



# **North Florida College Foundation, Inc.**

## **FINANCIAL STATEMENTS**

**March 31, 2024**



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# FINANCIEREBOORTEMENTS





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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
North Florida College Foundation, Inc.  
Madison, Florida

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of North Florida College Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of March 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of North Florida College Foundation, Inc. as of March 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of North Florida College Foundation, Inc. and to meet our other ethical responsibilities, in accordance with the 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 audit opinions.

#### *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 North Florida College Foundation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's 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 auditor's 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 generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- 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.
- 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 North Florida College Foundation, Inc.'s internal control. Accordingly, no such opinion is expressed.
- 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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about North Florida College Foundation, Inc.'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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2025, on our consideration of North Florida College Foundation, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 North Florida College Foundation, Inc.'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 North Florida College Foundation, Inc.'s internal control over financial reporting and compliance.

*Carr, Riggs & Ingram, L.L.C.*

CARR, RIGGS & INGRAM, LLC

Tallahassee, FL  
January 30, 2025



# FINANCIAL STATEMENTS



**North Florida College Foundation, Inc.**  
**Statement of Financial Position**

<i>March 31,</i>	<b>2024</b>
<b>Assets</b>	
Current assets	
Cash and cash equivalents	\$ 168,580
Promises to give and other receivables	36,755
<b>Total current assets</b>	<b>205,335</b>
Non-current assets	
Investments	5,662,477
Prepaid tuition plans	174,452
<b>Total non-current assets</b>	<b>5,836,929</b>
<b>Total assets</b>	<b>\$ 6,042,264</b>
<b>Liabilities</b>	
Current liabilities	
Scholarships payable	\$ 163,569
<b>Total current liabilities</b>	<b>163,569</b>
<b>Total liabilities</b>	<b>163,569</b>
<b>Net Assets</b>	
Without donor restriction	864,907
With donor restriction	5,013,788
<b>Total net assets</b>	<b>5,878,695</b>
<b>Total liabilities and net assets</b>	<b>\$ 6,042,264</b>

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

**North Florida College Foundation, Inc.**  
**Statement of Activities**

<i>For the year ended March 31, 2024</i>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenue and support</b>			
Contributions	\$ 108,300	\$ 146,719	\$ 255,019
Contributions in-kind	123,777	-	123,777
Interest and dividends	56,602	43,785	100,387
Special events	6,592	-	6,592
Net assets released from donor restrictions	334,767	(334,767)	-
<b>Total revenue and support</b>	<b>630,038</b>	<b>(144,263)</b>	<b>485,775</b>
<b>Expenses</b>			
Program services			
Scholarships	341,624	-	341,624
Supporting services			
General and administrative	187,417	-	187,417
<b>Total expenses</b>	<b>529,041</b>	<b>-</b>	<b>529,041</b>
Change in net assets before other income (expense)	100,997	(144,263)	(43,266)
<b>Other income (expense)</b>			
Gain (loss) on investments	87,409	558,687	646,096
<b>Total other income (expense)</b>	<b>87,409</b>	<b>558,687</b>	<b>646,096</b>
<b>Change in net assets</b>	<b>188,406</b>	<b>414,424</b>	<b>602,830</b>
<b>Net assets at beginning of year</b>	<b>676,501</b>	<b>4,599,364</b>	<b>5,275,865</b>
<b>Net assets at end of year</b>	<b>\$ 864,907</b>	<b>\$ 5,013,788</b>	<b>\$ 5,878,695</b>

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

**North Florida College Foundation, Inc.**  
**Statement of Functional Expenses**

	Program Services	Supporting Services	
<i>For the year ended March 31, 2024</i>	Scholarships	General and Administrative	Total
Scholarships and awards	\$ 341,624	\$ -	\$ 341,624
Personnel services	-	111,777	111,777
Legislative services	-	29,500	29,500
Professional fees	-	24,417	24,417
Facilities	-	12,000	12,000
Office expense	-	4,940	4,940
Miscellaneous	-	2,697	2,697
Postage	-	977	977
Insurance	-	810	810
Bank fees	-	299	299
<b>Total expenses</b>	<b>\$ 341,624</b>	<b>\$ 187,417</b>	<b>\$ 529,041</b>

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

**North Florida College Foundation, Inc.**  
**Statement of Cash Flows**

<i>For the year ended March 31,</i>	<b>2024</b>
<hr/>	
<b>Operating activities</b>	
Change in net assets	\$ 602,830
Adjustment to reconcile change in net assets to net cash provided by (used in) operating activities	
Unrealized and realized (gain) loss on investments	(646,096)
Changes in operating assets and liabilities	
Scholarships payable	111,203
<hr/>	
Net cash provided by (used in) operating activities	67,937
<hr/>	
<b>Investing activities</b>	
Purchase of investments	(1,630,195)
Proceeds from sale of investments	1,490,698
<hr/>	
Net cash provided by (used in) investing activities	(139,497)
<hr/>	
Net change in cash and cash equivalents	(71,560)
Cash and cash equivalents, beginning of year	240,140
<hr/>	
Cash and cash equivalents, end of year	\$ 168,580
<hr/>	

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

## North Florida College Foundation, Inc. Notes to Financial Statements

### **Note 1: NATURE OF OPERATIONS**

The North Florida College Foundation, Inc. (the Foundation) was established November 4, 1966. The Foundation is a not-for-profit organization which is associated with North Florida College in Madison, Florida. The purpose of the Foundation is to provide direct financial support for the students and programs of North Florida College.

### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### ***Basis of Presentation***

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

#### ***Estimates***

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

#### ***Cash and Cash Equivalents***

Cash and cash equivalents include cash and all highly liquid investments with a maturity when acquired of 90 days or less.

#### ***Promises to Give***

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

**North Florida College Foundation, Inc.**  
**Notes to Financial Statements**

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Investments***

The Foundation reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time-period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Investments in real estate partnership are recorded at fair market value, which has been determined by an independent appraiser by reference to market transactions for similar properties. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

***Other Assets***

The Foundation owns Florida Prepaid Tuition plans for future use by its scholarship participants. The plans are held by the Florida Prepaid College Board and recorded as an other asset at its cancellation value. The plans are considered non-current assets and expensed when utilized by the scholarship recipient.

***Net Assets***

The Foundation reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Foundation, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Revenue Recognition***

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

***Donated Assets***

Donated assets and other noncash donations are recorded as contributions at their fair values at the date of donation.

***Donated Services***

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. Volunteers also provided fund-raising services throughout the year that are not recognized as contributions as the recognition criteria were not met.

***Functional Allocation of Expenses***

Directly identifiable expenses are charged to programs and supporting services.

***Advertising***

The Foundation uses advertising to promote its programs among the audiences it serves. The costs of advertising are expensed as incurred. During the year ended March 31, 2024, the Foundation incurred no advertising costs.

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Income Taxes***

The Foundation is exempt from Federal and State income tax under section 501(c)(3) of the Internal Revenue Code.

The Foundation utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of March 31, 2024, the Foundation has no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, January 30, 2025. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

***Recent Accounting Pronouncements***

In June 2016, the FASB issued ASU 2016-13, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which is often referred to as the CECL model, or current expected credit losses. Among other things, the amendments in this ASU require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Financial institutions and other organizations will now use forward-looking information to better inform their credit loss estimates. Many of the loss estimation techniques applied today will still be permitted, although the inputs to those techniques will change to reflect the full amount of expected credit losses. In addition, the ASU amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration. The Foundation applied this guidance during the year ended March 31, 2024; however, there was no significant financial statement impact to the Foundation or its financial statements.

**North Florida College Foundation, Inc.**  
**Notes to Financial Statements**

**Note 3: FINANCIAL ASSET AVAILABILITY**

The Foundation maintains its financial assets primarily in cash, cash equivalents, and investments to provide liquidity to ensure funds are available as the Foundation's expenditures come due. The following reflects the Foundation's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions.

<i>March 31,</i>	<b>2024</b>
Total assets at year-end	\$ 6,042,264
Less assets not easily converted to cash	
Prepaid tuition plans	174,452
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions:	
Restricted by donor with time or purpose restrictions	5,013,788
Financial assets available to meet cash needs for general expenditures within one year	<b>\$ 854,024</b>

**Note 4: PROMISES TO GIVE AND OTHER RECEIVABLES**

Promises to give are restricted to the Last Mile Scholarship program. Unconditional promises to give at March 31, 2024, total \$25,000 and are considered receivable within one year. Other receivables include accrued interest receivable of \$11,755 at March 31, 2024.

**Note 5: INVESTMENTS**

Investments consist of the following:

<i>March 31, 2024</i>	Cost	Fair Value
Stocks and ETFs	\$ 2,218,303	\$ 3,392,332
Corporate bonds	749,445	719,866
Government bonds	584,752	553,935
Certificates of deposit	299,080	300,436
Taxable municipal bonds	302,555	262,761
Government asset backed/CMO securities	243,192	226,807
Open end mutual funds	131,803	121,302
Investments in real estate partnership	50,000	85,038
Total investments	\$ 4,579,130	\$ 5,662,477

**North Florida College Foundation, Inc.**  
**Notes to Financial Statements**

**Note 6: FLORIDA PREPAID TUITION PLANS**

Prepaid tuition plans consist of active Florida Prepaid College plans with a balance of \$174,452 at March 31, 2024. There was no activity associated with these plans for the year ended March 31, 2024.

**Note 7: NET ASSETS**

A summary of net assets with donor restrictions follows:

<i>March 31,</i>	<b>2024</b>
<hr/>	
Net assets with donor restrictions	
Time or purpose restricted	\$ 651,679
Endowments	4,362,109
<hr/>	
Total net assets with donor restrictions	\$ 5,013,788
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**Note 8: REVENUE AND CONTRIBUTIONS IN-KIND**

The Foundation’s revenue is generated primarily through earnings on its investments and private contributions. No contracts have been identified that would represent any performance obligations to be satisfied. As such, no contract balances have been identified for the year ended March 31, 2024.

All donated services and space were utilized by the Foundation’s supporting services. There were no donor-imposed restrictions associated with the contributed services or space.

The components of donated services and space contributed to the Foundation consist of the following:

<i>For the year ended March 31, 2024</i>	Donated Services	Donated Space	<b>Total</b>
<hr/>			
Supporting services - general and administrative	\$ 111,777	\$ 12,000	\$ 123,777
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## North Florida College Foundation, Inc. Notes to Financial Statements

### Note 9: ENDOWMENTS

The Foundation's endowment consists of permanently restricted individual funds established for a variety of purposes included as a component of investments on the Statement of Financial Position. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation is governed by Florida Statute Chapter 617.2104 - Florida Uniform Prudent Management of Institutional Funds Act. The Uniform Prudent Management of Institutional Funds Act (UPMIFA) was enacted in the State of Florida during the 2011 legislative session and had an effective date of July 1, 2012. Unless a donor imposes a restriction to the contrary, all endowment funds at the Foundation adhere to the spending policy adopted by the Board of Directors. Florida Statutes do not require preservation of the fair value of the original gift, but rather specifically state that spending may include investment appreciation as well as principal.

*Investment Return Objectives, Risk Parameters and Strategies* – The Foundation has adopted investment and spending policies, approved by the Board of Directors, for endowment assets. Those policies attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk.

Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities. The Foundation expects its endowment assets, over time, to produce an average rate of return which, at a minimum, approximate standard benchmarks. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to prevent exposing the fund to unacceptable levels of risk.

The Foundation's Board of Directors adopted a spending policy for endowed scholarship accounts. Dividends and interest are posted to the scholarship accounts and made available for spending. The Foundation's policies state that earnings on endowed funds will be spent at a rate not greater than 5% per year with any unused portion being returned to the fund. Each named endowment is maintained as a separate account and receives a pro-rata share of investment earnings. These earnings are professionally managed through an investment firm chosen by the Investment Committee of the Board of Directors and approved by the Board of Directors. Earnings are paid out annually for scholarships with any unused portion being returned to the fund to help ensure continued growth.

**North Florida College Foundation, Inc.**  
**Notes to Financial Statements**

**Note 9: ENDOWMENTS (Continued)**

Activity for endowment assets during the year is as follows:

Endowment at March 31, 2023	\$	3,873,255
Change in investment value		554,798
Interest and dividends		43,785
Contributions and special events		88,518
Amounts appropriated		(198,247)
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Endowment at March 31, 2024	\$	4,362,109
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**Note 10: FAIR VALUE MEASUREMENTS**

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

*Level 1:* Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

*Level 2:* Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
  - observable; or
  - can be corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3:* Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

**North Florida College Foundation, Inc.**  
**Notes to Financial Statements**

**Note 10: FAIR VALUE MEASUREMENTS (Continued)**

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at March 31, 2024.

Common stocks, ETFs and open end mutual funds: Valued at the closing price reported on the active market on which the individual securities are traded.

Fixed income securities (corporate bonds, government bonds, government backed/CMO securities, taxable municipal bonds, and certificates of deposit): Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

Real estate partnership: Valued using external pricing sources of comparable real estate assets at least annually.

Assets measured at fair value on a recurring basis are as follows:

<i>March 31, 2024</i>	Level 1	Level 2	Level 3	<b>Total</b>
Stocks and ETFs	\$ 3,392,332	\$ -	\$ -	<b>\$ 3,392,332</b>
Corporate bonds	719,866	-	-	<b>719,866</b>
Government bonds	553,935	-	-	<b>553,935</b>
Certificates of deposit	-	300,436	-	<b>300,436</b>
Taxable municipal bonds	-	262,761	-	<b>262,761</b>
Govt asset backed/CMO securities	-	226,807	-	<b>226,807</b>
Open end mutual funds	121,302	-	-	<b>121,302</b>
Investments in real estate partnership	-	-	85,038	<b>85,038</b>
<b>Total investments at fair value</b>	<b>\$ 4,787,435</b>	<b>\$ 790,004</b>	<b>\$ 85,038</b>	<b>\$ 5,662,477</b>

For investments in real estate partnership, fair value is estimated based on an independent appraiser's value of the investment. Significant changes within the real estate market would result in a lower or higher fair value measurement. During the year ended March 31, 2024, the investment in real estate partnership incurred no significant activity or change in fair value.

**North Florida College Foundation, Inc.**  
**Notes to Financial Statements**

**Note 11: CONCENTRATIONS OF CREDIT RISK**

***Cash and cash equivalents***

The Foundation maintains cash balances in two banking institutions. The bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of March 31, 2024, the Foundation had no uninsured bank balances. The Foundation also maintains cash equivalents in its investment portfolio, which is not insured by FDIC, which totaled \$44,498 for the year ended March 31, 2024.

***Investment Earnings***

The Foundation's operations are funded primarily through proceeds from investments. The value of the Foundation's investments are subject to volatility in the stock market. Operations could be negatively impacted by significant declines in the stock market or changes in interest rates.

**Note 12: RELATED PARTY TRANSACTIONS**

The North Florida College provides support to the Foundation in the form of contributed personnel and occupancy costs. For the year ended March 31, 2024, the Foundation received \$123,777 of contributions in-kind from the North Florida College.



# COMPLIANCE SECTION





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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***

To the Board of Directors  
North Florida College Foundation, Inc.  
Madison, 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 North Florida College Foundation, Inc. (the Foundation), which comprise the statement of financial position as of March 31, 2024, and the 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 January 30, 2025.

**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 and was not designed to identify all deficiencies in internal control that might be material weaknesses. 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.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether North Florida College Foundation, Inc.'s financial statements are free of 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 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.

*Carr, Riggs & Ingram, L.L.C.*

CARR, RIGGS & INGRAM, LLC

Tallahassee, FL  
January 30, 2025



# REQUIRED COMMUNICATIONS



## Required Communications

As discussed with the Board of Directors and management during our planning process, our audit plan represented an approach responsive to the assessment of risk for North Florida College Foundation, Inc. Specifically, we planned and performed our audit to:

- Perform audit services, as requested by the Board of Directors, in accordance with auditing standards generally accepted in the United States of America, in order to express an opinion on North Florida College Foundation, Inc.'s financial statements for the year ended March 31, 2024;
- Communicate directly with the Board of Directors and management regarding the results of our procedures;
- Address with the Board of Directors and management any accounting and financial reporting issues;
- Anticipate and respond to concerns of the Board of Directors and management; and
- Other audit-related projects as they arise and upon request.

## Required Communications

We have audited the financial statements of North Florida College Foundation, Inc. for the year ended March 31, 2024, and have issued our report thereon dated January 30, 2025. Professional standards require that we provide you with the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p><b>Auditor's responsibility under Generally Accepted Auditing Standards and Government Auditing Standards</b></p>	<p>As stated in our engagement letter dated <b>May 17, 2023</b>, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP). Our audit of the financial statements does not relieve you or management of your responsibilities.</p> <p>As part of our audit, we considered the internal control of North Florida College Foundation, Inc. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.</p>
<p><b>Client's responsibility</b></p>	<p>Management, with oversight from those charged with governance, is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with the applicable framework. Management is responsible for the design and implementation of programs and controls to prevent and detect fraud.</p> <p>Management is responsible for overseeing nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.</p>
<p><b>Planned scope and timing of the audit</b></p>	<p>Our initial audit plan was not significantly altered during our fieldwork.</p>
<p><b>Management judgments and accounting estimates</b>  <i>The process used by management in forming particularly sensitive accounting estimates and the basis for the auditor's conclusion regarding the reasonableness of those estimates.</i></p>	<p>Please see the following section titled "Accounting Policies, Judgments and Sensitive Estimates and CRI Comments on Quality."</p>
<p><b>Potential effect on the financial statements of any significant risks and exposures</b>  <i>Major risks and exposures facing the Foundation and how they are disclosed.</i></p>	<p>No such risks or exposures were noted.</p>

## Required Communications

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p><b>Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditor's judgment about the quality of accounting principles</b></p>	<p>The significant accounting policies used by the Foundation are described in Note 2 to the financial statements. New accounting policies were adopted during the fiscal year as a result of the following recently issued accounting pronouncement:</p> <p><i>ASU 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments</i></p> <p>The adoption of ASU 2016-13 had no significant impact on the financial statements. See Note 2 in the financial statements.</p> <p>We noted no transactions entered into by the Foundation during the fiscal year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.</p> <p>Further, the disclosures in the Foundation's financial statements are neutral, consistent, and clear.</p>
<p><b>Significant difficulties encountered in the audit</b> <i>Any significant difficulties, for example, unreasonable logistical constraints or lack of cooperation by management.</i></p>	<p>We encountered no significant difficulties in dealing with management in performing and completing our audit.</p>
<p><b>Disagreements with management</b> <i>Disagreements, whether or not subsequently resolved, about matters significant to the financial statements or auditor's report. This does not include those that came about based on incomplete facts or preliminary information.</i></p>	<p>We are pleased to report that no such disagreements arose during the course of our audit.</p>
<p><b>Other findings or issues</b> <i>Matters significant to oversight of the financial reporting practices by those charged with governance. For example, an entity's failure to obtain the necessary type of audit, such as one under Government Auditing Standards, in addition to GAAS.</i></p>	<p>None noted.</p>

## Required Communications

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p><b>Matters arising from the audit that were discussed with, or the subject of correspondence with, management</b></p> <p><i>Business conditions that might affect risk or discussions regarding accounting practices or application of auditing standards.</i></p>	None noted.
<p><b>Corrected and uncorrected misstatements</b></p> <p><i>All significant audit adjustments arising from the audit, whether or not recorded by the Foundation, that could individually or in the aggregate have a significant effect on the financial statements. We should also inform the Board about uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented, that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Any internal control deficiencies that could have prevented the misstatements.</i></p>	See "Summary of Audit Adjustments" section.
<p><b>Major issues discussed with management prior to retention</b></p> <p><i>Any major accounting, auditing or reporting issues discussed with management in connection with our initial or recurring retention.</i></p>	Discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.
<p><b>Consultations with other accountants</b></p> <p><i>When management has consulted with other accountants about significant accounting or auditing matters.</i></p>	To our knowledge, there were no such consultations with other accountants.
<p><b>Written representations</b></p> <p><i>A description of the written representations the auditor requested (or a copy of the representation letter).</i></p>	See "Management Representation Letter" section.
<p><b>Internal control deficiencies</b></p> <p><i>Any significant deficiencies or material weaknesses in the design or operation of internal control that came to the auditor's attention during the audit.</i></p>	See "Internal Control Findings" section.
<p><b>Fraud and illegal acts</b></p> <p><i>Fraud involving senior management, the Foundation Executive Director or those responsible for internal controls, or causing a material misstatement of the financial statements, where the auditor determines there is evidence that such fraud may exist. Any illegal acts coming to the auditor's attention involving senior management and any other illegal acts, unless clearly inconsequential.</i></p>	We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements.

## Required Communications

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p><b>Other information in documents containing audited financial statements</b>  <i>The external auditor's responsibility for information in a document containing audited financial statements, as well as any procedures performed and the results.</i></p>	<p>Our responsibility related to documents (including annual reports, websites, etc.) containing the financial statements is to read the other information to consider whether:</p> <ul style="list-style-type: none"> <li>• Such information is materially inconsistent with the financial statements; and</li> <li>• We believe such information represents a material misstatement of fact.</li> </ul> <p>We have not been provided any such items to date and are unaware of any other documents that contain the audited financial statements.</p>
<p><b>Significant unusual accounting transactions</b>  <i>Auditor communication with governance to include auditor's views on policies and practices management used, as well as the auditor's understanding of the business purpose.</i></p>	<p>No significant unusual accounting transactions were noted during the year.</p>

## Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality

We are required to communicate our judgments about the quality, not just the acceptability, of the Foundation's accounting principles as applied in its financial reporting. We are also required to communicate critical accounting policies and sensitive accounting estimates. The Board may wish to monitor throughout the year the process used to compute and record these accounting estimates. The table below summarizes our communications regarding these matters.

AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	AUDITOR'S CONCLUSIONS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Investments	The Foundation follows the provisions of ASC 820, Fair Value Measurements and Disclosures, when reporting investments.	X	The Foundation relies on valuations from its brokers for asset values.  The allocation between levels 1-3 under ASC 820 is based on a detailed management review of the underlying investments.	The Foundation's policies are in accordance with all applicable accounting guidelines.
In-kind contributions	The Foundation receives certain services from the North Florida College, and records them as revenue and expense when received.	X	The Foundation records the in-kind contributions based on the value of salaries, benefits and rent received as provided by the North Florida College.	The Foundation's policies are in accordance with all applicable accounting guidelines.

## Summary of Audit Adjustments

During the course of our audit, we accumulate differences between amounts recorded by North Florida College Foundation, Inc. and amounts that we believe are required to be recorded under GAAP. Those adjustments are either recorded (corrected) by the Foundation or passed (uncorrected). Passed adjustments include the following:

Account	Description	Debit	Credit
<b>Passed Journal Entries JE # 5</b>			
<b>Spring 2023 scholarships that should have been accrued in the prior year, but expensed in the current</b>			
6201-002	Temporarily Restrict-UnEndowed:AASU	15,350	
7327-000	Scholarships Exp		15,350
<b>Total</b>		<b><u>15,350</u></b>	<b><u>15,350</u></b>

See attached schedule which includes proposed adjustments to convert the Foundation’s financial statements from cash-basis to accrual-basis in accordance with U.S. GAAP.

### QUALITATIVE MATERIALITY CONSIDERATIONS

In evaluating the materiality of audit differences when they do arise, we consider both quantitative and qualitative factors, for example:

- Whether the difference arises from an item capable of precise measurement or whether it arises from an estimate, and, if so, the degree of imprecision inherent in the estimate.
- Whether the difference masks a change in earnings or other trends.
- Whether the difference changes a net decrease in assets to addition, or vice versa.
- Whether the difference concerns an area of the Foundation’s operating environment that has been identified as playing a significant role in the Foundation’s operations or viability.
- Whether the difference affects compliance with regulatory requirements.
- Whether the difference has the effect of increasing management’s compensation – for example, by satisfying requirements for the award of bonuses or other forms of incentive compensation.
- Whether the difference involves concealment of an unlawful transaction.

## Summary of Audit Adjustments (Continued)

### Combined Journal Entries Report

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries JE # 1</b>		<b>PY AJE</b>		
Entries made in the prior year not recorded; historical unrealized gains and promises to give for Last Mile				
6378-000	Temporarily Restrict-UnEndowed:Florida Prepaid		62,470	
6999-000	Unrestricted Net Assets Adjusting Account		59,265	
7333-000	Transferring Account		59,625	
4361-100	Florida Prepaid - Other			62,470
6399-002	Temporarily Restricted Net Assets Adjusting Acct			59,265
7331-000	Unrealized (Gain)/Loss			59,625
<b>Total</b>			<b><u>181,360</u></b>	<b><u>181,360</u></b>
<b>Adjusting Journal Entries JE # 2</b>				
Correct Prepaid and other PY accounting				
7333-000	Transferring Account		62,470	
7333-000	Transferring Account		25,000	
7101-000	Corporate Contributions			62,470
7102-000	Gifts From Individuals			25,000
<b>Total</b>			<b><u>87,470</u></b>	<b><u>87,470</u></b>
<b>Adjusting Journal Entries JE # 4</b>		<b>PBC</b>		
Accrue scholarships payable associated with Spring 2024 semester - Check 4085				
6102-002	PermanentlyRestricted-Endowment:Endowed Scholarships:Alice C. Williams Endowment:Interest & Dividends		1,000	
6104-002	PermanentlyRestricted-Endowment:Endowed Scholarships:Bloodworth Endwmt Scholarship:Interest & Dividends		400	
6104-111	PermanentlyRestricted-Endowment:Endowed Scholarship:Bruner-Smith Scholarship		1,200	
6107-000	PermanentlyRestricted-Endowment:Endowed Scholarships:Duke Energy Scholarship		1,700	
6109-000	PermanentlyRestricted-Endowment:Endowed Scholarships:Edward K. Roberts Endwmt Scholr		31,525	
6118-000	PermanentlyRestricted-Endowment:Endowed Scholarships:Kelley & Mary(Lucas) Bailey Mem		2,600	
6122-000	PermanentlyRestricted-Endowment:Endowed Scholarships:Madison Co Comm Bank Sch		5,142	
6125-000	PermanentlyRestricted-Endowment:Endowed Scholarships:Matt & Kerri Frier Scholarship		4,900	
6131-000	PermanentlyRestricted-Endowment:Endowed Scholarships:Parker Poe Nursing Scholarship		600	
6140-000	Scholarships Payable to Counties:HAMILTON COUNTY		1,300	
6140-900	Scholarships Payable - Junior Aux		2,000	
6140-901	Scholarships Payable - Tri-County Elec		4,000	
6207-002	Temporarily Restrict-UnEndowed:Academic/Vocational:BoA DreamMakers Scholarship		1,200	
6218-002	Temporarily Restrict-UnEndowed:Academic/Vocational:Chi Delta Tau Scholarship		600	
6229-002	Temporarily Restrict-UnEndowed:Academic/Vocational:First Generation in College Sch		10,850	
6233-002	Temporarily Restrict-UnEndowed:Academic/Vocational:General Scholarships		400	
6233-002	Temporarily Restrict-UnEndowed:Academic/Vocational:General Scholarships		28,707	
6233-002	Temporarily Restrict-UnEndowed:Academic/Vocational:General Scholarships		4,930	
6233-002	Temporarily Restrict-UnEndowed:Academic/Vocational:General Scholarships		536	
6241-002	Temporarily Restrict-UnEndowed:Academic/Vocational:HELIOS FirstGen Scholarship		64	
6277-002	Temporarily Restrict-UnEndowed:Academic/Vocational:Nursing/Allied Health Scholarsh:General Nursing Scholarships		14,366	
6279-002	Temporarily Restrict-UnEndowed:Academic/Vocational:Nursing/Allied Health Scholarsh:Ina Webb Moore Nursing Scholars		600	
6298-002	Temporarily Restrict-UnEndowed:Academic/Vocational:Rodney Stalvey Scholarship		350	
6326-002	Temporarily Restrict-UnEndowed:Emma F. Wyche Memorial		900	
6380-000	Temporarily Restrict-UnEndowed:Student Relief Fund		1,000	
6387-002	Temporarily Restrict-UnEndowed: Academic/Vocational: Allen Trust - Last Mile		2,642	
6389-000	Temporarily Restrict-UnEndowed: FL BLUE Nursing School		600	
7327-000	Scholarships Exp		124,112	
6140-999	Scholarships Payable - Accrued at YE			124,112
7333-000	Transferring Account			124,112
<b>Total</b>			<b><u>248,224</u></b>	<b><u>248,224</u></b>
<b>Adjusting Journal Entries JE # 6</b>		<b>4353.3</b>		
To adjust the Madison Fund for gains and losses on 2023 valuation.				
6912-000	Unrestricted-Oprtng/PrgmSupport:Other-Unrealized Gain(Loss)		6,527	
7331-000	Unrealized (Gain)/Loss		6,527	
4352-004	Gain on Madison Fund			6,527
7330-000	Settlement Proceeds			6,527
<b>Total</b>			<b><u>13,054</u></b>	<b><u>13,054</u></b>
<b>Total Adjusting Journal Entries</b>			<b><u>530,108</u></b>	<b><u>530,108</u></b>
<b>Total All Journal Entries</b>			<b><u>530,108</u></b>	<b><u>530,108</u></b>

**NFC** NORTH FLORIDA  
COLLEGE  
*Foundation, Inc.*

Carr, Riggs & Ingram, LLC  
2633 Centennial Boulevard Suite 200  
Tallahassee, Florida 32308

This representation letter is provided in connection with your audit of the financial statements of North Florida College Foundation, Inc., which comprise the statements of financial position as of March 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing an opinion as to 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).

Certain representations in this letter are described as being limited to matters that are material. Items are considered to be material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of January 30, 2025, the following representations made to you during your audit.

**Financial Statements**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 17, 2023 and updated on January 30, 2025, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- 3) 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 6) Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to the representation letter.
- 9) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the Foundation's accounts.
- 10) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

*The Mission of North Florida College Foundation is to identify, acquire and manage assets with the utmost sincerity, honesty, integrity, competence, and transparency and to nurture and assist students in reaching their global, educational goals*

**NORTH FLORIDA COLLEGE FOUNDATION, INC.**

325 NW Turner Davis Dr | Madison, FL 32340 | foundation@nfc.edu | 850.973.9416 | **NFC.EDU**



- 11) Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
- 12) Guarantees, whether written or oral, under which the Foundation is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

**Information Provided**

- 13) 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 (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the Foundation from whom you determined it necessary to obtain audit evidence.
  - d) Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 14) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 15) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 16) We have no knowledge of any fraud or suspected fraud that affects the Foundation and involves:
  - a) Management,
  - b) Employees who have significant roles in internal control, or
  - c) Others where the fraud could have a material effect on the financial statements.
- 17) We have no knowledge of any allegations of fraud or suspected fraud affecting the Foundation's financial statements communicated by employees, former employees, grantors, regulators, or others.
- 18) We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
- 19) We have disclosed to you all known actual or possible litigation, claims, and assessment whose effects should be considered when preparing the financial statements.
- 20) We have disclosed to you the names of all of the Foundation's related parties and all the related-party relationships and transactions, including any side agreements.
- 21) The Foundation has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
- 23) North Florida College Foundation, Inc. is an exempt Foundation under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Foundation's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.

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24) In regard to the preparation of the Form 990 and financial statements performed by you, we have—

- Assumed all management responsibilities.
- Designated Micah Rodgers and Traci McClung who have suitable skill, knowledge, or experience to oversee the services.
- Evaluated the adequacy and results of the services performed.
- Accepted responsibility for the results of the services.
- Ensured that the entity's data and records are complete and received sufficient information to oversee the services.

Signature: Traci S. McClung 1/30/2025

Title: Director of Resource Development, North Florida College Foundation, Inc.

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# INTERNAL CONTROL RECOMMENDATIONS



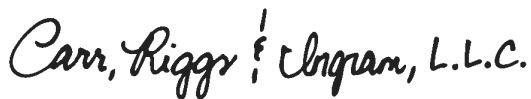
The Board of Directors and Management of  
North Florida College Foundation, Inc.

In planning and performing our audit of the financial statements of the North Florida College Foundation, Inc. as of and for the year ended March 31, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered North Florida College Foundation, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of North Florida College Foundation, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of North Florida College Foundation, Inc.'s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. 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.

This communication is intended solely for the information and use of management, Board of Directors, others within North Florida College Foundation, Inc., and is not intended to be, and should not be, used by anyone other than these specified parties.



CARR, RIGGS & INGRAM, LLC

Tallahassee, Florida  
January 30, 2025