

MANAGEMENT’S DISCUSSION AND ANALYSIS

This section of the annual financial report of the Florida Emergency Management Assistance Foundation, Inc. d/b/a The Florida Disaster Foundation (the “Foundation”) presents management’s discussion and analysis of the Foundation’s financial performance during the year ended June 30, 2024. It should be read in conjunction with the Foundation’s financial statements immediately following this section.

Background and Funding Information

During the Legislative Special Session 2022A, the Florida Legislature established the Florida Emergency Management Assistance Foundation, Inc. as a direct-support organization of the Florida Division of Emergency Management (The “Division” or “FDEM”) to provide assistance, funding, and support in disaster response, recovery, and relief efforts for natural disaster emergencies. The Foundation receives private donor funds through coordinated fundraising campaigns, sponsorship fees, and from general disaster relief donations made through the Florida Disaster Relief website. These funds are designed to directly contribute to the immediate recovery of communities impacted by disasters and provide needed support where federal assistance stops.

The Foundation is a nonprofit corporation organized under Chapter 617, Florida Statutes and operates exclusively for charitable purposes within the meaning of section 501 (c)(3) of the Internal Revenue Code. The Foundation is governed by a Board of Directors, consisting of five members, all appointed by the FDEM Director.

Overview of Financial Statements

The Foundation’s financial report includes the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows.

- The Statement of Net Position presents the information on all assets and liabilities of the Foundation with the difference between assets and liabilities reported as net position.
- The Statement of Revenues, Expenses, and Changes in Net Position presents the information on all revenues and expenses of the Foundation and changes in net position.

Financial Highlights

The Foundation is dedicated to supporting the state’s emergency response needs, while being responsible with the resources entrusted to the Foundation. To support the state’s emergency response, the Foundation has used public outreach efforts to increase the education and awareness around emergency management. This has been accomplished by developing and hosting emergency management training sessions, events, and fundraisers for professionals and community members at the district, county, and local levels around the state of Florida during fiscal year 2023-2024. The Foundation also upholds an active presence through the Florida disaster organization website and its social media platforms. The Board will continue to evaluate services provided and revenues received to identify opportunities to increase donations and acts of service.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Financial Analysis

Statement of Net Position

The following statement provides summary of the assets, liabilities, and net position for the Foundation as of the fiscal year ended June 30, 2024:

	<u>2024</u>
Assets	
Current assets	\$ 772,719
Total Assets	<u>\$ 772,719</u>
Liabilities	
Current liabilities	\$ 211,030
Total Liabilities	<u>\$ 211,030</u>
Net Position	
Unrestricted	\$ 561,690
Total Net Position	<u>\$ 772,720</u>

Total assets include cash donations as the Foundation did not acquire and does not currently own any capital, equipment, or other physical assets. Funds are not currently invested and are maintained in a qualified public depository until needed. The Foundation does not have any short or long term receivables or other related assets.

Total liabilities relate to service contracts. The Foundation does not maintain leased property or equipment, and did not engage in financing activities resulting in loans or notes payable as of the end of the fiscal year.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Statement of Revenues, Expenses, and Changes in Net Position

The following statement provides a summary of the revenues, expenses, and changes in net position of the Foundation as of the fiscal year ended June 30, 2024:

	<u>2024</u>
Operating revenues	\$ 1,492,341
Operating expenses	<u>930,651</u>
Change in net position	561,690
Net position at beginning of year	<u>-</u>
Net position at end of year	<u>\$ 561,690</u>

Operating Revenues

The Foundation received donations from private donors through coordinated fundraising campaigns and sponsorship fees from the annual Emergency Management Day event and Florida's Training Emergency Management (FTEM). General disaster relief donations were also received during the fiscal year to support the Foundation's overall efforts.

Operating Expenses

The Foundation's expenses relate to the Foundation's mission to support disaster response along with emergency management awareness and preparation. The Foundation incurs expenses for the following primary purposes:

- Fundraising: The Foundation hosted Emergency Management Day (fundraising event) at the Capitol during the regular legislative session, which serves as one of the primary fundraising events of the year. These expenditures include marketing costs and materials associated with the event.
- Training Expenses: The Foundation supported the development of Florida's Training for Emergency Management (FTEM) training cohort modules and materials. Expenses included training development professional services, site hosting costs, and training delivery expenses.
- Operational expenses such as professional and legal services were also incurred to maintain the administrative responsibilities of the Foundation, including fiscal operations, contractual services, operating expenditures, and travel reimbursements for board members.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Economic Factors and Next Year's Budget

The Annual Operating Budget for the 2024-2025 fiscal year was proposed and approved by the Board of Directors at the scheduled July 12, 2024 Board Meeting.

Contacting the Foundation's Financial Management

This financial report is designed to provide citizens and contributors with a general overview of the Foundation's finances and to demonstrate the Foundation's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Jeremy Smith, Bureau Chief of the Bureau of Financial Management with the Florida Division of Emergency Management at 2555 Shumard Oak Boulevard, Tallahassee, Florida 32399-2100.

Florida Emergency Management Assistance Foundation, Inc.
d/b/a The Florida Disaster Foundation

Statement of Financial Position

Year ended June 30, 2024

Assets

Current assets:

Cash	\$ 540,853
Accounts receivable	<u>231,867</u>

Total assets	\$ <u><u>772,720</u></u>
--------------	--------------------------

Liabilities

Current liabilities:

Accounts payable	\$ <u>211,030</u>
------------------	-------------------

Total liabilities	<u>211,030</u>
-------------------	----------------

Net position:

Unrestricted	<u>561,690</u>
--------------	----------------

Total liabilities and net position	\$ <u><u>772,720</u></u>
------------------------------------	--------------------------

See accompanying notes.

Florida Emergency Management Assistance Foundation, Inc.
d/b/a The Florida Disaster Foundation

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2024

Operating revenues

Program support:

Sponsorships	\$ 794,314
Training fees	553,617
Contributions	144,320
Miscellaneous	<u>90</u>
Total program support	<u>1,492,341</u>

Operating expenses:

Training	881,773
Fundraising	43,446
Legal and professional services	4,705
Bank charges and fees	<u>727</u>
Total operating expenses	930,651

Change in net position 561,690

Net position at beginning of year -

Net position at end of year \$ 561,690

See accompanying notes.

Florida Emergency Management Assistance Foundation, Inc.
d/b/a The Florida Disaster Foundation

Statement of Cash Flows

Year ended June 30, 2024

Operating activities

Receipts from contributions	\$ 938,634
Other cash receipts	321,840
Payments to vendors	<u>(719,621)</u>
Net cash provided by operating activities	<u>540,853</u>
Net increase in cash	540,853
Cash at beginning of year	<u>-</u>
Cash at end of year	<u><u>\$ 540,853</u></u>

Reconciliation of change in net position to the net cash provided by operating activities

Change in net position	\$ 561,690
Adjustments to reconcile change in net position to net cash provided by operating activities:	
Changes in operating assets and liabilities:	
Accounts receivable	(231,867)
Accounts payable	<u>211,030</u>
Net cash provided by operating activities	<u><u>\$ 540,853</u></u>

See accompanying notes.

Florida Emergency Management Assistance Foundation, Inc.
d/b/a The Florida Disaster Foundation

Notes to Financial Statements

Year ended June 30, 2024

1. Summary of Significant Accounting Policies

Nature of Business

During the Legislative Special Session 2022A, the Florida Legislature established the Florida Emergency Management Assistance Foundation d/b/a the Florida Disaster Foundation (the "Foundation") as a direct-support organization of the Florida Division of Emergency Management to provide assistance, funding, and support in disaster response, recovery, and relief efforts for natural emergencies. These funds are designed to directly contribute to the immediate recovery of communities impacted by disasters and provide needed support where federal assistance stops.

Basis of Presentation

The financial statements and notes are representation of the Foundation's management who is responsible for their integrity and objectivity. The accounting policies conform to accounting principles generally accepted in the United State of America and have been consistently applied in the preparation of the financial statements.

Basis of Accounting

The Foundation follows financial reporting requirements for enterprise funds, which use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recognized when they are incurred.

Revenue Recognition

Operating revenues consist primarily of program support, sponsorships and donations, which are the principal revenues used by the Foundation to carry out its exempt purpose. Revenue from these sources are recorded in the period in which they are earned.

Reporting Entity

The Foundation has no component units for the year ended June 30, 2024.

Florida Emergency Management Assistance Foundation, Inc.
d/b/a The Florida Disaster Foundation

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

Cash

The Foundation maintains its cash and cash at various financial institutions. Deposits with financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per FDIC-insured financial institution. Bank account balances, at times, may exceed federally-insured limits. The Foundation has not experienced any credit losses in its cash and cash equivalents and management has not established any allowance for credit losses, against the Foundation's cash and cash, at June 30, 2024.

Accounts Receivable

Accounts receivable are reported at the amount management expects to collect from outstanding balances less any allowance for bad debt. As of June 30, 2024, all receivables are deemed to be collectible and therefore, there is no allowance for bad debt.

Contributions

Contributions and gifts are recorded as revenue at the time they are received, or when all eligibility requirements are met, whichever is first.

Income Taxes

Pursuant to a determination letter received from the Internal Revenue Service, the Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, except for income unrelated to the purpose for which it is exempt. There are currently no Internal Revenue Service audits in progress for any tax periods. There was no income tax expense for the year ended June 30, 2024.

Subsequent Events

The Foundation has evaluated subsequent events through September 12, 2025, the date the financial statements were available to be issued. During the period from June 30, 2024 to September 12, 2025, the Foundation did not have any material recognizable subsequent events.

Florida Emergency Management Assistance Foundation, Inc.
d/b/a The Florida Disaster Foundation

Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

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*

Board of Directors

Florida Emergency Management Assistance Foundation, Inc. d/b/a The Florida Disaster Foundation

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 (*Government Auditing Standards*), the financial statements of the Florida Emergency Management Assistance Foundation, Inc. d/b/a the Florida Disaster Foundation (the Foundation), which comprise the statement of net position as of June 30, 2024, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year ended, and the related notes to the financial statements, and have issued our report thereon dated September 12, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered 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 Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of 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.



Page Two

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies.

Report on Compliance and Other Matters

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

Purpose of This Report

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

Thomas Howell Ferguson P.A.

Tallahassee, Florida
September 12, 2025