



**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

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

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

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

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## **Independent Auditors' Report on Financial Statements and Supplementary Financial Information**

The Board of Directors  
Pinellas County Education Foundation, Inc.:

### **Opinion**

We have audited the financial statements of Pinellas County Education Foundation, Inc. (the "Foundation"), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation 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 Foundation'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 audits.
- 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 audits 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 Foundation'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 Foundation'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 Matters**

#### ***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of state financial assistance, as required by Chapter 10.650, *Rules of the State of Florida Auditor General*, is presented for purposes of additional analysis and is 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 auditing standards generally accepted in the United States of America. In our opinion, the supplementary 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 December 17, 2025, on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Foundation's internal control over financial reporting and compliance.

*CBIZ CPAs P.C.*

December 17, 2025  
St. Petersburg, Florida

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Statements of Financial Position**

**June 30, 2025 and 2024**

<b>Assets</b>	<b>2025</b>	<b>2024</b>
Cash and cash equivalents (Note 14)	\$ 1,658,334	1,256,225
Grants and other receivables	532,542	521,013
Marketable investment securities (Notes 5 and 10)	28,394,931	26,001,245
Community foundation investments (Note 10)	11,548	-
Pledges receivable, net (Note 2)	1,638,415	3,199,383
Prepaid expenses and other assets	64,580	51,518
Property and equipment, net (Note 3)	78,859	50,178
Operating lease right-of-use assets (Note 8)	35,260	20,420
Donated building space use (Note 4)	590,901	42,323
Florida prepaid scholarships (Note 6)	16,044,308	18,699,043
Beneficial interests in trusts (Notes 9 and 10)	1,190,411	1,262,567
	<u>50,240,089</u>	<u>51,103,915</u>
<b>Total assets</b>	<b>\$ 50,240,089</b>	<b>51,103,915</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accounts payable and accrued expenses	\$ 276,300	377,329
Refundable advances	321,861	308,860
Obligation under split-interest agreement (Notes 9 and 10)	125,468	137,853
Operating lease liabilities (Note 8)	35,259	20,420
	<u>758,888</u>	<u>844,462</u>
<b>Total liabilities</b>	<b>758,888</b>	<b>844,462</b>
<b>Net assets:</b>		
Without donor restrictions	<u>6,869,373</u>	<u>4,224,963</u>
<b>With donor restrictions:</b>		
College and career readiness	2,405,106	2,390,221
Curriculum enrichments	6,731,745	8,005,441
Literacy	620,989	390,717
Other district support	1,887,261	1,844,567
Other programs	836,236	1,122,018
Take stock in children	19,537,002	22,639,783
Student scholarships	9,071,941	8,300,492
Administration	574,810	42,323
Fundraising and development	946,738	1,298,928
	<u>42,611,828</u>	<u>46,034,490</u>
<b>Total net assets with donor restrictions</b>	<b>42,611,828</b>	<b>46,034,490</b>
<b>Total net assets</b>	<b>49,481,201</b>	<b>50,259,453</b>
<b>Total liabilities and net assets</b>	<b>\$ 50,240,089</b>	<b>51,103,915</b>

See accompanying independent auditors' report and notes to financial statements.

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Statement of Activities**

**Year Ended June 30, 2025**

	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions</u>	<u>Total</u>
Operating support and revenue:			
Special events revenues	\$ 97,050	-	97,050
Special events expenses	<u>(31,000)</u>	<u>-</u>	<u>(31,000)</u>
Net special events revenue	66,050	-	66,050
Contributions/Sponsorships (Note 13)	530,668	2,595,032	3,125,700
Governmental grants	14,349	944,584	958,933
Other grant revenue	-	1,490,103	1,490,103
Contract revenue	-	192,321	192,321
Florida prepaid scholarships match, net of cancellations (Note 6)	-	(154,371)	(154,371)
Investment return, net	914,438	1,757,304	2,671,742
Other revenue	100,828	-	100,828
In-kind donations (Note 7)	121,324	640,833	762,157
Net assets released from restrictions:			
Expiration of time restrictions	655,850	(655,850)	-
Satisfaction of program restrictions	<u>10,232,618</u>	<u>(10,232,618)</u>	<u>-</u>
Total support and revenue	<u>12,636,125</u>	<u>(3,422,662)</u>	<u>9,213,463</u>
Expenses:			
Program services:			
College and career readiness	469,966	-	469,966
Curriculum enrichments	887,196	-	887,196
Literacy	765,677	-	765,677
Other district support	657,387	-	657,387
Other programs	2,365,657	-	2,365,657
TSIC mentoring program	3,014,809	-	3,014,809
Student scholarships	<u>956,700</u>	<u>-</u>	<u>956,700</u>
Total program services	<u>9,117,392</u>	<u>-</u>	<u>9,117,392</u>
Supporting services:			
Management and general	433,569	-	433,569
Development and fundraising	<u>440,754</u>	<u>-</u>	<u>440,754</u>
Total supporting services	<u>874,323</u>	<u>-</u>	<u>874,323</u>
Total expenses	<u>9,991,715</u>	<u>-</u>	<u>9,991,715</u>
Increase (decrease) in net assets	2,644,410	(3,422,662)	(778,252)
Net assets, beginning of year	<u>4,224,963</u>	<u>46,034,490</u>	<u>50,259,453</u>
Net assets, end of year	<u>\$ 6,869,373</u>	<u>42,611,828</u>	<u>49,481,201</u>

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Statement of Activities**

**Year Ended June 30, 2024**

	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions</u>	<u>Total</u>
Operating support and revenue:			
Special events revenues	\$ 93,840	-	93,840
Special events expenses	<u>(29,215)</u>	<u>-</u>	<u>(29,215)</u>
Net special events revenue	64,625	-	64,625
Contributions/Sponsorships (Note 13)	579,992	4,904,670	5,484,662
Governmental grants	14,989	971,665	986,654
Other grant revenue	-	131,860	131,860
Contract revenue	-	132,274	132,274
Florida prepaid scholarships match (Note 6)	-	952,299	952,299
Investment return, net	885,419	2,007,006	2,892,425
Other revenue	366,337	-	366,337
In-kind donations (Note 7)	379,032	24,008	403,040
Net assets released from restrictions:			
Expiration of time restrictions	436,000	(436,000)	-
Satisfaction of program restrictions	<u>5,934,454</u>	<u>(5,934,454)</u>	<u>-</u>
Total support and revenue	<u>8,660,848</u>	<u>2,753,328</u>	<u>11,414,176</u>
Expenses:			
Program services:			
College and career readiness	1,150,862	-	1,150,862
Curriculum enrichments	965,658	-	965,658
Literacy	818,229	-	818,229
Other district support	783,768	-	783,768
Other programs	429,809	-	429,809
TSIC mentoring program	2,258,067	-	2,258,067
Student scholarships	<u>902,229</u>	<u>-</u>	<u>902,229</u>
Total program services	<u>7,308,622</u>	<u>-</u>	<u>7,308,622</u>
Supporting services:			
Management and general	405,504	-	405,504
Development and fundraising	<u>262,286</u>	<u>-</u>	<u>262,286</u>
Total supporting services	<u>667,790</u>	<u>-</u>	<u>667,790</u>
Total expenses	<u>7,976,412</u>	<u>-</u>	<u>7,976,412</u>
Increase in net assets	684,436	2,753,328	3,437,764
Net assets, beginning of year	<u>3,540,527</u>	<u>43,281,162</u>	<u>46,821,689</u>
Net assets, end of year	<u>\$ 4,224,963</u>	<u>46,034,490</u>	<u>50,259,453</u>

See accompanying independent auditors' report and notes to financial statements.

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Statement of Functional Expenses**

**Year Ended June 30, 2025**

	Program Services								Supporting Services			Total 2025
	College and Career	Curriculum Enrichments	Literacy	Other District Support	Other Programs	TSIC Mentoring Program	Scholarships	Total	Management and General	Development and Fundraising	Total	
Grants and other assistance	\$ 389,496	561,560	680,963	339,759	1,637,726	51,007	906,820	4,567,331	1,361	6,070	7,431	4,574,762
Salaries and wages	43,084	163,891	54,026	194,391	310,970	598,764	34,842	1,399,968	278,747	279,874	558,621	1,958,589
Other employee benefits	3,439	21,891	3,734	24,488	39,548	84,615	4,682	182,397	18,211	30,822	49,033	231,430
Payroll taxes	3,427	12,741	4,171	14,923	21,940	45,143	2,666	105,011	18,613	19,542	38,155	143,166
Fees for service	-	30,652	2,453	-	97,473	9,815	-	140,393	35,511	17,125	52,636	193,029
Advertising and promotion	645	6,483	159	30,608	6,684	797	18	45,394	2,201	3,000	5,201	50,595
Office expenses	9,704	7,221	3,632	11,851	127,660	17,092	6,526	183,686	23,215	39,767	62,982	246,668
Occupancy	-	12,914	12,611	-	4,405	444	-	30,374	565	1,126	1,691	32,065
Travel	9,347	852	173	424	2,234	8,388	112	21,530	1,114	2,509	3,623	25,153
Conferences, conventions, and meetings	7,654	-	100	-	3,730	6,321	-	17,805	991	3,911	4,902	22,707
Interest	-	764	479	823	3,079	617	455	6,217	12,404	644	13,048	19,265
Depreciation and amortization	299	652	34	407	1,758	4,682	579	8,411	12,713	4,058	16,771	25,182
Insurance	-	211	1,005	463	17,498	2,114	-	21,291	2,242	2,883	5,125	26,416
Other expenses	2,871	67,364	2,137	39,250	90,952	9,858	-	212,432	25,681	29,423	55,104	267,536
Take Stock in Children amortization	-	-	-	-	-	2,175,152	-	2,175,152	-	-	-	2,175,152
<b>Total expenses - 2025</b>	<b>\$ 469,966</b>	<b>887,196</b>	<b>765,677</b>	<b>657,387</b>	<b>2,365,657</b>	<b>3,014,809</b>	<b>956,700</b>	<b>9,117,392</b>	<b>433,569</b>	<b>440,754</b>	<b>874,323</b>	<b>9,991,715</b>

See accompanying independent auditors' report and notes to financial statements.

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Statement of Functional Expenses**

**Year Ended June 30, 2024**

	Program Services							Supporting Services			Total 2024	
	College and Career	Curriculum Enrichments	Literacy	Other District Support	Other Programs	TSIC Mentoring Program	Scholarships	Total	Management and General	Development and Fundraising		Total
Grants and other assistance	\$ 260,931	195,563	167,962	117,242	75	40,783	680,650	1,463,206	6,939	19,853	26,792	1,489,998
Salaries and wages	259,040	218,747	7,344	191,574	214,006	476,992	33,228	1,400,931	234,227	96,303	330,530	1,731,461
Other employee benefits	18,305	20,147	223	21,837	27,039	69,560	4,361	161,472	5,239	4,983	10,222	171,694
Payroll taxes	17,920	16,540	488	14,070	15,933	35,650	2,508	103,109	18,928	7,094	26,022	129,131
Fees for service	322,911	36,085	516,368	53,254	94,210	64,148	14,772	1,101,748	10,924	31,344	42,268	1,144,016
Advertising and promotion	5,550	117	-	9,873	405	1,450	58	17,453	3,765	7,799	11,564	29,017
Office expenses	229,159	81,377	111,219	225,967	30,194	52,823	10,478	741,217	69,929	50,058	119,987	861,204
Occupancy	7,414	75,000	8,000	1,721	1,305	1,928	186	95,554	1,309	3,746	5,055	100,609
Travel	17,018	1,688	898	6,220	1,204	9,918	392	37,338	1,124	1,469	2,593	39,931
Conferences, conventions, and meetings	1,688	500	154	4,068	1,123	1,436	103	9,072	3,465	1,563	5,028	14,100
Interest	2	228	423	3,155	3,111	4,443	690	12,052	2,815	2,549	5,364	17,416
Depreciation and amortization	966	96	-	425	361	1,968	25	3,841	6,994	2,068	9,062	12,903
Insurance	-	498	-	7,660	6,984	8,979	998	25,119	6,318	4,234	10,552	35,671
Other expenses	9,958	319,072	5,150	126,702	33,859	47,349	5,464	547,554	33,528	29,223	62,751	610,305
Take Stock in Children amortization	-	-	-	-	-	1,440,640	148,316	1,588,956	-	-	-	1,588,956
<b>Total expenses - 2024</b>	<b>\$ 1,150,862</b>	<b>965,658</b>	<b>818,229</b>	<b>783,768</b>	<b>429,809</b>	<b>2,258,067</b>	<b>902,229</b>	<b>7,308,622</b>	<b>405,504</b>	<b>262,286</b>	<b>667,790</b>	<b>7,976,412</b>

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Statements of Cash Flows**

**Years Ended June 30, 2025 and 2024**

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
(Decrease) increase in net assets	\$ (778,252)	3,437,764
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	25,182	12,903
Realized and unrealized gains on investment securities	(1,939,854)	(2,203,533)
Loss on disposal of assets	4,242	-
Amortization of Florida prepaid scholarships and other credits	2,469,292	1,871,786
Donated building space use	(661,314)	-
Noncash rent expense - donated building space use	112,736	100,383
Write-off of pledges receivable	1,637,000	48,500
Matching contributions for Florida prepaid scholarships, net of cancellations	154,371	(952,299)
Increase in grants and other receivables	(11,529)	(346,847)
Decrease (increase) in prepaid expenses and other assets	(13,062)	8,296
Decrease (increase) in pledges receivable	(76,032)	(1,246,003)
Decrease (increase) in beneficial interests in trusts	72,156	(105,206)
Increase (decrease) in accounts payable and accrued expenses	(101,029)	6,152
Increase (decrease) in refundable advances	13,001	(386,640)
Decrease in obligations under split-interest agreements	(12,385)	(11,933)
Net cash provided by operating activities	<u>894,523</u>	<u>233,323</u>
Cash flows from investing activities:		
Purchases of Florida prepaid scholarships	(291,780)	(770,040)
Proceeds from refund of Florida prepaid scholarships	322,852	428,375
Purchases of marketable investment securities	(12,178,251)	(4,877,767)
Proceeds from sales of marketable investment securities	11,712,871	4,017,372
Property and equipment purchases	(58,106)	(33,294)
Net cash used in investing activities	<u>(492,414)</u>	<u>(1,235,354)</u>
Net increase (decrease) in cash and cash equivalents	402,109	(1,002,031)
Cash and cash equivalents, beginning of year	<u>1,256,225</u>	<u>2,258,256</u>
Cash and cash equivalents, end of year	\$ <u><u>1,658,334</u></u>	\$ <u><u>1,256,225</u></u>
Supplemental disclosure of cash flow information:		
Interest paid	\$ <u><u>1,054</u></u>	<u><u>777</u></u>
Non-cash right-of-use assets obtained in exchange for operating lease liabilities	\$ <u><u>27,103</u></u>	<u><u>-</u></u>

# PINELLAS COUNTY EDUCATION FOUNDATION, INC.

## Notes to Financial Statements

June 30, 2025 and 2024

### (1) Summary of Significant Accounting Policies and Practices

#### (a) Organization and Purpose

The Pinellas County Education Foundation, Inc. d/b/a Pinellas Education Foundation (the “Foundation”) functions as an independent nonprofit organization established originally in 1986. The mission of the Foundation is to accelerate educational achievement for all students through the effective mobilization of innovation, relationships and resources. The Foundation’s vision is that every student will be prepared for life after high school, whether the choice is to attend college, to enter the workforce, or to obtain technical training.

The Foundation’s priorities align with Pinellas County Schools and support their vision of 100% student success. The Foundation’s strategies include strengthening the knowledge, skills and support for teachers and principals to improve student achievement levels and increasing students’ knowledge for accessing post-secondary education to boost graduation and college and career readiness rates. The Foundation does this through three key areas of work: Academic Achievement, Multiple Pathways and Enhancement Programs.

The Foundation’s Academic Achievement programs support teachers and principals by offering opportunities to improve instruction methods and increase student outcomes. Programs include Closing the Gap, Pinellas Early Literacy Initiative and Reading Recovery.

The Foundation’s Multiple Pathways programs ensure that students graduate from high school with multiple pathways to success, including college and career readiness. Some of our programs that help students succeed during and after high school include Career and Technical Education, College and Career Centers, Senior Scholarships and Take Stock in Children. Senior Scholarships range from \$500 to \$5,000 and are available to graduating Pinellas County Schools Children.

The Foundation’s Enhancement Programs cultivate a supportive culture for teachers and offer students the chance to develop essential skills. Examples of these programs include Enterprise Village, Finance Park, Evening of Excellence, Fund a Classroom, and TB12 Fitness Program.

Additional details on some of the Foundation’s key programs:

*Take Stock in Children Scholarship Program.* This statewide scholarship program helps low-income youth 6 - 12th grade, many from minority families, escape the cycle of poverty through education. Scholarship recipients are paired with mentors who provide inspiration and guidance, as well as, college success coaches and school-based ambassadors who monitor their progress and enhance their learning.

*Student Scholarships.* The Foundation offers numerous scholarships to help students achieve their educational goals and dreams. These traditional scholarships range from \$500 to \$5,000 and are available to high school graduating seniors in the Pinellas County Public School system.

PINELLAS COUNTY EDUCATION FOUNDATION, INC.

Notes to Financial Statements - Continued

(1) **Summary of Significant Accounting Policies and Practices - Continued**

(a) **Organization and Purpose - Continued**

*The Gus Stavros Institute* is comprised of two separate and distinct programs: Enterprise Village teaches fifth-grade students about America's economic system through hands-on business simulations. Finance Park teaches eighth-grade students personal financial management in a reality-based center.

(b) **Basis of Presentation**

The financial statements of the Foundation have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"), which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

*Net assets without donor restrictions:* Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and the board of directors.

*Net assets with donor restrictions:* Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

(c) **Liquidity**

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

(d) **Cash Equivalents**

For purposes of the statement of cash flows, the Foundation considers all highly liquid instruments with an original maturity of three months or less to be cash equivalents.

(e) **Marketable Investment Securities**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are carried at their fair values in the Foundation's statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities. Restrictions on investment earnings are reported as increases in net assets without donor restrictions if the restrictions are satisfied in the year in which the earnings are recognized.

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Notes to Financial Statements - Continued**

**(1) Summary of Significant Accounting Policies and Practices - Continued**

**(f) Pledges Receivable**

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

Promises to give that are expected to be collected within one year are recorded at net realizable value. Promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received, plus an applicable risk premium. Amortization of the discounts is included in contribution revenue. It is the Foundation's policy to charge off uncollectible pledges receivable when management determines the receivable will not be collected.

**(g) Property and Equipment**

The Foundation capitalizes property and equipment over \$1,000. Purchased property and equipment are capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Depreciation of property and equipment is calculated using the straight-line method over estimated useful lives of the assets.

**(h) Prepaid Scholarships**

Prepaid scholarships consist of prepaid college tuition and fees purchased through the Florida Prepaid College Foundation, Inc. Certain amounts are matched dollar-for-dollar by the State of Florida depending upon budget allocation. The scholarships are recorded at the total of cost plus matching funds and are amortized based on actual credit hours used by the students.

**(i) Beneficial Interest in Trust**

The Foundation has a beneficial interest in a charitable remainder trust ("CRUT") whereby the Foundation maintains custody of the related assets and makes specified distributions to a designated beneficiary over the term of the trust. Assets held under the trust are recorded at fair value.

The liability associated with the CRUT is determined based on the present value of the estimated future payments to be made to the designated beneficiaries. The liability is reduced as distributions are made to the beneficiaries.

# PINELLAS COUNTY EDUCATION FOUNDATION, INC.

## Notes to Financial Statements - Continued

### (1) Summary of Significant Accounting Policies and Practices - Continued

#### (j) Contributions

The Foundation recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Conditional contributions are recorded as revenue when such amounts become unconditional which generally involves the meeting of a barrier to entitlement. This can include items like meeting a matching provision, incurring specified allowable expenses in accordance with an applicable framework, allowable costs under a government grant or other barriers.

A portion of the Foundation's revenue is derived from cost-reimbursable contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenditures. Amounts received are recognized as revenue when the Foundation has provided certain services and incurred expenditures in compliance with specific contract or grant provisions. Cash received in excess of revenue recognized is recorded as refundable advances. There were refundable advances of approximately \$322,000 and \$309,000 as of June 30, 2025 and 2024, respectively. As of June 30, 2025 and 2024, the Foundation has been awarded grants and contracts of approximately \$1,006,000 and \$503,000, respectively, of which no amounts had been received in advance. The amounts have not been recognized in the accompanying financial statements because the conditions for receipt have not yet been met.

#### (k) Functional Allocation of Expenses

The costs of providing the various programs and other activities are presented in the accompanying statement of functional expenses and have been summarized on a functional basis in the accompanying statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted. Personnel costs have been allocated to functional classifications based on the estimated percentage of time spent on each by Foundation employees. Occupancy costs and depreciation have been allocated to functional classifications based on the Foundation's workforce allocations.

#### (l) Donated Services, Materials and Building Space

Donations of materials and building space are recorded as support at their estimated fair value at the date of donation. Donations of services are recorded as support at their estimated fair value if they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Notes to Financial Statements - Continued**

**(1) Summary of Significant Accounting Policies and Practices - Continued**

**(m) Income Taxes**

The Pinellas County Education Foundation, Inc. is a nonprofit organization exempt from federal income taxes on related income as an organization described in Section 501(c)(3) of the Internal Revenue Code and from Florida income tax under Chapter 220 of the *Florida Statutes*. Accordingly, no provision for income taxes has been included in the accompanying financial statements. The Foundation has adopted FASB guidance regarding *Uncertainty in Income Taxes* as codified in FASB ASC Topic 740-10. As of June 30, 2025, management does not believe it has taken any tax positions that are subject to a significant degree of uncertainty. The Foundation's income tax filings are subject to examination by the Internal Revenue Service generally for three years after they were filed. Tax filings for years after June 30, 2021 remain open for examination.

**(n) Estimates in Financial Statements**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases or decreases in net assets during the period. Actual results could differ from those estimates.

**(o) Going Concern Evaluation**

On an annual basis, as required by ASC Topic 205, *Presentation of Financial Statements - Going Concern*, the Foundation performs an evaluation to determine whether there are conditions or events (known and reasonably knowable), considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued. Management's assessment did not indicate that substantial doubt is raised about the ability to remain a going concern for one year from the date the financial statements were available for issuance.

**(p) Leases**

The Foundation leases office space and operating equipment. The Foundation determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets and operating lease liabilities on the Foundation's statement of financial position.

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Notes to Financial Statements - Continued**

**(1) Summary of Significant Accounting Policies and Practices - Continued**

**(p) Leases**

ROU assets represent the Foundation's right to use an underlying asset for the lease term and lease liabilities represent the Foundation's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the Foundation's leases do not provide an implicit rate, the Foundation uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The Foundation's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Foundation has elected to apply the short-term lease exemption to all classes of underlying assets when applicable.

The Foundation's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

**(q) Reclassifications**

Certain prior year amounts have been reclassified to conform to the current year presentation. These reclassifications include the presentation of net assets with donor restrictions presented in the June 30, 2024 statement of financial position, presentation of support and revenue and expenses presented in the statement of activities for the year ended June 30, 2024, the presentation in the statement of functional expenses for the year ended June 30, 2024 and the statement of cash flows for the year ended June 30, 2024. These changes had no impact on the total net assets as of June 30, 2024.

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Notes to Financial Statements - Continued**

**(2) Pledges Receivable**

Included in pledges receivable as of June 30, 2025 and 2024 are the following unconditional promises to give:

	<b>2025</b>	<b>2024</b>
Stavros Society donors	\$ 8,800	32,900
Stavros Institute	1,122,500	1,099,500
Walker's Rising Stars	-	1,750,000
Joanne McIntyre Fund	700,000	900,000
Other	19,000	14,780
Total pledges receivable	1,850,300	3,797,180
Discount for present value	(211,885)	(597,797)
Net pledges receivable	\$ 1,638,415	3,199,383
Amounts receivable in:		
Less than one year	\$ 367,433	485,380
One to five years	1,030,867	1,587,800
Thereafter	452,000	1,724,000
Total	\$ 1,850,300	3,797,180

Discount rates range from 2.21% to 5.52% as of June 30, 2025, and from 1.29% to 6.09% as of June 30, 2024.

For the year ended June 30, 2025 and 2024, the Foundation charged off approximately \$1,637,000 and \$48,500 of uncollectible pledges, respectively. Total restricted contributions received during the current year were \$4,096,510. This amount is presented net of a write-off of restricted pledges receivable totaling \$1,501,478 (\$1,625,000 less the change in discount of \$123,522). Based on historical experience and other circumstances, it is management's estimate that the remaining receivables will be fully collected. Therefore, no allowance for uncollectible pledges is deemed necessary.

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Notes to Financial Statements - Continued**

**(3) Property and Equipment**

Property and equipment consist of the following as of June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Computer equipment	\$ 126,482	92,263
Furniture and fixtures	68,169	70,787
	<u>194,651</u>	<u>163,050</u>
Accumulated depreciation	<u>(115,792)</u>	<u>(112,872)</u>
	<u>\$ 78,859</u>	<u>50,178</u>

Depreciation expense for the years ended June 30, 2025 and 2024 was \$25,182 and \$12,903, respectively.

**(4) Donated Building Space Use**

During December 2009, the Foundation entered into a below market 10 year lease agreement with The School Board of Pinellas County, Florida. Upon expiration of the original term in December 2019, the lease agreement was automatically extended for five years. Upon expiration of the extension term in December 2024, the lease agreement was automatically extended for an additional five years. Recognition of the fair value of this lease and related rental expense for the years ended June 30, 2025 and 2024 is summarized as follows:

Balance as of June 30, 2023	\$ 142,706
Annual fair value of donated building space	1,617
Recognition of in-kind rent expense	<u>(102,000)</u>
Recognition of in-kind rent expense for the year ended June 30, 2024	<u>(100,383)</u>
Balance as of June 30, 2024	42,323
Gross amount of extension in-kind lease payments	732,000
Less discount for present value over lease term (discount rate of 4.07%)	(70,686)
Annual fair value of donated building space	15,164
Recognition of in-kind rent expense	<u>(127,900)</u>
Recognition of in-kind rent expense for the year ended June 30, 2025	<u>(112,736)</u>
Balance as of June 30, 2025	<u>\$ 590,901</u>

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Notes to Financial Statements - Continued**

**(5) Marketable Investment Securities**

Marketable investment securities consist of the following as of June 30, 2025 and 2024:

	2025		2024	
	Cost	Fair Value	Cost	Fair Value
Large Cap Equity Mutual Funds	\$ 2,655,432	2,678,111	2,760,712	2,501,754
Preferred Equity Securities	945,204	875,917	965,580	937,084
Government Bonds	3,682,801	3,736,910	2,827,839	2,780,665
Corporate Bonds	445,415	450,265	1,200,180	1,167,384
Money Market Funds	617,364	617,364	399,723	399,723
Stocks and Related	13,865,227	18,769,959	13,059,509	17,055,869
Alternative Investment	1,227,495	1,266,405	1,104,439	1,158,766
	\$ 23,438,938	28,394,931	22,317,982	26,001,245

None of the Foundation’s investments in stocks or corporate bonds (domestic and international) are concentrated in a single entity or industry.

Investment securities are exposed to various risks, such as interest rate, market and credit risk. Market risks include global events which could impact the value of investment securities, such as a pandemic or international conflict. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

**(6) Florida Prepaid Scholarships**

During the years ended June 30, 2025 and 2024 the Foundation paid \$291,780 and \$451,343, respectively, to the Florida Prepaid College Foundation, Inc. for the purpose of purchasing prepaid scholarships to be awarded in the future to qualified economically disadvantaged students in Florida, in an effort to redirect their lives and enhance their career goals. Certain amounts are matched dollar-for-dollar by the State of Florida depending on budget allocations. The matching contributions for the years ended June 30, 2025 and 2024 of \$129,383 and \$916,433, respectively, are recorded as contributions with donor restrictions in the Take Stock in Children program. During the years ended June 30, 2025 and 2024, the Foundation received refunds of approximately \$322,852 and \$428,375, respectively, from the Florida Prepaid College Foundation, Inc. due to modest tuition and fee increases in recent years resulting in the value paid for the scholarships being greater than the benefits paid by the plan. The refund is recorded as an increase to Donor Available for Transaction Balance account held by the Florida Prepaid College Foundation.

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Notes to Financial Statements - Continued**

**(6) Florida Prepaid Scholarships - Continued**

During the year ended June 30, 2022, the Foundation began participating in the Florida Prepaid College Foundation's Florida Only scholarship program which allows the Foundation to purchase one-year scholarships that are subsequently awarded to eligible students. At the Foundation the Florida Only scholarships are referred to as "Jump Start" Scholarships. Unlike other prepaid scholarships, the "Jump Start" scholarships are nonrefundable and unused hours are not available for reassignment if not utilized by the student to which the scholarship was originally awarded. As a function of these provisions, the cost of the "Jump Start" scholarships will be expensed in the period the scholarships are awarded. During the years ended June 30, 2025 and 2024 "Jump Start" scholarships purchased during the year were \$41,705 and \$35,866, respectively. As of June 30, 2025 and 2024, the value of "Jump Start" scholarships, including state match of \$41,705 and \$35,866, respectively, which had not been awarded and assigned to individual students were \$0 and \$71,773, respectively. This amount is reflected as a component of Florida prepaid scholarships in the accompanying statement of financial position.

**(7) Donated Services, Goods and Building Space**

Donated services, goods and building space for the years ended June 30, 2025 and 2024 consisted of the following:

	<u>2025</u>	<u>2024</u>
Office rental	\$ 652,878	6,217
Other goods and services	<u>109,279</u>	<u>396,823</u>
	<u>\$ 762,157</u>	<u>403,040</u>

Contributed building space from the below market lease agreement (Note 4) is valued on the basis of the difference between the market rent for comparable space in the Foundation's market and the below market rent paid by the Foundation.

Other goods and services consist of gift cards, gift certificates, marketing services and supplies, tickets to events and other miscellaneous goods and services. Gift cards and gift certificates are valued at their redemption value. Marketing services are valued by obtaining the cost that would have been charged by the donor if not contributed and marketing supplies are valued based on what the items would cost if purchased from the vendor.

**(8) Leases**

The Foundation has two noncancellable operating leases for office equipment that expire at various dates through fiscal 2027. The Foundation also has an operating lease for building space, as described in Note 4 that expires in December 2029.

The Foundation has elected to apply the short-term lease exemption to applicable operating leases.

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Notes to Financial Statements - Continued**

**(8) Leases - Continued**

The following summarizes the weighted average remaining lease term and discount rate as of June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Weighted average remaining lease term:		
Operating leases	3.49 years	2.32 years
Weighted average discount rate:		
Operating leases	3.71%	2.86%

The following summarizes the cash flow information related to leases for the year ended June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ <u>13,317</u>	\$ <u>13,317</u>
Lease assets obtained in exchange for lease obligations:		
Operating leases	\$ <u>27,103</u>	\$ <u>-</u>

The components of lease expense for the year ended June 30, 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Operating lease cost	\$ 10,200	11,407

Approximate future minimum payments under the lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Operating Leases</u>
2026	\$ 13,317
2027	9,986
2028	6,000
2029	6,000
2030	<u>2,500</u>
Total payments	37,803
Interest	<u>(2,544)</u>
Present value of lease liabilities	\$ <u>35,259</u>

## PINELLAS COUNTY EDUCATION FOUNDATION, INC.

### Notes to Financial Statements - Continued

#### (9) Split-Interest Agreements

The Foundation has been named the remainder beneficiary under multiple separate split-interest agreements. For one charitable remainder trust, the Foundation is also named as trustee. That charitable remainder trust provides for the payment of quarterly distributions to the donors over the donors' lifetimes. Quarterly distributions under the charitable remainder unitrust agreement are the lesser of current earnings or 7% of the fair market value of the trust assets as of the beginning of each year. Upon the death of the donors, the remaining assets are available for the Foundation's use.

The portion of each trust attributable to the present value of the future benefits to be received by the Foundation is recorded in the statement of activities as a contribution with donor restrictions in the period the trust or gift annuity is established.

The assets held under the charitable remainder trust are reported at fair value in the Foundation's statements of financial position. On an annual basis, the Foundation revalues the liability to make distributions to the designated remainder trust income beneficiaries based on actuarial assumptions. The present value of the estimated future payments (\$125,468 and \$137,853 as of June 30, 2025 and 2024, respectively) is calculated using a current discount rate of 5% and applicable mortality tables.

#### (10) Fair Value Measurements

The Foundation has adopted the guidance in FASB ASC Topic 820, *Fair Value Measurement*, which provides a common definition of fair value, establishes a framework for measuring fair value under U.S. generally accepted accounting principles and requires additional disclosures about fair value.

Fair values for Level 1 marketable investment securities and beneficial interest in trusts (with underlying marketable securities) are determined by reference to quoted market prices. Fair values for Level 2 marketable investment securities are determined by reference to observable market-based inputs. Fair value for the Level 3 obligation under a split-interest agreement is determined by calculating the present value of the future obligation using life expectancy tables and a discount rate of 5%.

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Notes to Financial Statements - Continued**

**(10) Fair Value Measurements - Continued**

Fair value of assets and liabilities measured on a recurring basis as of June 30, 2025 is as follows:

	<u>Fair Value as of June 30, 2025</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
<b>Assets:</b>				
Large Cap Equity Mutual Funds	\$ 2,678,111	2,678,111	-	-
Preferred Equity Securities	875,917	875,917	-	-
Government Bonds	3,736,910	-	3,736,910	-
Corporate Bonds	450,265	-	450,265	-
Money Market Funds	617,364	617,364	-	-
Stocks and Related	<u>18,769,959</u>	<u>18,769,959</u>	<u>-</u>	<u>-</u>
	27,128,526	22,941,351	4,187,175	-
Community Foundation investments	<u>11,548</u>	<u>-</u>	<u>11,548</u>	<u>-</u>
	27,140,074	22,941,351	4,198,723	-
Alternative investment, measured at NAV <sup>(1)</sup>	<u>1,266,405</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments	28,406,479	22,941,351	4,198,723	-
Beneficial interest in trusts	<u>1,190,411</u>	<u>255,552</u>	<u>934,859</u>	<u>-</u>
	<u>\$ 29,596,890</u>	<u>23,196,903</u>	<u>5,133,582</u>	<u>-</u>
<b>Liabilities:</b>				
Obligation under split-interest agreement	<u>\$ 125,468</u>	<u>-</u>	<u>-</u>	<u>125,468</u>

<sup>(1)</sup> The Foundation holds an interest in an alternative investment that is measured at fair value using the net asset value (NAV) practical expedient and has not been categorized in the fair value hierarchy. The fair value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position.

The investment objective of the alternative investment is to generate current income, and to a lesser extent capital appreciation. The investment strategy focuses primarily on originating and making loans to, and making debt and equity investments in, U.S. middle market companies. There were no unfunded commitments as of June 30, 2025. The alternative investment includes redemption limitations that impact the ability of the Foundation to liquidate the holding.

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Notes to Financial Statements - Continued**

**(10) Fair Value Measurements - Continued**

Fair value of assets and liabilities measured on a recurring basis as of June 30, 2024 is as follows:

	<u>Fair Value as of June 30, 2024</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
<b>Assets:</b>				
Large Cap Equity Mutual Funds	\$ 2,501,754	2,501,754	-	-
Preferred Equity Securities	937,084	937,084	-	-
Government Bonds	2,780,665	-	2,780,665	-
Corporate Bonds	1,167,384	-	1,167,384	-
Money Market Funds	399,723	399,723	-	-
Stocks and Related	<u>17,055,869</u>	<u>17,055,869</u>	<u>-</u>	<u>-</u>
Total investments, at fair value	24,842,479	20,894,430	3,948,049	-
Alternative investment, measured at NAV	<u>1,158,766</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments	26,001,245	20,894,430	3,948,049	-
Beneficial interest in trusts	<u>1,262,567</u>	<u>240,689</u>	<u>1,021,878</u>	<u>-</u>
	<u>\$ 27,263,812</u>	<u>21,135,119</u>	<u>4,969,927</u>	<u>-</u>
<b>Liabilities:</b>				
Obligation under split-interest agreement	<u>\$ 137,853</u>	<u>-</u>	<u>-</u>	<u>137,853</u>

The following table sets forth a summary of changes in fair value of liabilities using significant unobservable inputs (Level 3) for the years ended June 30, 2025 and 2024:

	<u>Obligations Under Split-Interest Agreements</u>	
	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 137,853	149,786
Change in fair value due to settlements, change in value of underlying assets and actuarial assumptions	<u>(12,385)</u>	<u>(11,933)</u>
Balance, end of year	<u>\$ 125,468</u>	<u>137,853</u>

See Note 9 for quantitative information about the significant unobservable inputs the Foundation used in the Level 3 fair value measurement.

# PINELLAS COUNTY EDUCATION FOUNDATION, INC.

## Notes to Financial Statements - Continued

### (11) Endowment Funds

Effective July 1, 2012, the State of Florida adopted the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) and in accordance with FASB ASC Topic 958-205-45-28, *Classification of Donor Restricted Endowment Funds Subject to UPMIFA*, the Foundation classifies investment earnings on endowments as a component of net assets with donor restrictions if not appropriated for expenditure in the period earned. Once investment earnings are appropriated for expenditure, the Foundation reclassifies the amount appropriated as a component of net assets without donor restrictions.

The Foundation has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of the gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment; and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In the absence of donor restrictions, the net appreciation (depreciation) on a donor-restricted endowment fund is spendable and classified as net assets with donor restrictions until appropriated for expenditure. The Foundation tracks the net investment income attributed to each component of the endowment fund.

The Foundation has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of these endowment assets over the long-term. The Foundation’s spending and investment policies work together to achieve this objective.

The investment policy establishes an achievable return objective through diversification of asset classes. The overall long-term objective is to achieve a rate of return that exceeds the long-term rate of inflation (Consumer Price Index) by a benchmark established for each portfolio. Actual returns in any given year may vary from this amount. To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation, which includes equity and debt securities, that is intended to result in a consistent inflation protected rate of return and grow the fund. Investment risk is measured in terms of the total endowment fund. Investment assets and the allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk in order to achieve its long-term return objectives.

The Foundation’s spending policy is to annually calculate the amount of funding necessary to support the Stavros Institute and the Take Stock in Children scholarship program. The determined amount is distributed from the Foundation’s temporarily restricted unappropriated endowment earnings. The Foundation’s objective is to maintain the purchasing power of endowment assets as well as to provide additional real growth through investment return. In years when distributions exceed the amount of available temporarily restricted unappropriated endowment earnings, the Foundation transfers amounts from its net assets without donor restrictions to fund the distributions. Future net investment income and appreciation of the endowment assets will be used to restore the Foundation’s net assets without donor restrictions.

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Notes to Financial Statements - Continued**

**(11) Endowment Funds - Continued**

Composition of endowment net assets as of June 30, 2025 and 2024 and changes in endowment net assets for the years then ended are as follows:

	Without Donor Restrictions	With Donor Restrictions			Total Funds
		Original Gift	Accumulated Gains	Total	
Endowment net assets, June 30, 2023	\$ -	3,851,200	58,760	3,909,960	3,909,960
Investment income, including accumulated net appreciation	-	-	499,438	499,438	499,438
Amounts appropriated for expenditure	-	-	(100,516)	(100,516)	(100,516)
Endowment net assets, June 30, 2024	-	3,851,200	457,682	4,308,882	4,308,882
Investment income, including accumulated net appreciation	-	-	459,850	459,850	459,850
Amounts appropriated for expenditure	-	-	(136,105)	(136,105)	(136,105)
Endowment net assets, June 30, 2025	\$ -	3,851,200	781,427	4,632,627	4,632,627

**(12) Retirement Plan**

The Foundation sponsors a qualified 403(b) defined contribution retirement plan covering all eligible employees. The Foundation's contribution was 3% of base salaries for the years ended June 30, 2025 and 2024. The plan contains a vesting schedule for employer contributions. All forfeited nonvested employer contributions are used to reduce future employer contributions. Pension expense is reported net of forfeitures used in lieu of employer cash contributions. Contributions to the plan were approximately \$51,000 and \$36,000 for the years ended June 30, 2025 and 2024, respectively.

**(13) Related Parties**

The Foundation receives contributions from members of the Foundation's Board of Directors and companies for which those Directors serve as officers.

**(14) Funding and Credit Concentrations**

The Foundation maintains its deposits with a commercial bank which management believes to be of high credit quality. Approximately \$1,151,000 and \$1,166,000 of the Foundation's deposits with this bank were not covered by Federal deposit insurance as of June 30, 2025 and 2024, respectively.

Outstanding pledges from one donor represented 38% of total pledges receivable equaling \$700,000 as of June 30, 2025. The outstanding pledges from two donors represented 46% and 24% of total pledges receivable equaling \$2,650,000 as of June 30, 2024.

**(15) Liquidity and Availability of Resources**

The Foundation is supported by both contributions with and without donor restrictions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Foundation must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Notes to Financial Statements - Continued**

**(15) Liquidity and Availability of Resources - Continued**

As of June 30, 2025 and 2024, the Foundation's financial assets available to meet general expenditures within one year were as follows:

	<b>2025</b>	<b>2024</b>
Financial assets:		
Cash and cash equivalents	\$ 1,658,334	1,256,225
Grants and other receivables	532,542	521,013
Marketable investment securities	28,394,931	26,001,245
Community foundation investments	11,548	-
Pledges receivable, net	1,638,415	3,199,383
Beneficial interests in trusts	1,190,411	1,262,567
Total financial assets	33,426,181	32,240,433
Amounts unavailable for general expenditure within one year due to:		
Contractual or donor-imposed restrictions:		
Contributions restricted for future periods	(8,429)	(13,384)
College and career readiness	(2,405,106)	(2,390,221)
Curriculum enrichments	(6,731,745)	(8,005,441)
Literacy	(620,989)	(390,717)
Other district support	(1,887,261)	(1,844,567)
Other programs	(836,236)	(1,043,334)
Take stock in children	(3,492,694)	(3,940,740)
Student scholarships	(9,071,941)	(8,300,492)
Administration	(574,810)	(42,323)
Fundraising and development	(946,738)	(1,298,928)
Financial assets available to meet cash needs for general expenditures within one year	\$ 6,850,232	4,970,286

**(16) Subsequent Events Evaluation**

The Foundation has evaluated subsequent events through December 17, 2025, the date the financial statements were available for issuance.

**SUPPLEMENTARY FINANCIAL INFORMATION**

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Schedule of Expenditures of State Financial Assistance**

**Year Ended June 30, 2025**

State Agency/ Pass-through Grantor/ State Project	CSFA Number	Agency or Pass-through Number	Current Year Expenditures
<b>State Financial Assistance</b>			
Department of Education and Commissioner of Education			
Passed through from Florida Prepaid College Foundation, Inc.:			
Prepaid Tuition Scholarships	48.051	N/A	\$ 839,457
Passed through from Consortium of Florida Education Foundations:			
School District Matching Grants Program	48.061	N/A	204,502
Passed through from Take Stock in Children, Inc.:			
Mentoring/Student Assistance Initiatives	48.068	N/A	<u>463,495</u>
Subtotal State of Florida Department of Education and Commissioner of Education			1,507,454
Department of Highway Safety and Motor Vehicles			
Specialty License Plates Program:			
Florida Educational License Plate Project	76.023	N/A	<u>14,349</u>
Total expenditures of state financial assistance			<u>\$ 1,521,803</u>

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Notes to Schedule of Expenditures of State Financial Assistance**

**Year Ended June 30, 2025**

**(1) Basis of Presentation**

The accompanying schedule of expenditures of state financial assistance (the “Schedule”) includes the state grant activity of Pinellas County Education Foundation, Inc. under projects of the State of Florida for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Chapter 10.650, *Rules of the State of Florida Auditor General*. Because the Schedule presents only a selected portion of the operations of Pinellas County Education Foundation, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Pinellas County Education Foundation, Inc.

**(2) Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the *Department of Financial Services’ State Projects Compliance Supplement*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**(3) Subrecipients**

Pinellas County Education Foundation, Inc. provided no state financial assistance to subrecipients for the year ended June 30, 2025.

**INTERNAL CONTROL AND COMPLIANCE**

**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  
Pinellas County Education Foundation, Inc.:

We have audited, 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, the financial statements of Pinellas County Education Foundation, Inc. (the "Foundation"), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 17, 2025.

**Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Foundation'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 or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

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

*CBIZ CPAs P.C.*

December 17, 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 State of Florida Auditor General**

The Board of Directors  
Pinellas County Education Foundation, Inc.:

**Report on Compliance for Each Major State Project**

***Opinion on Each Major State Project***

We have audited Pinellas County Education Foundation, Inc.'s (the "Foundation") compliance with the types of compliance requirements described in the *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on the Foundation's major state project for the year ended June 30, 2025. The Foundation'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, the Foundation complied, in all material respects, with the types of 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of 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 the Foundation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state project. Our audit does not provide a legal determination of the Foundation's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

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

### ***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 the Foundation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and 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 the Foundation's compliance with the requirements of each major state project as a whole.

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

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

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

### **Report on Internal Control Over Compliance**

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

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

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

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

*CBIZ CPAs P.C.*

December 17, 2025  
St. Petersburg, Florida

**PINELLAS COUNTY EDUCATION FOUNDATION, INC.**

**Schedule of Findings and Questioned Costs**

**Year Ended June 30, 2025**

**(A) Summary of Audit Results**

1. The auditors' report expresses an unmodified opinion on the financial statements of Pinellas County Education Foundation, Inc.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported 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 Pinellas County Education Foundation, Inc., which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies or material weaknesses relating to the audit of the major state projects 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 State of Florida Auditor General*.
5. The auditors' report on compliance for the major state projects of Pinellas County Education Foundation, Inc. expresses an unmodified opinion.
6. Audit findings, if any, that are required to be reported in accordance with Chapter 10.650, *Rules of the State of Florida Auditor General*, are reported in Part C of this Schedule.
7. The projects tested as major state projects were:
  - Prepaid Tuition Scholarships (CSFA 48.051)
  - Mentoring/Student Assistance Initiatives (CSFA 48.068)
8. The threshold for distinguishing Type A and B projects was \$456,541 for the major state projects.

**(B) Findings - Audit of Financial Statements**

None.

**(C) Findings and Questioned Costs - Major State Project**

None.

**(D) Other Issues**

No corrective action plan is required because there were no findings required to be reported under the Florida Single Audit Act. 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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## **Management Letter**

The Board of Directors  
Pinellas County Education Foundation, Inc.:

### **Report on the Financial Statements**

We have audited the financial statements of Pinellas County Education Foundation, Inc. as of and for the year ended June 30, 2025, and have issued our report thereon dated December 17, 2025.

### **Auditors' Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; 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*, 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 December 17, 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, and other granting agencies, and applicable management and is not intended and should not be used by anyone other than these specified parties.

*CBIZ CPAs P.C.*

December 17, 2025  
St. Petersburg, Florida