

Supplementary Information

Harbor Branch Oceanographic Institute Foundation, Inc.

Schedule of Specialty License Plate Revenue and Expenses

Year ended June 30, 2024

Plate	Total Revenue by Plate	Expenses					Total Expenses by Plate
		HBOI at FAU Research Grants	Grants to Others	3% Foundation Admin Fee	Marketing Expense		
Protect Wild Dolphins	\$ 1,077,952	\$ 1,709,151	\$ 23,901	\$ 32,339	\$ 98,271	\$ 1,863,662	
Protect Florida Whales	408,833	562,583	7,967	13,628	41,045	625,223	
Aquaculture	321,750	372,146	-	10,725	32,836	415,707	
Save Our Seas	1,090,316	1,176,636	-	36,344	103,980	1,316,960	
	\$ 2,898,851	\$ 3,820,516	\$ 31,868	\$ 93,036	\$ 276,132	\$ 4,221,552	

See accompanying note to schedule of specialty license plate revenue and expenses.

Harbor Branch Oceanographic Institute Foundation, Inc.

Note to Schedule of Specialty License Plate Revenue and Expenses

1. Note to Schedule

Under Florida Statute (Title XXIII Motor Vehicles, Chapter 320, Motor Vehicle Licenses) the annual use fees generated by the four specialty license plates shall be distributed to the Harbor Branch Oceanographic Institute Foundation, Inc. (the Foundation), to be used as follows:

Protect Wild Dolphins

- Up to 15% of the funds received by the Foundation, may be expended for administrative costs directly associated with the operations of the institution.
- Up to 10% of the funds distributed may be used by the Foundation, for continuing promotion and marketing of the license plate.
- The remainder of the funds must be used to collect, analyze, and archive scientific data regarding the wild dolphin population in Florida waters; provide care and assistance to stranded wild dolphins; distribute information to the scientific community, State, state, and local government agencies, educational institutions, and the public for the purpose of protecting and preserving wild dolphins; individually identify wild dolphins through a photographic identification program; and advance the research technology associated with tracking and categorizing wild dolphins.

Protect Florida Whales

- 10% of the funds shall be distributed to the Wyland Foundation, Inc. and used specifically to conduct educational programs in this state that promote conservation of Florida marine mammals. These distributions were not included in specialty license plate revenues and expenses since the Foundation acts as an agent of the funds and has no discretion over the amount to be distributed.
- Up to 15% of the funds received by the Foundation may be used for administrative costs directly associated with the Harbor Branch Oceanographic Institution's Marine Mammal Research and Conservation program and this specialty license plate funding.
- Up to 10% of the funds may be used by the Foundation for continuing promotion and marketing of the license plate.
- The remainder of the funds shall be used to collect, analyze, and archive scientific data regarding whale populations that inhabit, utilize, or migrate in state waters; provide care and assistance to stranded whales; construct and maintain a Harbor-Branch-based teaching marine mammal hospital; train veterinary students in the rescue, medical and rehabilitation treatment, and release and post-release monitoring of stranded whales; distribute information for the purpose of protecting and preserving whales; identify whale populations; conduct scientific research through genetic, telemetry, bio acoustical, and photographic identification research programs; advance the research technology associated with tracking, monitoring, and categorizing whales; develop methods of monitoring whale movements; and provide for methods of early-warning detection systems and advance notification that will help prevent accidental boat strikes in state waters.

Harbor Branch Oceanographic Institute Foundation, Inc.

Note to Schedule of Specialty License Plate Revenue and Expenses

Aquaculture

- 10% of the funds shall be distributed to the Guy Harvey Research Institute of the Nova Southeastern University Oceanographic Center to conduct outreach and education regarding aquaculture in the state. These distributions were not included in specialty license plate revenues and expenses since the Foundation acts as an agent of the funds and has no discretion over the amount to be distributed.
- Up to 15% of the funds may be used for administrative costs directly associated with the Foundation's aquaculture programs and administrative costs associated with the Aquaculture license plate.
- Up to 10% of the funds may be used by the Foundation for continuing promotion and marketing of the license plate.
- The remaining funds shall be used to conduct scientific research on environmentally responsible and sustainable methods of farming freshwater and saltwater organisms, such as fish, shellfish, and crustaceans, for food; biomedical species for pharmaceutical and nutraceutical compounds; and marine ornamentals for the aquarium trade. These funds shall also be used to expand the institution's educational programs that include secondary school field experiences, college degree programs, and intensive courses in order to further the objective of increasing aquaculture's contribution to the state's economy.

Save Our Seas

- 10% of the funds shall be distributed to the Guy Harvey Research Institute of the Nova Southeastern University Oceanographic Center to conduct fisheries and shark research in the state. These distributions were not included in specialty license plate revenues and expenses since the Foundation acts as an agent of the funds and has no discretion over the amount to be distributed.
- Up to 15% of the funds may be used for administrative costs directly associated with the institution.
- Up to 10% of the funds may be used for continuing promotion and marketing of the license plate.
- The remaining funds shall be used to conduct scientific research and education on marine plants and animals and coastal oceanography in state marine waters; to collect and analyze long-term data sets on the state's critical marine habitats; to determine changes in populations and communities of marine organisms and their impacts on the use of the state's marine resources; to maintain reference collections of scientific specimens and photographic archives of the state's marine plants and animals; and to conduct scientific conferences of relevance to the state's marine resources and their management, utilization, and conservation.

**Reports Required by *Government Auditing Standards*
and Florida Single Audit Act**



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Independent Auditor's 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*

The Board of Directors
Harbor Branch Oceanographic Institute Foundation, Inc.
Vero Beach, Florida

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 Harbor Branch Oceanographic Institute Foundation, Inc. (the Foundation), which comprise the Foundation's statement of financial position as of June 30, 2024, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 6, 2024.

Report on 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 or significant deficiencies may exist that were not identified.

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

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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 Foundation'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 Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BDO USA, P.C.

December 6, 2024



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Independent Auditor's Report on Compliance for each of the Major State Financial Assistance Projects and Report on Internal Control Over Compliance Required by Chapter 10.650, *Rules of the Auditor General*

The Board of Directors
Harbor Branch Oceanographic Institute Foundation, Inc.
Vero Beach, Florida

Report on Compliance for Each Major State Project

Opinion on Each Major State Project

We have audited Harbor Branch Oceanographic Institute Foundation, Inc.'s (the Foundation) compliance with the types of compliance requirements identified as subject to audit in the State of Florida's Department of Financial Services State Projects Compliance Supplement could have a direct and material effect on each of the Foundation's major state projects for the year ended June 30, 2024. The Foundation's major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Foundation complied, in all material respects, with the 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, 2024.

Basis for Opinion on Each Major State Projects

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; and the audit requirements of State of Florida, Chapter 10.650, *Rules of the Auditor General*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Foundation 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 Foundation's compliance with the compliance requirements referred to above.

Responsibilities 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 Foundation's state projects.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the types of compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Foundation'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 State of Florida, Chapter 10.650, *Rules 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 Foundation'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 State of Florida, Chapter 10.650, *Rules 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 Foundation'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 Foundation'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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Foundation'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 a 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 Auditor's 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 the State of Florida, Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

BDO USA, P.C.

December 6, 2024

Harbor Branch Oceanographic Institute Foundation, Inc.

Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2024

State Agency/State Project	State CSFA Number	Total Expenditures	Provided to Legislatively Required Sub-Recipients and SLP Grantees
Florida Department of Highway Safety and Motor Vehicles			
Protect Wild Dolphins License Plate Project	76.011	\$ 1,863,662	\$ 1,733,052
Protect Florida Whales License Plate Project	76.072	670,648	615,976
Florida Aquaculture License Plate Project	76.080	451,457	407,896
Save Our Seas License Plate Project	76.085	1,438,107	1,297,783
Total Expenditures of State Financial Assistance		\$ 4,423,874	\$ 4,054,707

See accompanying notes to schedule of expenditures of state financial assistance.

Harbor Branch Oceanographic Institute Foundation, Inc.

Notes to Schedule of Expenditures of State Financial Assistance

1. Basis of Presentation

The accompanying schedule of expenditures of state financial assistance (the Schedule) includes the state financial assistance project activity of Harbor Branch Oceanographic Institute Foundation, Inc. (the Foundation) for the year ended June 30, 2024. The information in the Schedule is presented in accordance with the requirements of the state of Florida Chapter 10.650, *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of the Foundation, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Foundation.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Section 215.97, *Florida Statutes*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Harbor Branch Oceanographic Institute Foundation, Inc.
Schedule of Findings and Questioned Costs - State Financial Assistance

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP.

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted?

 yes X no

State Projects

Internal control over major state projects:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified? yes X none reported

Type of auditor's report issued on compliance for major state projects:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.656?

 yes X no

Identification of major state projects:
 Florida Department of Highway Safety and Motor Vehicles:

State CSFA Number

76.072
 76.080
 76.085

Name of State Program or Cluster
 Protect Florida Whales License Plate Project
 Save our Seas License Plate Project
 Aquaculture License Plate Project

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Section II - Financial Statement Findings

There were no findings related to the financial statements that are required to be reported, in accordance with generally accepted government auditing standards.

Harbor Branch Oceanographic Institute Foundation, Inc.
Schedule of Findings and Questioned Costs - State Financial Assistance

Section III - Findings and Questioned Costs - Major State Financial Assistance Projects

No matters were reported.

Section IV - Management Letter

No management letter is required because there were no findings required to be reported in the management letter.