

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

FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

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

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Consortium of Florida Education Foundations, Inc. (the Consortium), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Consortium as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Consortium and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Consortium's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- 1) Exercise professional judgment and maintain professional skepticism throughout the audit.
- 2) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 3) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consortium's internal control. Accordingly, no such opinion is expressed.
- 4) Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- 5) Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Consortium's ability to continue as a going concern for a reasonable period of time.

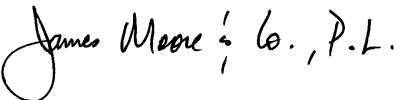
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2022, on our consideration of the Consortium'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 the effectiveness of the Consortium'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 Consortium's internal control over financial reporting and compliance.

James Moore & Co., P.L.

Gainesville, Florida
November 8, 2022

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

	2022	2021
<u>ASSETS</u>		
Current assets		
Cash and cash equivalents	\$ 359,776	\$ 770,848
Certificates of deposit	416,563	414,176
Receivables	8,500	-
Prepaid expenses	220	220
Total current assets	785,059	1,185,244
Noncurrent assets		
Fixed assets, net of accumulated depreciation	18,498	18,878
Total Assets	\$ 803,557	\$ 1,204,122
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities		
Accounts payable and accrued expenses	\$ 12,878	\$ 38,657
Deferred revenue	175,000	547,750
Total current liabilities	187,878	586,407
Net Assets		
Without donor restrictions		
Operating	245,679	270,425
Board designated (see Note 2)	370,000	347,290
Total net assets	615,679	617,715
Total Liabilities and Net Assets	\$ 803,557	\$ 1,204,122

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

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
Public support and revenue		
Public support		
State grant	\$ 6,000,000	\$ 5,000,000
Private grants	785,250	470,416
Membership dues	90,950	84,450
Membership fees	3,000	3,500
Contributions	287,052	266,365
Total public support	7,166,252	5,824,731
Other revenue		
Interest income	2,553	4,487
Registration fees	11,199	293
Paycheck Protection Program loan forgiveness	-	44,000
Total other revenue	13,752	48,780
Total public support and revenue	7,180,004	5,873,511
Expenses		
Program services	6,964,811	5,537,521
Management and general	132,065	135,592
Fundraising	85,164	77,351
Total expenses	7,182,040	5,750,464
Change in net assets without donor restrictions	(2,036)	123,047
Net assets, beginning of year	617,715	494,668
Net assets, end of year	\$ 615,679	\$ 617,715

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

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Expenses				
Grants to local education foundations	\$ 6,478,912	\$ -	\$ -	\$ 6,478,912
Salaries and benefits	299,454	37,432	37,432	374,318
Contract services	-	38,088	38,088	76,176
Membership meetings	51,364	-	-	51,364
Travel	13,823	-	-	13,823
Accounting fees	-	20,120	-	20,120
Insurance	-	3,816	-	3,816
Repairs and maintenance	4,195	525	524	5,244
Awards	4,298	-	-	4,298
Website	22,195	-	-	22,195
Office expenses	4,241	530	530	5,301
Rent	8,640	1,080	1,080	10,800
Telephone	3,162	396	395	3,953
Printing and reproduction	7,732	967	966	9,665
Marketing	6,596	-	6,149	12,745
Depreciation	3,577	397	-	3,974
Professional development	35,816	1,885	-	37,701
Professional fees	-	26,128	-	26,128
Consulting	18,000	-	-	18,000
Postage	2,806	701	-	3,507
Total expenses	<u>\$ 6,964,811</u>	<u>\$ 132,065</u>	<u>\$ 85,164</u>	<u>\$ 7,182,040</u>

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

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Expenses				
Grants to local education foundations	\$ 5,135,885	\$ -	\$ -	\$ 5,135,885
Salaries and benefits	268,668	36,447	36,447	341,562
Contract services	-	36,506	36,505	73,011
Membership meetings	30,659	-	-	30,659
Travel	6,321	-	-	6,321
Accounting fees	-	18,368	-	18,368
Insurance	-	5,879	-	5,879
Repairs and maintenance	6,953	869	869	8,691
Awards	3,824	-	-	3,824
Website	27,976	-	-	27,976
Office expenses	2,428	304	303	3,035
Rent	8,624	1,078	1,078	10,780
Telephone	2,690	336	336	3,362
Printing and reproduction	4,375	547	547	5,469
Marketing	5,062	-	1,266	6,328
Depreciation	3,588	399	-	3,987
Professional development	5,725	301	-	6,026
Professional fees	-	34,100	-	34,100
Consulting	22,913	-	-	22,913
Postage	1,830	458	-	2,288
Total expenses	<u>\$ 5,537,521</u>	<u>\$ 135,592</u>	<u>\$ 77,351</u>	<u>\$ 5,750,464</u>

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

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
Cash flows from operating activities		
Change in net assets	\$ (2,036)	\$ 123,047
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	3,974	3,987
Receivables	(8,500)	-
Refundable advance	-	(44,000)
Deferred revenue	(372,750)	327,369
Accounts payable and accrued expenses	(25,779)	29,468
Total adjustments	(403,055)	316,824
Net cash provided by (used in) operating activities	(405,091)	439,871
Cash flows from investing activities		
Cash proceeds received from interest earned on certificates of deposit	1,940	4,338
Purchase of certificates of deposit	(4,327)	(51,402)
Purchase of office equipment	(3,594)	(1,105)
Net cash used in investing activities	(5,981)	(48,169)
Change in cash and cash equivalents	(411,072)	391,702
Cash and cash equivalents, beginning of year	770,848	379,146
Cash and cash equivalents, end of year	\$ 359,776	\$ 770,848

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

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

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

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

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

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

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

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

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

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

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

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

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

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

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

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

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by laws. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions. The Consortium has no net assets with donor restrictions at June 30, 2022 and 2021, and all support and revenue is considered without donor restriction for the years ended June 30, 2022 and 2021. The Consortium's policy is to record restricted contributions as support without donor restrictions when the restrictions are met during the same period. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Conditional gifts received prior to the satisfaction of conditions are recorded as refundable advances.

(d) **Cash and cash equivalents**—Cash equivalents consist of highly liquid short-term money market instruments with a maturity of three months or less when purchased and approximated \$96,000 for the years ended June 30, 2022 and 2021, respectively.

(e) **Certificates of deposit**—Investments in certificates of deposit with original maturities of greater than three months are recorded at cost, which represents purchases of certificates of deposit plus accrued interest. Investment income is included in the statement of activities. The maturity dates as of June 30, 2022 range from August 2022 to November 2023. Subsequent to year end, the certificate that matured in August was rolled into a new 18-month certificate, with maturity date in February 2024.

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

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

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

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

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

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

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

(k) **Advertising**—Advertising costs are charged to operations as incurred. Advertising costs for the year ended June 30, 2022 and 2021 were \$12,745 and \$6,328, respectively.

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

(m) **Revenue recognition**—Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right to return, are not recognized until the conditions on which they depend have been substantially met. As of June 30, 2022, there have been no contributions that have not been recognized in the accompanying statement of activities.

A portion of the Consortiums revenue is derived from cost-reimbursable state grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as without donor restrictions grant revenue when the Consortium has met performance requirements and incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures or meeting other conditional performance requirement barriers are reported as with donor restrictions refundable advances in the statement of financial position. No refundable advances have been received under state grants during the year.

(n) **Subsequent events**—The Consortium has evaluated events and transactions for potential recognition or disclosure in the financial statements through November 8, 2022, the date the financial statements were available to be issued. See note 1e for disclosure of subsequent event related to certificates of deposit.

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

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

(o) **Recent accounting pronouncements**—The FASB and other entities issued new or modifications to, or interpretations of, existing accounting guidance during 2022 and 2021. The Consortium has considered the new pronouncements that altered accounting principles generally accepted in the United States of America, and other than as disclosed in the notes to the financial statements, does not believe that any other new or modified principles will have a material impact on the Consortium’s reported financial position or operations in the near term.

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

(2) **Liquidity and Availability:**

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

	<u>2022</u>	<u>2021</u>
Financial assets available within one year, at year end:		
Cash and cash equivalents	\$ 359,776	\$ 770,848
Accounts receivable	8,500	-
Certificates of deposit	416,563	414,176
Less those unavailable for general expenditures within one year, due to:		
Board designated	(370,000)	(347,290)
Assets available for use over the next 12 months – not designated by donor or board restrictions	<u>\$ 414,839</u>	<u>\$ 837,734</u>

The Consortium has funds that the board has designated in accordance with the organization’s operating reserve policy. These funds are intended to provide working capital to meet the organization’s operation needs for one year on a reduced level in the event there is a disruption in the organization’s major funding sources.

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

(3) **Concentrations and Contingencies:**

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

The Consortium disbursed \$6,478,912 and \$5,135,885, in grant funds to local Florida education foundations during the years ended June 30, 2022 and 2021, respectively. This included a grant from the Florida

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

(3) Concentrations and Contingencies: (Continued)

Department of Education of \$6,000,000 and \$5,000,000 for years ended June 30, 2022 and 2021, respectively. The funds were appropriated as specified in the 2021 and 2020 General Appropriations Acts as challenge grants to public school district education foundations for low performing students. The amount of each grant shall be equal to the private contribution made to a qualifying public school district education foundation. Before any funds are released to any public school district education foundation, the public school district foundation must certify to the Commissioner of Education that private cash has actually been received by the public school district education foundation seeking state matching funds.

The 2021 and 2020 General Appropriations Act dictates the Consortium shall be the fiscal agent for this program. The Consortium is allowed administrative costs not to exceed 5%.

Approximately 84% and 85% of the Consortium's funding was provided by the State of Florida during the fiscal years ended June 30, 2022 and 2021, respectively.

(4) Fixed Assets:

Fixed assets consist of the following at June 30, 2022 and 2021:

	2022	2021
Software	\$ 67,270	\$ 67,270
Computer equipment	14,671	12,126
	81,941	79,396
Less: Accumulated depreciation	(63,443)	(60,518)
	\$ 18,498	\$ 18,878

For the years ended June 30, 2022 and 2021, depreciation expense was \$3,974 and \$3,987.

(5) Retirement Plan:

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

The Consortium contributed \$12,530 and \$12,750 to the plan for each of the years ended June 30, 2022 and 2021, respectively.

(6) Related Party Transaction:

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

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

(7) Payroll Protection Program:

In April 2020, the Consortium received loan proceeds in the amount of \$44,000, pursuant to the Paycheck Protection Program (PPP) established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act). Under the terms of the PPP, loan proceeds and accrued interest are forgivable after twenty-four weeks if they are used for qualifying expenses such as payroll, benefits, rent and utilities, and the company maintains its payroll levels as described in the CARES Act. Any unforgiven portion of the loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first six months. The Consortium utilized the loan proceeds for purposes consistent with the PPP and applied for loan forgiveness on August 5, 2020. The PPP loan forgiveness was granted on November 30, 2020 and the Consortium reported the amount as other income for the fiscal year ended June 30, 2021.

**THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
SCHEDULE OF EXPENDITURES OF
STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2022**

<u>State Agency / Pass-Through Grantor Program Title</u>	<u>CSFA Number</u>	<u>Contract Grant Identification Number</u>	<u>Expenditures</u>	<u>Amount Provided to Subrecipients</u>
STATE AGENCY				
<u>State of Florida Department of Education</u>				
School District Education Foundation Matching Grants	48.061	298-93990-2D001	\$ 6,000,000	\$ 5,700,000
Total State of Florida Department of Education			6,000,000	5,700,000
TOTAL STATE FINANCIAL ASSISTANCE			\$ 6,000,000	\$ 5,700,000

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

THE CONSORTIUM OF FLORIDA EDUCATION FOUNDATIONS, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF STATE AWARDS
AND STATE FINANCIAL ASSISTANCE
JUNE 30, 2022 AND 2021

(1) **Basis of Presentation:**

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

(2) **Contingencies:**

These State projects are subject to financial and compliance audits by grantor agencies which, if instances of material noncompliance are found, may result in disallowed expenditures and affect the Consortium's continued participation in specific projects. The amount of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the Consortium expects such amounts, if any to be immaterial.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of The Consortium of Florida Education Foundations, Inc. (the Consortium), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 8, 2022.

Internal Control over Financial Reporting

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

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

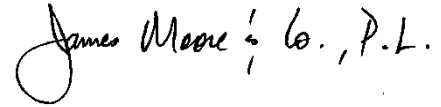
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Consortium's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Coalition's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Consortium's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

James Moore & Co., P.L.

Gainesville, Florida
November 8, 2022

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

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

Report on Compliance for Each Major State Project

Opinion on Each Major State Project

We have audited The Consortium of Florida Education Foundations, Inc.'s (the Consortium) compliance with the types of compliance requirements described in the Florida Department of Financial Services' State Projects *Compliance Supplement* that could have a direct and material effect on each of the Consortium's major state projects for the year ended June 30, 2022. The Consortium's major state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Consortium complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended June 30, 2022.

Basis for Opinion on Each Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Chapter 10.650, Rules of the State of Florida, Office of the Auditor General. Our responsibilities under those standards and the audit requirements of Chapter 10.650, Rules of the State of Florida, Office of the Auditor General are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Consortium and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state project. Our audit does not provide a legal determination of the Consortium's compliance with the compliance requirements referred to above.

Responsivity of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Consortium's state projects.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Consortium's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the audit requirements of Chapter 10.650, Rules of the State of Florida, Office of the Auditor General will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Consortium's compliance with the requirements of each major state project as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the audit requirements of Chapter 10.650, Rules of the State of Florida, Office of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Consortium's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Consortium's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the audit requirements of Chapter 10.650, Rules of the State of Florida, Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the Consortium's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

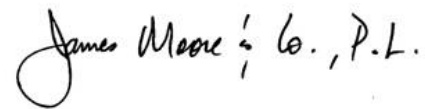
Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.650 and Rules of the State of Florida Office of the Auditor General. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style and is enclosed within a thin black rectangular border.

Gainesville, Florida
November 8, 2022

