



FLORIDA EDUCATION FUND, INC.

**Basic Financial Statements, Schedules and Reports
as Required by Chapter 10.650, *Rules of the Auditor General***

**June 30, 2025 and 2024
(With Independent Auditors' Report Thereon)**

FLORIDA EDUCATION FUND, INC.

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**Independent Auditors' Report on Basic Financial Statements
and Required Supplementary Information**

The Board of Directors
Florida Education Fund, Inc.:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Florida Education Fund, Inc., a component unit of the State of Florida, (the "Organization" or "FEF"), which comprise the statements of net position as of June 30, 2025 and 2024, and the related statements of revenues, expenses, and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Florida Education Fund, Inc. as of June 30, 2025 and 2024, and the changes in its net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS 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 the Organization'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 the Organization'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.

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of operating activities by program is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 2025, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

October 13, 2025
St. Petersburg, Florida

FLORIDA EDUCATION FUND, INC.

Management's Discussion and Analysis (Unaudited)

Introduction

Management's discussion and analysis ("MD&A") provides a financial performance review that is designed to focus on the financial activities, resulting changes, and currently known facts of Florida Education Fund, Inc. ("FEF") for the fiscal year ended June 30, 2025. This overview is required by Governmental Accounting Standards Board ("GASB") Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as amended by GASB Statements No. 37 and 38. The MD&A, and financial statements and notes thereto, are the responsibility of management.

FEF is a not-for-profit corporation created by Florida Statute 240.498 effective July 1, 1987 to maintain and enhance higher education in the State of Florida through cooperation with institutions of higher learning in the State. FEF is a component unit of the State of Florida and is to be governed by a board comprised of 12 members that are appointed by the State of Florida and up to 5 members from the private sector who are appointed by the Board.

Overview of the Financial Statements

Pursuant to GASB Statement No. 34, FEF's financial report includes three basic financial statements: 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 reflects the assets and liabilities of FEF, using the accrual basis of accounting, and presents the financial position of FEF at a specified time. The difference between assets and liabilities is net position. The net position is an indicator of FEF's financial health.

The statement of revenues, expenses and changes in net position presents FEF's revenue and expense activity, categorized as operating and non-operating. Revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid.

The statement of cash flows provides information in the form of cash inflows and outflows summarized by operating, capital and related financing activities, and investing activities. This statement will assist in evaluating FEF's ability to generate net cash flows and its ability to meet its financial obligations as they come due.

FLORIDA EDUCATION FUND, INC.

**Management's Discussion and Analysis - Continued
(Unaudited)**

Financial Highlights

Condensed Statement of Net Position

The following summarizes FEF's assets, liabilities and net position at June 30:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Assets:			
Cash and other current assets	\$ 1,072,690	1,307,859	1,829,943
Investments	33,824,453	29,354,457	24,816,881
Capital assets:			
Depreciable capital assets, net	6,806	2,370	1,315
Right-to-use asset, net	21,740	21,408	19,587
	<u>34,925,689</u>	<u>30,686,094</u>	<u>26,667,726</u>
Liabilities:			
Accounts payable and accrued expenses	725,617	694,496	787,323
Deferred revenue	679,884	897,160	947,383
Lease liability	22,138	21,802	21,802
	<u>1,427,639</u>	<u>1,613,458</u>	<u>1,756,508</u>
Net position:			
Net investment in capital assets	28,546	23,778	19,587
Restricted	147,165	130,660	88,598
Unrestricted	33,322,339	28,918,198	24,803,033
	<u>33,498,050</u>	<u>29,072,636</u>	<u>24,911,218</u>
Total liabilities and net position	<u>\$ 34,925,689</u>	<u>30,686,094</u>	<u>26,667,726</u>

The Organization's net position increased by \$4,425,414 and \$4,161,418 in fiscal 2025 and 2024, respectively. Total net position at June 30, 2025 was \$33,498,050.

FLORIDA EDUCATION FUND, INC.

**Management's Discussion and Analysis - Continued
(Unaudited)**

Financial Highlights - Continued

Changes in Net Position

FEF's operating revenues increased 7% to \$5,407,555 in fiscal year 2025 and increased 7% to \$5,063,029 in fiscal year 2024. The majority of the operating revenues are derived from various grants, appropriations and contracts from the State of Florida. Investment return is the second largest source of operating revenue for FEF. Total expenses decreased by less than 5% to \$4,093,941 in fiscal year 2025 and decreased by less than 1% to \$4,288,739 in fiscal year 2024, respectively.

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Revenues:			
Operating:			
Grants, appropriations and contracts	\$ 4,334,603	4,209,630	4,478,981
Contributions	49,614	87,664	162,564
Investment return, excluding unrealized gains	983,972	716,604	1,412
Program service fees	36,845	46,550	32,298
Other	2,521	2,581	78,267
	<u>5,407,555</u>	<u>5,063,029</u>	<u>4,753,522</u>
Non-operating	<u>3,111,800</u>	<u>3,387,128</u>	<u>2,542,311</u>
Total revenues	8,519,355	8,450,157	7,295,833
Expenses:			
McKnight Doctoral Fellowships	2,745,979	2,948,582	2,906,276
McKnight Junior Faculty Fellowships	64,096	76,888	13,849
Centers of Excellence	699,564	775,369	931,534
General and administrative	564,058	472,736	429,515
Fundraising	20,244	15,164	13,106
	<u>4,093,941</u>	<u>4,288,739</u>	<u>4,294,280</u>
Total expenses	4,093,941	4,288,739	4,294,280
Change in net position	4,425,414	4,161,418	3,001,553
Net position, beginning of year	<u>29,072,636</u>	<u>24,911,218</u>	<u>21,909,665</u>
Net position, end of year	<u>\$ 33,498,050</u>	<u>29,072,636</u>	<u>24,911,218</u>

The changes in revenue in 2025 and 2024, respectively, are primarily attributed to increases in investment return offset by decreases in grant revenue.

FLORIDA EDUCATION FUND, INC.

Management's Discussion and Analysis - Continued (Unaudited)

Economic Factors

In establishing the budget for 2025-2026, operating revenues are budgeted to decrease due to the elimination of State of Florida funding for the McKnight Doctoral Fellowship Program, which previously represented a significant portion of FEF's annual revenues. Despite this reduction, operating expenses are expected to remain relatively consistent with 2024–2025 levels. FEF will continue to support its core mission and programs using a combination of grants and funding from its endowment. Management remains focused on long-term sustainability and committed to maintaining program quality and impact.

Additional Information

This financial report is designed to provide the readers with a general overview of FEF's finances and to demonstrate FEF's accountability for the money it receives. If you have questions about this report or need additional information, contact FEF's offices at 201 East Kennedy Boulevard, Suite 1525, Tampa, Florida 33602.

FLORIDA EDUCATION FUND, INC.

Statements of Net Position

June 30, 2025 and 2024

Assets	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 821,614	1,163,137
Accrued investment income	40,273	60,958
Receivables and other assets	210,803	83,764
Investments	33,824,453	29,354,457
Capital assets:		
Depreciable capital assets, net	6,806	2,370
Right-to-use asset, net	21,740	21,408
	<u> </u>	<u> </u>
Total assets	<u>\$ 34,925,689</u>	<u>30,686,094</u>
 Liabilities		
Liabilities:		
Accounts payable	\$ 594,789	588,706
Accrued salaries, wages and related taxes	77,246	59,109
Other accrued liabilities	53,582	46,681
Deferred revenue and refundable advances	679,884	897,160
Lease liability	22,138	21,802
	<u> </u>	<u> </u>
Total liabilities	1,427,639	1,613,458
Net position:		
Invested in capital assets	28,546	23,778
Restricted	147,165	130,660
Unrestricted	33,322,339	28,918,198
	<u> </u>	<u> </u>
Total net position	<u>33,498,050</u>	<u>29,072,636</u>
	<u> </u>	<u> </u>
Total liabilities and net position	<u>\$ 34,925,689</u>	<u>30,686,094</u>

FLORIDA EDUCATION FUND, INC.

Statements of Revenues, Expenses and Changes in Net Position

Years Ended June 30, 2025 and 2024

	2025	2024
Operating revenues:		
Grants, appropriations and contracts	\$ 4,334,603	4,209,630
Contributions	49,614	87,664
Investment return, excluding unrealized gains	983,972	716,604
Program service fees	36,845	46,550
Other	2,521	2,581
Total operating revenues	5,407,555	5,063,029
Operating expenses:		
Program services:		
McKnight Doctoral Fellowships	2,745,979	2,948,582
McKnight Junior Faculty Fellowships	64,096	76,888
Centers of Excellence	699,564	775,369
	3,509,639	3,800,839
Supporting services:		
General and administrative	564,058	472,736
Fundraising	20,244	15,164
	584,302	487,900
Total operating expenses	4,093,941	4,288,739
Change in net position from operating activities	1,313,614	774,290
Other changes:		
Unrealized gains on investments	3,111,800	3,387,128
Change in net position	4,425,414	4,161,418
Net position, beginning of year	29,072,636	24,911,218
Net position, end of year	\$ 33,498,050	29,072,636

FLORIDA EDUCATION FUND, INC.

Statements of Cash Flows

Years Ended June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Receipts from grantors	\$ 3,994,601	4,211,974
Receipts from donors	49,614	87,664
Receipts from others	39,366	49,131
Interest and dividends	430,845	390,864
Payments to students	(2,324,842)	(2,719,882)
Payments to vendors	(425,757)	(525,397)
Payments for salaries, payroll taxes and employee benefits	(1,227,833)	(1,047,148)
Net cash provided by operating activities	535,994	447,206
Cash flows from capital and related financing activities:		
Principal payments under finance lease obligation	(86,627)	(85,636)
Furniture and equipment additions	(6,505)	(2,512)
Net cash used in capital and related financing activities	(93,132)	(88,148)
Cash flows from investing activities:		
Purchases of investment securities	(10,882,915)	(8,047,438)
Sales and maturities of investment securities	10,098,530	7,205,204
Net cash used in investing activities	(784,385)	(842,234)
Net change in cash and cash equivalents	(341,523)	(483,176)
Cash and cash equivalents at beginning of year	1,163,137	1,646,313
Cash and cash equivalents at end of year	\$ 821,614	1,163,137
Reconciliation of change in net position from operating activities to net cash provided by operating activities:		
Change in net position from operating activities	\$ 1,313,614	774,290
Adjustments to reconcile change in net position from operating activities to net cash provided by operating activities:		
Depreciation and amortization	88,700	85,272
Net realized gains on investments	(573,812)	(308,214)
Decrease (increase) in accrued investment income	20,685	(17,526)
(Increase) decrease in receivables and other assets	(127,039)	56,434
Increase (decrease) in accounts payable, accrued salaries, wages and related taxes, and other accrued liabilities	31,121	(92,827)
Decrease in deferred revenue	(217,276)	(50,223)
Net cash provided by operating activities	\$ 535,993	447,206
Supplemental cash flow information:		
Right-of-use asset acquired under lease liability	\$ 86,963	85,636

FLORIDA EDUCATION FUND, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(1) **Description of Organization and Summary of Significant Accounting Policies**

(a) **Description of Organization**

Florida Education Fund, Inc. (“FEF”) is a not-for-profit corporation created by *Florida Statute 240.498* effective July 1, 1987 to maintain and enhance higher education in the State of Florida through cooperation with institutions of higher learning in the State. FEF is a component unit of the State of Florida and is to be governed by a board comprised of 12 members that are appointed by the State of Florida and up to 5 members from the private sector who are appointed by the Board.

Gifts of \$10,000,000 from the McKnight Foundation and \$5,000,000 from the State of Florida were made over a period of two years, commencing July 1, 1985. As of July 1, 1987, the gifts and earnings which had accumulated on investments, totaling \$16,644,884, were transferred to FEF from the Florida Association of Colleges and Universities, Inc. It was the original intent that FEF would operate from investment earnings on the original amount of gifts. However, FEF has used a portion of these gifts to fund operations after receiving a legal interpretation from FEF’s counsel that this was not prohibited.

(b) **Reporting Entity**

In defining FEF for financial reporting purposes, management has applied the requirements of Governmental Accounting Standards Board (“GASB”) No. 14, *The Financial Reporting Entity*, and GASB No. 61, *The Financial Reporting Entity, Omnibus*. These statements establish the basis for the reporting entity and whether it is considered a component unit of another entity. FEF would be a component unit of another entity if it is financially accountable to that unit. Financial accountability occurs when an entity appoints a voting majority of the board of the potential component unit and: (1) is able to impose its will on the potential component unit and/or (2) is fiscally dependent and is in a relationship of financial benefit or burden with the potential component unit. An entity would also be considered financially accountable if the potential component unit is fiscally dependent and there is a financial benefit or burden relationship, regardless of whether the entity appoints the voting majority of the potential component unit’s board. Chapter 1009.70 of the Florida Statutes requires that six of a minimum of twelve board members will be appointed by the Governor, the President of the Senate and the Speaker of the House of Representatives. FEF is financially dependent on an annual appropriation from the State of Florida to support the McKnight Doctoral Fellowship Program. Therefore, FEF meets the financial accountability criteria necessary to be considered a component unit of the State of Florida.

FLORIDA EDUCATION FUND, INC.

Notes to Financial Statements - Continued

(1) Description of Organization and Summary of Significant Accounting Policies - Continued

(c) Basis of Accounting

These financial statements, which are presented on the accrual basis of accounting, and the economic resources measurement focus, have been prepared to focus on FEF as a whole. Under this basis, revenues are recognized in the period earned and expenses are recognized in the period incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. FEF applies all applicable Financial Accounting Standards Board (“FASB”) pronouncements issued on or before November 30, 1989, in accounting and financial reporting for its operations. As allowed by governmental accounting standards, FEF has elected not to apply FASB pronouncements, and subsequent FASB Accounting Standards Codification guidance, issued after that date.

FEF follows the provisions of the GASB. Accordingly, FEF’s financial statements are presented as an enterprise fund, as they are considered a special purpose government engaged solely in business-type activities.

(d) Operating Measure

The change in net position from operating activities represents the revenues designated to operate FEF, less expenses and other costs associated with FEF’s operating activities. FEF does not budget unrealized gains (losses) related to its investment activities, and these amounts, therefore, are excluded from the change in net position from operating activities.

(e) Liquidity

Assets are presented in the accompanying statements of net position according to their nearness of conversion to cash and liabilities according to the nearness of their maturity and resulting use of cash.

(f) Cash Equivalents

For purposes of the statements of cash flows, FEF considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

(g) Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statements of net position. Investments in common collective trusts are reported at the net asset value (“NAV”) per share of the investment, as a practical expedient for a fair value measurement, if (a) the underlying investment manager’s calculation of NAV is fair value based, and (b) the NAV has been calculated by the fund manager as of the FEF’s fiscal year end date.

FLORIDA EDUCATION FUND, INC.

Notes to Financial Statements - Continued

(1) Description of Organization and Summary of Significant Accounting Policies - Continued

(h) Capital and Right-to-Use Assets

Capital assets consist of furniture and equipment and are stated at cost. Right-to-use lease assets are recorded at the present value of the related lease obligation. Depreciation of capital assets and amortization of right-of-use assets are calculated using the straight-line method over the estimated useful lives of the respective assets, ranging from 3 to 10 years.

(i) Deferred Revenue

Deferred revenue represents funds received from governmental appropriations and other contracts which have not been earned at June 30, 2025 and 2024, respectively.

(j) Restricted Net Position

The use of certain assets is restricted by donors. Until such time as the assets are expended for their restricted purpose, they are classified as restricted net position in the statements of net position.

(k) Functional Allocation of Expenses

The costs of providing the various programs, fund raising and other activities include certain costs which have been allocated to the programs and fund-raising activities benefitted.

(l) Income Taxes

Florida Education Fund, Inc. is generally exempt from federal income taxes on related income under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3). FEF's income tax filings for the year ended June 30, 2022 and thereafter remain subject to examination.

(m) Use of Estimates

The preparation of financial statements requires management of FEF to make estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the period. Actual results could differ from these estimates.

FLORIDA EDUCATION FUND, INC.

Notes to Financial Statements - Continued

(1) Description of Organization and Summary of Significant Accounting Policies - Continued

(n) Recent Accounting Pronouncement

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*, which requires separate note disclosures of certain capital assets—such as lease assets, intangible right-to-use assets, subscription-based IT assets, and other intangible assets. Also introduces disclosure requirements for capital assets held for sale, including cost and accumulated depreciation by major class, and debt pledged as collateral. This statement is effective for fiscal years beginning after June 15, 2025, with early application permitted. FEF applied the statement for the year ended June 30, 2025, which was retroactively applied to all periods presented in the basic financial statements.

(2) Cash, Cash Equivalents and Investments

At June 30, 2025 and 2024, the carrying amount of FEF’s bank deposits were \$821,614 and \$1,163,137 respectively, and the bank balances totaled \$899,557 and \$1,237,559 respectively. The bank balances, excluding the uninvested cash in money market savings accounts included in the investments below, were covered by federal depository insurance or were insured through the State of Florida public depository collateral pool.

As of June 30, 2025, FEF had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Common stock	N/A	\$ 14,217,133
Equity mutual funds	N/A	12,502,340
Exchange traded funds	N/A	983,115
Corporate bonds	March 2026 - February 2054	810,805
Fixed income mutual funds	N/A	1,311,780
U.S. Treasury Notes	August 2025 - November 2053	1,435,985
Federal National Mortgage Association	January 2035 - June 2053	225,804
Federal Home Loan Mortgage Corp.	December 2035 - October 2050	221,956
Government authority bonds	June 2050 - June 2055	195,018
Uninvested cash - money market		
mutual funds and bank notes	N/A	<u>1,920,517</u>
		<u>\$ 33,824,453</u>

FEF’s investment policy authorizes investments in U.S. government obligations and direct obligations of U.S. government agencies, short term money market accounts composed of treasury bills, certificates of deposit and bankers’ acceptance notes, and equities. The policy specifically prohibits investment in certain items such as short sales, letter stock, private placements, leveraged transactions, securities not readily marketable, limited partnerships, and non-U.S. dollar denominated securities. However, the board of directors may grant specific exceptions from time to time.

FLORIDA EDUCATION FUND, INC.

Notes to Financial Statements - Continued

(2) Cash, Cash Equivalents and Investments - Continued

The components of net investment return for the years ended June 30, 2025 and 2024 are as follows:

	2025	2024
Investment income	\$ 619,584	598,423
Net realized gains	573,812	308,214
Net unrealized gains	3,111,800	3,387,128
	4,305,196	4,293,765
Investment fees	(209,424)	(190,033)
	<u>\$ 4,095,772</u>	<u>4,103,732</u>

(a) Interest Rate Risk

FEF does not have a formal investment policy that limits maturities as a means of managing its exposure to fair value losses from increasing interest rates. FEF has no investments that include embedded options in which an issuer could call their obligation or change the interest rate.

(b) Custodial Credit Risk

FEF does not have a formal investment policy that addresses custodial credit risk.

(c) Concentration of Market Risk

FEF has a formal investment policy that limits the amount that FEF may invest in any one equity issue as no more than 5% of their respective equity funds.

(d) Foreign Currency Risk

FEF's investment policy prohibits investments in non-U.S. dollar denominated securities.

(e) Credit Risk

FEF's investment policy limits investments to an asset allocation of 60% equities, 30% fixed income and 10% cash and cash equivalents. The equities and bond managers may assign no more than 5% of their funds to any one issue. A fluctuation of 10% above or below approved asset allocation percentages are considered reasonable due to market value fluctuations. The cash and cash equivalents allocation was approximately 6% at June 30, 2025. The investment policy includes a desired investment objective of a long-term rate of return on assets that is at least 8.5%.

The uninvested cash in money market savings accounts is held by an institution which is insured through the State of Florida public depository collateral pool.

FLORIDA EDUCATION FUND, INC.

Notes to Financial Statements - Continued

(2) Cash, Cash Equivalents and Investments - Continued

(e) Credit Risk - Continued

The distribution of securities with credit exposure as a percentage of total investments is as follows:

<u>Investment</u>	<u>Credit Rating</u>	<u>Percentage of Total Investments</u>
Corporate bonds	AAA	0.09%
Corporate bonds	AA	0.28%
Corporate bonds	A	0.91%
Corporate bonds	BBB	1.12%
Fixed income mutual funds	No Rating	3.88%
Federal National Mortgage Association	AA	0.67%
Federal Home Loan Mortgage Corp.	AA	0.66%
Government authority bonds	AA	0.53%
Government authority bonds	A	0.04%
U.S. Treasury Notes	AA	4.25%

(3) Unrestricted Net Position

Unrestricted net position consists of the following at June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Net position	\$ 18,322,339	13,918,198
Contribution - State of Florida	5,000,000	5,000,000
Contribution - McKnight Foundation	10,000,000	10,000,000
	\$ 33,322,339	28,918,198

FLORIDA EDUCATION FUND, INC.

Notes to Financial Statements - Continued

(4) Capital Assets

Capital assets activity for the year ended June 30, 2025 was as follows:

<u>Category</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being depreciated:				
Furniture and fixtures	\$ 21,692	940	-	22,632
IT equipment	60,247	5,565	-	65,812
Total capital assets being depreciated	81,939	6,505	-	88,444
Less accumulated depreciation for:				
Furniture and fixtures	(21,151)	(169)	-	(21,320)
IT equipment	(58,418)	(1,900)	-	(60,318)
Total capital assets being depreciated, net	2,370	4,436	-	6,806
Lease assets:				
Building	85,635	86,963	(85,635)	86,963
Less accumulated amortization for:				
Building	(64,227)	(86,631)	85,635	(65,223)
Total leased assets being amortized, net	21,408	4,768	-	21,740
Capital asset activity, net	\$ 23,778	9,204	-	28,546

Capital assets activity for the year ended June 30, 2024 was as follows:

<u>Category</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being depreciated:				
Furniture and fixtures	\$ 21,208	484	-	21,692
IT equipment	58,219	2,028	-	60,247
Total capital assets being depreciated	79,427	2,512	-	81,939
Less accumulated depreciation for:				
Furniture and fixtures	(21,071)	(80)	-	(21,151)
IT equipment	(57,041)	(1,377)	-	(58,418)
Total capital assets being depreciated, net	1,315	1,055	-	2,370
Lease assets:				
Building	254,643	85,635	(254,643)	85,635
Less accumulated amortization for:				
Building	(235,056)	(83,814)	254,643	(64,227)
Total leased assets being amortized, net	19,587	2,876	-	21,408
Capital asset activity, net	\$ 20,902	3,931	-	23,778

FLORIDA EDUCATION FUND, INC.

Notes to Financial Statements - Continued

(5) Lease Commitments

FEF has month-to-month cancellable leases for a postage meter and for parking. Lease expense under these month-to-month leases for the years ended June 30, 2025 and 2024 was \$1,563 and \$3,877, respectively.

In addition, FEF was obligated under one long-term lease for office space which expired October 2024 and was renewed for one year at the same rate until September 30, 2025. The treatment of this renewal was accounted for as a lease modification resulting in non-cash right-of-use asset additions and non-cash lease liability additions of \$86,631 during 2025. Remaining monthly payments due under this lease are \$7,410 for each of the three months remaining at June 30, 2025. In accordance with GASB 87, FEF has recorded the present value of remaining lease payments using a discount rate of 5%, FEF's incremental borrowing rate. The gross capitalized right-of-use asset and related accumulated amortization related to the lease at June 30, 2025 and 2024 were:

	2025	2024
Right-to-use asset	\$ 86,963	85,635
Accumulated amortization	(65,223)	(64,227)
	\$ 21,740	21,408

Annual requirements to amortize the long-term lease obligation and related interest are as follows:

Year Ending June 30,	Principal	Interest
2026	\$ 22,138	92
	\$ 22,138	92

(6) Line of Credit

FEF has a line of credit available with a bank which allows FEF to borrow up to \$2,000,000 at 4.45% interest (adjusted 30 day secured overnight financing rate) at June 30, 2025. Amounts drawn on the line of credit are due on demand. The outstanding balance on the line of credit was \$0 at June 30, 2025 and 2024. The line of credit is collateralized by substantially all of the assets of FEF. There was no activity on the line of credit for the year ended June 30, 2025.

FLORIDA EDUCATION FUND, INC.

Notes to Financial Statements - Continued

(7) Grants, Appropriations and Contracts

The following is a summary of grants, appropriations, and contracts earned during the years ended June 30, 2025 and 2024:

	2025	2024
State:		
McKnight Centers of Excellence	\$ 300,000	300,000
McKnight Doctoral Fellowships	3,500,000	3,500,000
Opa-Locka Community Development Corp.	162,467	139,153
Children's Board County	122,085	52,915
Children's Board ONE	146,908	99,357
United Way	48,334	48,334
Urban League	-	19,648
Other	54,809	50,223
	\$ 4,334,603	4,209,630

(8) Retirement Plan

FEF has adopted a single employer-defined contribution plan under Internal Revenue Code Section 403(b). FEF's Board of Directors authorizes contributions at their discretion on behalf of all eligible participants. Participating employees can make elective contributions that are limited by the Internal Revenue Code. Contributions of approximately \$124,000 and \$83,000 were made by FEF during the years ended June 30, 2025 and 2024, respectively.

(9) Fair Value Measurements

In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, FEF categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset or liability as follows:

Level 1: Valuations for assets and liabilities traded in active exchange markets as of the reporting date. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2: Valuations are determined through inputs other than quoted prices in active markets that are observable either directly or indirectly for similar assets and liabilities.

Level 3: Valuations are determined through inputs which are based on prices or valuation techniques that are both unobservable and significant to the overall fair value measurement.

FLORIDA EDUCATION FUND, INC.

Notes to Financial Statements - Continued

(9) Fair Value Measurements - Continued

GASB requires the use of observable market data, when available, in making fair value measurements. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Fair values for common stocks and equity mutual funds and fixed income mutual funds are based on quoted prices for identical assets in active markets. Fair values for corporate debt securities and U.S. government and agency securities when available are based on quoted prices for similar assets in markets that may not be active.

Investments that are measured at fair value using the net asset value (or its equivalent) practical expedient have not been classified in the fair value hierarchy below. The following tables reconcile the Organization's investments at fair value within the fair value hierarchy to total investments at fair value as reported in the accompanying statements of net position as of June 30, 2025 and 2024, respectively.

FEF has the following recurring fair value measurements as of June 30, 2025:

<u>Description</u>	<u>Fair Value Measurements at June 30, 2025</u>			
	<u>Fair Value as of June 30, 2025</u>	<u>Quoted Prices in Active Markets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Investments measured at fair value:				
Money market funds	\$ 1,920,517	1,920,517	-	-
Common stocks	14,217,133	14,217,133	-	-
Equity mutual funds:				
U.S. large cap	9,740,327	9,740,327	-	-
U.S. mid cap	796,957	796,957	-	-
U.S. small cap	477,178	477,178	-	-
International	924,593	924,593	-	-
Emerging markets	563,286	563,286	-	-
Debt securities:				
Corporate bonds	810,805	-	810,805	-
Fixed income mutual funds	1,311,780	1,311,780	-	-
U.S. government and agency obligations	2,078,762	-	2,078,762	-
Other:				
Exchange traded funds	983,115	983,115	-	-
	<u>\$ 33,824,453</u>	<u>30,934,886</u>	<u>2,889,567</u>	<u>-</u>

FLORIDA EDUCATION FUND, INC.

Notes to Financial Statements - Continued

(9) Fair Value Measurements - Continued

FEF has the following recurring fair value measurements as of June 30, 2024:

<u>Description</u>	<u>Fair Value Measurements at June 30, 2024</u>			
	<u>Fair Value as of June 30, 2024</u>	<u>Quoted Prices in Active Markets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Investments measured at fair value:				
Money market funds	\$ 1,504,592	1,504,592	-	-
Common stocks	10,920,793	10,920,793	-	-
Equity mutual funds:				
U.S. large cap	8,352,067	8,352,067	-	-
U.S. mid cap	311,069	311,069	-	-
U.S. small cap	226,477	226,477	-	-
International	292,157	292,157	-	-
Emerging markets	162,767	162,767	-	-
Debt securities:				
Corporate bonds	1,623,727	-	1,623,727	-
Fixed income mutual funds	1,470,262	1,470,262	-	-
U.S. government and agency obligations	3,686,662	-	3,686,662	-
Other:				
Exchange traded funds	803,884	803,884	-	-
	<u>\$ 29,354,457</u>	<u>24,044,068</u>	<u>5,310,389</u>	<u>-</u>

(10) Contingencies

FEF is subject to audit and/or examination by funding sources to determine compliance with grant conditions. In the event that expenditures would be disallowed, repayment could be required. Management believes FEF is in compliance with the terms of its grant agreements.

(11) Subsequent Events

FEF has evaluated subsequent events through October 13, 2025, the date the financial statements were available for issuance.

In September 2025, FEF executed an amendment to the office space lease, extending the maturity date to March 31, 2026.

As part of the State of Florida's 2025-2026 budget process, appropriations supporting FEF's primary grant program were eliminated. During fiscal year 2025, the Organization received approximately \$3.5 million under this appropriation, representing about 65 percent of total operating revenue.

The loss of this state funding will materially affect FEF's future operations and financial results beginning in fiscal year 2026. Management is evaluating alternative funding sources and budget adjustments to mitigate the impact of this reduction.

FLORIDA EDUCATION FUND, INC.

Schedule of Operating Activities by Program

**Year Ended June 30, 2025
(With Comparative Totals for 2024)**

	Program Services				Supporting Services			Total	
	McKnight Doctoral Fellowships	McKnight Junior Faculty Fellowships	Centers of Excellence	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	2025	2024
	Operating revenues:								
Grants, appropriations, and contracts	\$ 3,554,809	-	779,794	4,334,603	-	-	-	4,334,603	4,209,630
Contributions	25,002	-	-	25,002	-	24,612	24,612	49,614	87,664
Investment return	983,972	-	-	983,972	-	-	-	983,972	716,604
Program service fees	31,345	-	5,500	36,845	-	-	-	36,845	46,550
Other	-	-	-	-	2,521	-	2,521	2,521	2,581
Total operating revenues	4,595,128	-	785,294	5,380,422	2,521	24,612	27,133	5,407,555	5,063,029
Operating expenses:									
Student support:									
McKnight Doctoral Fellowships	2,033,789	-	-	2,033,789	-	-	-	2,033,789	2,348,614
McKnight Junior Faculty Fellowships	-	30,000	-	30,000	-	-	-	30,000	60,000
Centers of Excellence	-	-	256,937	256,937	-	-	-	256,937	236,433
Operating expenses:									
Salaries and related expenses	574,431	32,658	303,560	910,649	317,449	17,872	335,321	1,245,970	1,045,156
Professional fees	29,127	207	3,993	33,327	125,962	402	126,364	159,691	150,579
Contract services	10,244	-	34,143	44,387	71,346	-	71,346	115,733	187,395
Office supplies	-	-	1,184	1,184	7,222	-	7,222	8,406	5,274
Printing and copying	3,513	-	5,931	9,444	-	-	-	9,444	16,834
Postage and shipping	344	-	-	344	344	11	355	699	2,088
Occupancy costs	17,029	645	21,590	39,264	-	490	490	39,754	46,596
Telephone	7,232	51	3,391	10,674	2,548	136	2,684	13,358	10,411
Dues, memberships, and subscriptions	308	-	1,116	1,424	11,228	-	11,228	12,652	10,944
Advertising	-	-	170	170	-	-	-	170	347
Travel	1,172	-	4,821	5,993	312	-	312	6,305	4,182
Hotel and meals	2,371	-	4,457	6,828	3,708	-	3,708	10,536	8,378
Depreciation	1,458	10	166	1,634	414	21	435	2,069	1,457
Amortization	61,809	513	7,704	70,026	15,678	927	16,605	86,631	83,815
Interest	1,396	12	174	1,582	354	21	375	1,957	1,934
Other	1,756	-	50,227	51,983	7,493	364	7,857	59,840	68,302
Total operating expenses	2,745,979	64,096	699,564	3,509,639	564,058	20,244	584,302	4,093,941	4,288,739
Changes in net position from operating activities	\$ 1,849,149	(64,096)	85,730	1,870,783	(561,537)	4,368	(557,169)	1,313,614	774,290

See accompanying independent auditors' report.

**REPORTS AND SCHEDULES AS REQUIRED BY CHAPTER 10.650,
*RULES OF THE AUDITOR GENERAL***



CBIZ CPAs P.C.

140 Fountain Parkway North
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**Independent Auditors' Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

The Board of Directors
Florida Education Fund, Inc.:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Florida Education Fund, Inc., a component unit of the State of Florida, (the "Organization"), which comprise the statement of net position as of June 30, 2025 and the related statements of revenues, expenses, and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated October 13, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Florida Education Fund 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 Florida Education Fund Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Florida Education Fund 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Florida Education Fund Inc.'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.

CBIZ CPAs P.C.

October 13, 2025
St. Petersburg, Florida

**Independent Auditors' Report on Compliance for Each Major State Project
and on Internal Control Over Compliance Required by Chapter 10.650,
Rules of the Auditor General**

The Board of Directors
Florida Education Fund, Inc.:

Report on Compliance for Each Major State Project

Opinion on Each Major State Project

We have audited Florida Education Fund, Inc.'s, a component unit of the State of Florida, (the "Organization") compliance with the types of compliance requirements identified as subject to audit in the *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on Florida Education Fund, Inc.'s major state project for the year ended June 30, 2025. Florida Education Fund, Inc.'s major state project is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Florida Education Fund, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major state project for the year ended June 30, 2025.

Basis for Opinion on Each Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Chapter 10.650, *Rules of the Auditor General*. Our responsibilities under those standards and Chapter 10.650, *Rules of the Auditor General* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report. We are required to be independent of Florida Education Fund, Inc. 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 the major state project. Our audit does not provide a legal determination of Florida Education Fund, Inc.'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 Florida Education Fund, Inc.'s state project.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether to do with fraud or error, and express an opinion on Florida Education Fund, Inc.'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 Chapter 10.650, *Rules of the Auditor General* will always detect a material noncompliance when it exists. The risk of not detecting a 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 Florida Education Fund, Inc.'s compliance with the requirements of the major state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and 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 Florida Education Fund, Inc.'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 Florida Education Fund, Inc.'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 Chapter 10.650, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of Florida Education Fund, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

CBIZ CPAs P.C.

October 13, 2025
St. Petersburg, Florida

FLORIDA EDUCATION FUND, INC.

Schedule of Expenditures of State Financial Assistance

Year Ended June 30, 2025

<u>Grantor/Program Title</u>	<u>Contract/ Grant Number</u>	<u>State CSFA Number</u>	<u>Current Year Expenditures</u>	<u>Transfers to Subrecipients</u>
<i>Department of Education and Commissioner of Education</i>				
Florida Education Fund				
Student Financial Aid Program, Fiscal 2024-2025				
Specific Appropriation 76	SA-498	48.070	\$ <u>3,500,000</u>	<u>-</u>
Subtotal - Department of Education and Commissioner of Education			<u>3,500,000</u>	<u>-</u>
Total expenditures of state financial assistance			\$ <u><u>3,500,000</u></u>	<u><u>-</u></u>

FLORIDA EDUCATION FUND, INC.

Notes to Schedule of Expenditures of State Financial Assistance

Year Ended June 30, 2025

(1) General

The accompanying schedule of expenditures of state financial assistance presents the activity of all state projects of Florida Education Fund, Inc. All state projects passed through other government agencies are included in the accompanying schedule.

(2) Basis of Presentation

The accompanying schedule of expenditures of state financial assistance is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Chapter 10.650, *Rules of the Auditor General*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

FLORIDA EDUCATION FUND, INC.

Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

(A) Summary of Auditors' Results

1. The auditors' report expresses an unmodified opinion on the financial statements of Florida Education Fund, Inc.
2. No material weaknesses or significant deficiencies in internal control relating to the audit of the financial statements were disclosed in the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Florida Education Fund, Inc. were disclosed during the audit.
4. No material weaknesses or significant deficiencies relating to the audit of the major state project are reported in the Independent Auditors' Report on Compliance for Each Major State Project and on Internal Control Over Compliance Required by Chapter 10.650, *Rules of the Auditor General*.
5. The auditors' report on compliance for the major state project for Florida Education Fund, Inc. expresses an unmodified opinion on the major state project.
6. Audit findings, if any, that are required to be reported in accordance with Chapter 10.650, *Rules of the Auditor General*, are reported in Part C. of this schedule.
7. The project tested as a major state project was:
Florida Education Fund (CSFA 48.070)
8. The threshold for distinguishing Types A and B projects was \$750,000 for major state projects.

(B) Findings - Audit of Financial Statements

None.

(C) Findings and Questioned Costs - Major State Financial Assistance Project Audit

None.

(D) Other Issues

A Summary Schedule of Prior Audit Findings is not required because there were no prior audit findings related to state projects.



CBIZ CPAs P.C.

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The Board of Directors
Florida Education Fund, Inc.:

Report on Financial Statements

We have audited the financial statements of Florida Education Fund, Inc. as of and for the year ended June 30, 2025, and have issued our report thereon dated October 13, 2025.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.650, *Rules of the State of Florida Auditor General*.

Other Reports and Schedule

We have issued our Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, our Independent Auditors' Report on Compliance for Each Major State Project and on Internal Control Over Compliance Required by Chapter 10.650, *Rules of the State of Florida Auditor General*, and the Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated October 13, 2025, should be considered in conjunction with this management letter.

Other Matter

Section 10.654(1)(e), *Rules of the Auditor General*, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements or state project amounts that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not identify any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

CBIZ CPAs P.C.

October 13, 2025
St. Petersburg, Florida