capital asset definition is added to the list of assets maintained by the finance department. This list is categorized by type of capital asset, i.e. buildings, furniture and equipment, plant assets, etc., and includes the asset number, date of installation, cost, shipping and installation fees, and life expectancy for depreciation purposes. A copy of the invoices are maintained with these asset records until the asset is sold or deleted.
- The useful lives of capitalizable assets is estimated to be 5 years.
- The Foundation carries an allocated portion of capital assets the Commission purchases that benefit the Foundation.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position.

Volunteer Florida Foundation, Inc.

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

C. Assets, Liabilities and Net Position (continued)

Fund Balance Flow Assumption

Occasionally the Foundation will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the Foundation's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance, and lastly unassigned fund balance is applied.

Fund Balance Policies

The Foundation has implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), as required. The purpose of GASB 54 is to improve the consistency and usefulness of fund balance information to the financial statement users. The statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which the organization is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. The Foundation has reported the following fund balance components:

- *Restricted* - This component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments); or (b) by law through constitutional provisions or enabling legislation.
- *Unassigned* - This classification is used for: (a) negative unrestricted fund balances in any governmental fund; or (b) fund balances within the general fund that are not restricted, committed or assigned.

D. Income Taxes

The Foundation is generally exempt from federal income taxes on related income under section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3).

With few exceptions, the Foundation is no longer subject to examinations by major tax jurisdictions for years ended June 30, 2017 and prior.

Volunteer Florida Foundation, Inc.

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

E. Subsequent Events

The Foundation has evaluated subsequent events through October 20, 2021, the date the financial statements were available to be issued. During the period from June 30, 2021 to October 20, 2021, the Foundation did not have any material recognizable subsequent events.

F. Use of Estimates

The preparation of financial statements in accordance 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.

2. Budgetary Process

Pursuant to its plan of operation, the Foundation shall adopt an annual operating budget and program work plan for each fiscal year. The program work plan shall clearly outline the annual objectives of the Foundation relative to duties and responsibilities and provide an anticipated schedule for completion of those objectives. The budget is adopted on the modified accrual basis of accounting.

3. Other Assets

On April 12, 2019, the Foundation received a donation of comic books. These comic books were recorded by the Foundation as a contribution at fair market value. Other assets amounted to \$12,615 as of June 30, 2021.

4. Capital Assets

Following is a summary of the changes in capital assets for the year ending June 30, 2021:

Descriptions	Beginning balance	Additions	Deletions	Ending balance
	June 30, 2020			June 30, 2021
Equipment and furnishings	\$ —	\$ 1,245	\$ —	\$ 1,245
Total capital assets subject to depreciation	—	1,245	—	1,245
Accumulated depreciation	—	(70)	—	(70)
Total capital assets, net	<u>\$ —</u>	<u>\$ 1,175</u>	<u>\$ —</u>	<u>\$ 1,175</u>

Volunteer Florida Foundation, Inc.

Notes to Financial Statements

5. Interfund Transfers

Interfund transfers for the year ended June 30, 2021, consisted of the following:

Transfer from Special Revenue Fund:	Transfer to General Fund
Community Awards Program	\$ 3,510
Florida Disaster Fund	6,145
Total	<u>\$ 9,655</u>

Transfers were made to move unrestricted interest income earned in the special revenue fund to the general fund and to move previously internally assigned balances of the special revenue fund that are no longer applicable to the general fund.

6. Deposits

As of June 30, 2021, the carrying amount of the Foundation's cash deposits, including fiduciary funds, were \$3,531,867, and bank balances on deposit totaled \$3,532,034. The Foundation maintains cash balances at one financial institution. The Foundation's full account balance is insured through a certificate of deposit account registry service provided by the Foundation's banking institution.

7. Risk Management

The Foundation is exposed to various risks of loss associated with normal operations and has purchased commercial insurance to mitigate such risks.

8. In-Kind Support

The Foundation records in-kind contributions at the fair value of supplies donated. Such in-kind supplies provided consist primarily of personal protective equipment used to combat the spread of COVID-19.

These supplies are recorded as income and expense at the time they are received, which is normally the time they are used. Such in-kind contributions, which met criteria for recognition, amounted to \$437,000 and \$41,165 for the years ended June 30, 2021 and 2020, respectively.

Other Required Supplementary Information

Volunteer Florida Foundation, Inc.

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
– General Fund

Year ended June 30, 2021

	Governmental Fund			
	General Fund			
	Budgeted Amounts		Actual	Favorable (Unfavorable)
Original	Final			
Revenues:				
Contributions	\$ 300,000	\$ 300,000	\$ 152,309	\$ (147,691)
Interest income	52,527	52,527	-	(52,527)
Total revenue	<u>352,527</u>	<u>352,527</u>	152,309	(200,218)
Expenditures:				
Current:				
Direct program services	31,883	31,883	19,698	12,185
Operating expenses	34,922	34,922	59,477	(24,555)
Personnel services	166,422	166,422	235,599	(69,177)
Professional services	16,250	16,250	58,910	(42,660)
Total expenditures	<u>249,477</u>	<u>249,477</u>	<u>373,684</u>	<u>(124,207)</u>
Excess of expenditures over revenues	<u>\$ 103,050</u>	<u>\$ 103,050</u>	(221,375)	<u>\$ (324,425)</u>
Interfund transfers			9,655	
Fund balance at beginning of year			<u>205,052</u>	
Fund balance at ending of year			<u>\$ (6,668)</u>	

See report of independent auditors.

Volunteer Florida Foundation, Inc.

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
– Special Revenue Fund

Year ended June 30, 2021

	Governmental Fund			
	Special Revenue			
	Budgeted Amounts		Actual	Favorable (Unfavorable)
Original	Final			
Revenues:				
Program specific contributions	\$ 146,500	\$ 146,500	\$ 145,901	\$ (599)
Interest income	-	-	6,167	6,167
Florida disaster fund matching funds	-	-	8,576,729	8,576,729
Total revenue	<u>146,500</u>	<u>146,500</u>	<u>8,728,797</u>	<u>8,582,297</u>
Expenditures:				
Current:				
Direct program services	7,582,815	7,582,815	7,469,327	113,488
Operating expenses	40,501	40,501	6,883	33,618
Professional services	-	-	206,478	(206,478)
Program matching services	-	-	8,576,729	(8,576,729)
Total expenditures	<u>7,623,316</u>	<u>7,623,316</u>	<u>16,259,417</u>	<u>(8,636,101)</u>
Excess of expenditures over revenues	<u>\$ (7,476,816)</u>	<u>\$ (7,476,816)</u>	(7,530,620)	<u>\$ (53,804)</u>
Interfund transfers			(9,655)	
Fund balance at beginning of year			<u>9,527,026</u>	
Fund balance at ending of year			<u>\$ 1,986,751</u>	

See report of independent auditors.

Other Reports

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 Board of Directors
Volunteer Florida 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 the governmental activities, each major fund, and the aggregate remaining fund information of the Volunteer Florida Foundation, Inc. (the Foundation), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements, and have issued our report thereon dated October 20, 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.

Page Two

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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of 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
October 20, 2021

To the Board of Directors
Volunteer Florida Foundation Inc.

We are pleased to present this report related to our audit of the financial statements of Volunteer Florida Foundation Inc. (the Foundation) as of and for the year ended June 30, 2021. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the Commission and 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 and related compliance reporting process.

Area	Comments
Our Responsibilities With Regard to the Financial Statement Audit	Our responsibilities under auditing standards generally accepted in the United States of America and <i>Government Auditing Standards</i> issued by the Comptroller General of the United States have been described to you in our arrangement letter dated April 29, 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.
Overview of the Planned Scope and Timing of the Financial Statement Audit	We discussed with members of the Board 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.

Area	Comments
Accounting Policies and Practices	Adoption of, or Change in, Accounting Policies <p>Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Foundation. Following is a description of significant accounting policies or their application that were either initially selected or changed during the year.</p> <p>During the year the estimates used for the allocation of indirect cost between the Foundation and its primary government, the Florida Commission on Community Service, were updated to align with changes in personnel and responsibilities. These updates were necessary to better align the allocation of expenditures with the related level of effort and benefit of such indirect costs.</p> Significant or Unusual Transactions <p>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>
Management's Judgments and Accounting Estimates	<p>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 indirect costs between the Foundation and the Commission.</p> <p>The Board of Directors may wish to monitor throughout the year the process used to determine and record these accounting estimates.</p>

Area	Comments
Audit Adjustments	Audit adjustments proposed by us and recorded by the Foundation are shown on Exhibit A.
Uncorrected Misstatements	There were no uncorrected misstatements that management determined to be immaterial.
Disagreements With Management	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.
Consultations With Other Accountants	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
Significant Issues Discussed With Management	No significant issues arising from the audit were discussed or the subject of correspondence with management.
Significant Difficulties Encountered in Performing the Audit	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.
Significant Written Communications Between Management and Our Firm	See Exhibit B for a copy of the representation letter provided to us by the Foundation's management.

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 Volunteer Florida Foundation, Inc.

Thomas Howell Ferguson P.A.

Volunteer Florida Foundation, Inc.

Year End: June 30, 2021

Journal Entries: Adjusting

Date: 7/1/2020 To 6/30/2021

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
1	6/30/2021	Due to Commission	24002-403 GF01	7200.1 3/			20,604.00		
1	6/30/2021	Salaries	50001-403 GF01	7200.1 3/		20,604.00			
		To correct the allocation of payroll between the Commission and the Foundation.							
2	6/30/2021	Transfer to other funds	THF1-415 415	6900. 1		6,145.00			
2	6/30/2021	Transfer to other funds	THF4-403 GF01	6900. 1			6,145.00		
2	6/30/2021	Interest	44001-403 GF01	6900. 1		6,145.00			
2	6/30/2021	Interest	44001-415 415	6900. 1			6,145.00		
		To record the transfer of interest from the Special Revenue funds to the General Fund.							
									Projected
3	6/30/2021	Transfer to other funds	THF1-430 ALLOTHER	6900. 1		3,510.00			
3	6/30/2021	Transfer to other funds	THF4-403 GF01	6900. 1			3,510.00		
3	6/30/2021	Net Assets	30001-403 GF01	6900. 1		3,509.00			
3	6/30/2021	Net Assets	30001-430 ALLOTHER	6900. 1			3,510.00		
3	6/30/2021	Other Expenses	68000-403 GF01	6900. 1		1.00			
		To agree beginning equity balance to PY FS.							
									Projected
PBC 1	6/30/2021	Match Revenue	42000-515 ALLOTHER	PBC / 8011			7,353.00		
PBC 1	6/30/2021	General Administrative and Operating Costs - FI	53380-515 ALLOTHER	PBC / 8011		7,353.00			
		06-2021 THE BUSINESS AND TECHNOLOGY DEVELOP CORP FDRF MATCH							
PBC 2	6/30/2021	Accounts Payable - Vendors	20000-415 415	PBC / 8011			25,229.00		
PBC 2	6/30/2021	General Administrative and Operating Costs - FI	53380-415 415	PBC / 8011		20,229.00			
PBC 2	6/30/2021	Contractual Costs - FDF Subgrantee	53381-415 415	PBC / 8011		5,000.00			
		06-2021 THE BUSINESS AND TECHNOLOGY DEVELOP CORP FDF INVOICE							
						72,496.00	72,496.00		
		Net Income (Loss)	(7,745,934.00)						

October 20, 2021

Exhibit B



volunteerflorida
FOUNDATION

1545 Raymond Diehl Road
Suite 250
Tallahassee, Florida 32308

Phone: 850.414.7400
Fax: 850.921.5146

VolunteerFlorida.org

Thomas Howell Ferguson P.A.
2615 Centennial Blvd. Ste 200
Tallahassee, FL 32308

This representation letter is provided in connection with your audit of the Volunteer Florida Foundation, Inc. (the Foundation) financial statements as of and for the year ended June 30, 2021 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 29, 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 transactions, including those with the primary government having accountability for the Foundation, and interfund transactions, including interfund accounts and advances receivable and payable, sale and purchase transactions, interfund transfers, long-term loans, leasing arrangements and guarantees, have been recorded in accordance with the economic substance of the transaction and appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
6. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, as amended.
7. All events subsequent to the date of the financial statements, for which U.S. GAAP requires adjustment or disclosure, have been adjusted or disclosed.
8. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.

9. The following have been properly recorded and/or disclosed in the financial statements:
 - a. Guarantees, whether written or oral, under which the Foundation are contingently liable.
 - b. Security agreements in effect under the Uniform Commercial Code.
 - c. 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.
 - d. All liabilities that are subordinated to any other actual or possible liabilities of the Foundation.
 - e. All leases and material amounts of rental obligations under long-term leases.
 - f. Authorized but unissued bonds and/or notes.
 - g. Deposits and investment securities categories of risk.
 - h. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances, line of credit, or similar arrangements have been properly disclosed.
 - i. Impairment of capital assets.
 - j. Net positions and fund balance classifications.
 - k. All significant estimates and material concentrations known to management that are required to be disclosed. 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.
10. With respect to assistance with the preparation of financial statement 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.
11. We have no direct or indirect legal or moral obligation for any debt of any organization, public or private that is not disclosed in the financial statements.
12. We have complied with all aspects of laws, regulations and provisions of contracts and agreements that would have a material effect on the financial statements in the event of noncompliance.
13. We have no knowledge of any uncorrected misstatements in the financial statements.

Information Provided

14. 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 audits;
 - 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 boards and committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.
15. All transactions have been recorded in the accounting records and are reflected in the financial statements.
16. 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.
17. 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.
18. 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, analysts, regulators, short sellers, or others.
19. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations.
20. We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statements, and we have not consulted legal counsel concerning litigation or claims.
21. 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.
22. We are aware of no 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.
23. We are aware of no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
24. 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.

- c. Provision has been made to reduce applicable assets that have permanently declined in value to their realizable values.
 - d. We have reviewed long-lived assets and certain identifiable intangibles to be held and used for impairment whenever events or changes in circumstances have indicated that the carrying amount of the assets might not be recoverable and have appropriately recorded the adjustment.
25. 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. To reduce obsolete, damaged, or excess inventories to their estimated net realizable values.
 - c. To reduce investments, intangibles, and other assets which have permanently declined in value to their realizable values.
 - e. For pension obligations, post-retirement benefits other than pensions, and deferred compensation agreements attributable to employee services rendered through June 30, 2021.
 - f. For any material loss to be sustained in the fulfillment of, or from the inability to fulfill, any service commitments.
 - g. For any material loss to be sustained as a result of purchase commitments.
26. 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.
 - c. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed.
27. The Foundation has satisfactory title to all owned assets.
28. Net positions invested in capital assets, net of related debt; restricted; and unrestricted and fund balances are properly classified and, when applicable, approved.
29. Expenses or expenditures have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
30. Revenues are appropriately classified in the statements of activities within program revenues and general revenues and contributions to term or permanent endowments, or contributions to permanent fund principal.
31. Capital assets, including infrastructure assets, are properly capitalized, reported, and depreciated.
32. 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.

33. With respect to Management's Discussion and Analysis presented as required by the Governmental Accounting Standards Board to supplement the basic financial statements:
 - a. We acknowledge our responsibility for the presentation of such required supplementary information.
 - b. We believe such required supplementary information is measured and presented in accordance with guidelines prescribed by U.S. GAAP.
 - c. The methods of measurement or presentation have not changed from those used in the prior period.
34. With respect to the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund & the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Special Revenue Fund presented as required by the Governmental Accounting Standards Board to supplement the basic financial statements:
 - a. We acknowledge our responsibility for the presentation of such required supplementary information.
 - b. We believe such required supplementary information is measured and presented in accordance with guidelines prescribed by U.S. GAAP.
 - c. The methods of measurement or presentation have not changed from those used in the prior period.

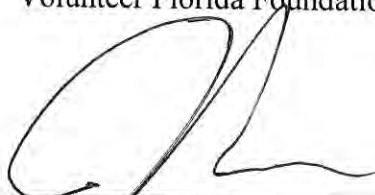
Compliance Considerations

In connection with your audit conducted in accordance with *Government Auditing Standards*, we confirm that management:

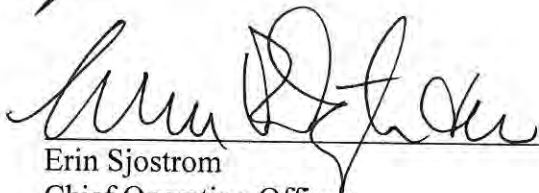
35. Is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework.
36. Is responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to the auditee.
37. Has identified and disclosed to the auditor all instances that have occurred, or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
38. Has identified and disclosed to the auditor all instances that have occurred, or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that have a material effect on the determination of financial statement amounts.
39. Has identified and disclosed to the auditor all instances that have occurred, or are likely to have occurred, of waste or abuse that could be quantitatively or qualitatively material to the financial statements.
40. Is responsible 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.
41. Acknowledges its responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud.

42. Has taken timely and appropriate steps to remedy fraud; noncompliance with provisions of laws, regulations, contracts and grant agreements; or abuse that the auditor reports.
43. Has a process to track the status of audit findings and recommendations.
44. Has identified for the auditor previous audits, attestation engagements and other studies related to the audit objectives and whether related recommendations have been implemented.
45. Has provided views on the auditor's reported findings, conclusions and recommendations, as well as management's planned corrective actions, for the report.
46. Acknowledges its responsibilities as it relates to non-audit services performed by the auditor, including a statement that it assumes all management responsibilities; that it oversees the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge or experience; that it evaluates the adequacy and results of the services performed; and that it accepts responsibility for the results of the services.

Volunteer Florida Foundation, Inc.



Jason Norris
Chief Financial Officer



Erin Sjostrom
Chief Operating Officer