GOING FURTHER

STATE COLLEGE OF FLORIDA FOUNDATION, INC.

FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

MAULDIN & JENKINS

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MAULDIN & JENKINS
CPAs & ADVISORS

Independent Auditor's Report

Board of Directors
State College of Florida Foundation, Inc.
Bradenton, Florida

Report on the Audit of the Financial Statements

Opinion
We have audited the accompanying financial statements of State College of Florida Foundation, Inc. (the "Foundation"), a direct support organization and component unit of State College of Florida, Manatee-Sarasota which comprise the statement of financial position as of September 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Foundation as of September 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

Correction of an Error
As discussed in Note 2 to the financial statements, the Foundation's net assets as of the beginning of the year have been restated to decrease net assets with donor restrictions and increase net assets without donor restrictions in the amount of $3,833,359 to properly account for additional prior year net assets released from restrictions. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 State College of Florida Foundation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 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, 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 Foundation'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 Foundation's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Bradenton, Florida
December 18, 2025

State College of Florida Foundation, Inc.

STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2025

ASSETS		
Cash	$	726,954
Investments		100,354,962
Pledges receivable, net		2,000,000
Prepaid expenses and other current assets		17,636
Beneficial interest in perpetual trusts		2,222,280
TOTAL ASSETS	$	105,321,832
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	$	93,098
Due to State College of Florida, Manatee-Sarasota		1,237,628
Deferred revenue		214,534
Annuities payable		8,968
Total liabilities		1,554,228
NET ASSETS		
Without donor restrictions		
Undesignated		7,171,549
Designated by the Board for future projects		4,000,000
		11,171,549
With donor restrictions		
Time or purpose		78,135,930
Perpetual		14,460,125
		92,596,055
TOTAL NET ASSETS		103,767,604
TOTAL LIABILITIES AND NET ASSETS	$	105,321,832

See Notes to Financial Statements.

State College of Florida Foundation, Inc.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Investment income, net	$ 24,929	$ 1,689,163	$ 1,714,092
Net realized and unrealized gains	71	8,901,490	8,901,561
Special events	418,235	-	418,235
Total revenues	443,235	10,590,653	11,033,888
SUPPORT			
Individuals, corporations, and foundations	105,819	4,633,049	4,738,868
In-kind	613,046	-	613,046
Total support	718,865	4,633,049	5,351,914
Net assets released from restriction	2,946,991	(2,946,991)	-
Total revenues and support	4,109,091	12,276,711	16,385,802
EXPENSES			
Program services	3,504,357	-	3,504,357
General and administrative	552,046	-	552,046
Fundraising	551,433	-	551,433
Total expenses	4,607,836	-	4,607,836
Increase (decrease) in net assets before change in value of annuities payable and value of beneficial interest in remainder and perpetual trusts	(498,745)	12,276,711	11,777,966
Change in value of beneficial interest in perpetual trusts	-	127,353	127,353
CHANGE IN NET ASSETS	(498,745)	12,404,064	11,905,319
Net assets, beginning of the year, as previously reported	7,836,935	84,025,350	91,862,285
Prior period adjustment	3,833,359	(3,833,359)	-
Net assets, beginning of the year, restated	11,670,294	80,191,991	91,862,285
Net assets, end of the year	$ 11,171,549	$ 92,596,055	$ 103,767,604

See Notes to Financial Statements.

State College of Florida Foundation, Inc.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Program Services	General and Administrative	Fundraising	Total
Alumni/friends magazine	$ -	$ 1,200.00	$ -	$ 1,200.00
Audit and accounting	-	156,396	-	156,396
Advertising	5,860	-	72,673	78,533
Bank charges	-	5,400	-	5,400
Community support	-	-	1,549	1,549
Donor recognition	-	308	-	308
Enhancements	965,543	-	-	965,543
Fundraising event expenses	-	-	164,986	164,986
Institutional support	64,211	-	-	64,211
Insurance	-	6,578	-	6,578
Meetings	5,093	2,335	2,202	9,630
Memberships and dues	-	186	-	186
Miscellaneous	31,626	15,692	359	47,677
Personnel	423,453	287,203	307,819	1,018,475
Postage and mailing	-	31	-	31
Professional development	-	7,108	-	7,108
Rent/rental equipment	-	30,810	-	30,810
Scholarships	1,971,552	-	-	1,971,552
Software and office equipment	35,542	32,428	1,620	69,590
Supplies	1,477	4,788	225	6,490
Travel	-	1,561	-	1,561
Web page development	-	22	-	22
Total expenses	$ 3,504,357	$ 552,046.00	$ 551,433.00	$ 4,607,836.00

See Notes to Financial Statements.

State College of Florida Foundation, Inc.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	$	11,905,319
Adjustments to reconcile increase in net assets to net cash (used in) operating activities		
Net realized and unrealized (gains) on investments		(8,901,561)
Contributions restricted for long-term investments		(2,000,000)
Change in value of beneficial interest in perpetual trusts		(127,353)
Changes in operating assets and liabilities		
Pledges receivable		(1,995,250)
Prepaid expenses and other current assets		3,998
Accounts payable and accrued expenses		69,230
Due to State College of Florida, Manatee-Sarasota		149,539
Deferred revenue		114,708
Net cash (used in) operating activities		(781,370)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments		(19,174,565)
Sales of investments		18,315,089
Net cash (used in) investing activities		(859,476)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on annuity agreements		(2,700)
Contributions restricted for long-term investments		2,000,000
Net cash provided by financing activities		1,997,300
Net change in cash		356,454
Cash, beginning of year		370,500
Cash, end of year	$	726,954

See Notes to Financial Statements.

Notes To Financial Statements

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The State College of Florida Foundation, Inc. (the "Foundation") is a not-for-profit corporation organized in 1978 under the laws of the State of Florida. The Foundation operates exclusively for charitable and educational purposes within the meaning of 501(c)(3) of the Internal Revenue Code. The Foundation's mission is to provide aid in the form of money and other forms of property and services to the State College of Florida, Manatee-Sarasota (the "College"). The Foundation also promotes education and encourages learning and dissemination of information about which the College is involved.

Basis of Accounting and Presentation

The Foundation follows the reporting requirements for not-for-profit organizations under generally accepted accounting principles in the United States of America. Under such principles, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: (1) net assets without donor restrictions, and (2) net assets with donor restrictions.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers amounts on hand, in checking accounts and money market accounts as cash unless held for the purpose of reinvestment.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Realized and unrealized gains and losses are included in the statements of activities. Investment income includes interest and dividend income, net of fees, and is included in the statement of activities separate from gains and losses. Investment fees were $510,805 for the year ended September 30, 2025.

Pledges Receivable

Promises to give are recorded at net realizable value. Unconditional promises to give are recognized as contribution revenue in the period received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. An allowance for doubtful accounts is established based on specific assessment of all amounts that remain unpaid following normal payment periods. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period the determination is made. Management has deemed all pledges as collectible, therefore no allowance is necessary.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Beneficial Interest in Remainder and Perpetual Trusts

The Foundation has received several donations made directly to third parties which are held either for a certain period of time or in perpetuity for the Foundation's benefit. Annual earnings are provided to the Foundation which may be purpose restricted by the donor. The assets of the trusts are invested in a combination of cash equivalents and marketable debt and equity securities with readily determinable fair values. The Foundation's percentage interest of each trust is reported at their fair values in the statements of financial position. The change in value of these trusts is reported as changes in value in beneficial interest in remainder, or perpetual, trusts and are included in the statement of activities.

Deferred Revenue

Contributions, fees and other revenue sources collected in advance of special events that are held subsequent to year-end are deferred and recognized in the year of the function.

Annuity Liabilities

The Foundation has been named remainderman in an irrevocable charitable gift annuity. An annuity liability has been recorded at the present value of expected future cash flows to be paid to the annuity beneficiary at a discount rate of 5.4%.

Contributions

Contributions received are recorded as net assets without or with donor restrictions depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted contributions are reported as an increase in net assets with donor restrictions. 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. Revenue from special events is recognized when the event takes place.

Support from the College

The Foundation recognizes support from the College which creates or enhances non-financial assets or that requires specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Bequests and Trusts

The proceeds of bequests and trusts are recorded as revenue when clear title is established and the proceeds are clearly measurable.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Expenses

The Foundation reports certain categories of expenses that are attributed to more than one program or supporting function. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on actual time spent.

Net Assets

Net assets, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. From time to time, the Board designates certain recurring and/or non-recurring items for use on specific future projects. For the year ended September 30, 2025, the Board has designated $4,000,000 of net assets for future projects and capital needs.

Net Assets With Donor Restrictions – Net Assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Tax Status

The Foundation is generally exempt from federal income and state income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law. The Foundation is required to pay income taxes on the excess of revenues derived from activities unrelated to the tax exempt purpose of the Foundation over the related expenses.

The Foundation follows Accounting Standard Codification 740 related to accounting for uncertainty in income taxes. This provision requires all tax positions that meet a more-likely-than-not recognition threshold at the effective date are recognized (or continue to be recognized) upon adoption. Management has reviewed their tax positions and concluded no liability or uncertain tax positions, or any interest or penalties related to uncertain tax positions, should be recognized in the Foundation's financial statements.

The Foundation files their income tax returns in the United States of America.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

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

Donated Services

Numerous volunteers have donated significant amount of time to the Foundation's various programs. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition under generally accepted accounting principles have not been satisfied. Management estimates the fair value of those volunteer hours of service to be $19,098 for the year ended September 30, 2025.

Subsequent Events

The Foundation has evaluated all subsequent events through December 18, 2025 the date the financial statements were available to be issued.

NOTE 2. PRIOR PERIOD ADJUSTMENT

The Foundation's statement of financial position as of October 1, 2024 has been adjusted to decrease net assets with donor restrictions and increase net assets without donor restrictions in the amount of $3,833,359 to properly account for additional prior year net assets that were released from restrictions.

NOTE 3. LIQUIDITY AND AVAILABILITY

The Foundation's working capital and cash flows have seasonal variations during the year attributable to the annual cash receipts for events and contributions. The Foundation manages liquidity during the year by utilizing the following strategies: operating with a balanced budget which assumes collection of sufficient revenue via contributions, grants, and other sources to cover operating expenditures not covered by donor-restricted resources, regular analysis of actual operating results versus budget, timing of annual endowment transfers.

The Foundation's endowment investment policy employs the following principals: preservation of capital, risk aversion, adherence to investment discipline, and maintenance of sufficient liquidity to meet its cash needs.

NOTE 3. LIQUIDITY AND AVAILABILITY (CONTINUED)

The following tables reflect the Foundation's total financial assets as of September 30, 2025, and the amounts of those financial assets that could be made available within 12 months to meet operating expenditures:

Financial assets at year-end		
Cash	$	726,954
Accounts and pledges receivable		2,000,000
Investments		100,354,962
Total financial assets at year-end	$	103,081,916
Financial assets available to meet operating expenditures over the next 12 months		
Cash	$	726,954
Payout on donor-restricted endowments for use over next 12 months		2,977,690
Investments not encumbered by donor or Board restrictions		3,758,907
Financial assets available to meet operating expenditures	$	7,463,551

NOTE 4. INVESTMENTS

The Foundation engaged the services of a nationally recognized financial advisor (SEI Investments, Inc.) which specializes in asset management for not-for-profits. Investments are stated at fair value and are comprised of the following as of September 30, 2025:

U.S. equities	$	35,242,059
Alternative investments		17,539,076
Fixed income		25,402,574
International		21,867,435
Cash and cash equivalents		303,818
Total	$	100,354,962

NOTE 5. PLEDGES RECEIVABLE

Pledges receivable consist of unconditional promises to give. Pledges which are due in excess of one year are discounted to net present value using a discount rate of 4%. Pledges receivable are due to be collected as follows as of September 30, 2025:

Gross amounts due in		
One year	$	2,000,000
One to five years		-
More than five years		-
Total gross pledges		2,000,000
Less allowance		-
Less discount to present value		-
Total	$	2,000,000

NOTE 6. BENEFICIAL INTEREST IN PERPETUAL TRUSTS

Donors have established funds in trust in which the principal is held in perpetuity. Each fund has established its own percentages of principal being held for the benefit of the Foundation. Earning distributions are made to the Foundation as established within the trust agreement. Beneficial interest in perpetual trusts recorded at fair market value, are as follows as of September 30, 2025:

The Foundation is paid 25% of the residuary amount of a perpetual trust that is restricted for music scholarships and equipment.	$	728,296
The Foundation is paid 10% of 70% of a perpetual trust assets which is restricted for the arts and library departments.		116,968
The Foundation is paid an annual income from a perpetual trust that is without restriction.		45,416
The Foundation is paid an annual income of a perpetual trust that is restricted for enhancements.		1,331,600
	$	2,222,280

NOTE 7. RELATIONSHIP WITH THE COLLEGE

The Foundation recognizes certain support received directly from the College. The fair market values of these donations have been reflected as in-kind contributions without donor restrictions and program services expense in the statements of activities as follows at September 30, 2025:

Donated salaries and contract services	$	582,236
Donated office space		30,810
	$	613,046

NOTE 7. RELATIONSHIP WITH THE COLLEGE (CONTINUED)

The Foundation made contributions and payments for services to the College for the following purposes at September 30, 2025:

Scholarships	$	1,955,362
Enhancements		982,785
Salaries, contract services and other		416,970
	$	3,355,117

Of the amounts above, the Foundation had an outstanding balance payable to the College of $1,237,628 at September 30, 2025.

The above related party transactions are not necessarily indicative of the terms and amounts that would have been incurred had a comparable transaction been entered into with independent parties.

NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions that are time or purpose restricted are restricted for the following purposes as of September 30, 2025:

Undesignated scholarships	$	27,600,576
AA/College transfers		7,130,614
Instructional equipment		8,719,965
Nursing		8,905,868
High school seniors and articulation		3,510,853
Public services		3,783,296
Other purposes		8,775,792
Health sciences		2,942,729
Arts		1,229,535
Minority students		1,092,940
Loan programs		748,860
Awards		529,464
General memorials		624,142
Library		1,787,588
Cultural		443,976
Business and communication		309,732
	$	78,135,930

NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets perpetual in nature as of September 30, 2025 consist of:

Undesignated scholarships	$	2,351,422
AA/College transfers		2,109,684
Industry, manufacturing and construction		2,000,000
Health sciences		1,925,000
Nursing		1,908,790
Instructional equipment		1,654,337
High school seniors and articulation		1,250,288
Fine and performing arts		806,649
Other purposes		159,223
Public services		150,000
Minority students		144,732
	$	14,460,125

All net assets with donor restrictions are included with investments on the accompanying statements of financial position. Net assets released from restrictions due to satisfaction of purpose or time restrictions were $2,946,991 for the year ended September 30, 2025.

NOTE 9. CONCENTRATION OF CREDIT RISK

The Foundation maintains its cash balances at a financial institution located in Bradenton, Florida. Accounts at this financial institution are secured by the Federal Deposit Insurance Corporation (FDIC), currently up to $250,000 per customer. The balances of these accounts at times may exceed federally insured limits. At September 30, 2025, the Foundation exceeded the insured limit by approximately $899,409.

Investments consist primarily of financial instruments including cash, cash equivalents, equity and fixed income securities, international securities, and alternative investments. These financial instruments may subject the Foundation to concentrations of credit risk, as, from time to time, balances may exceed amounts insured by the FDIC or the Securities Investor Protection Corporation (SIPC), the market value of securities are dependent on the ability of the issuer to honor its contractual commitments, and the investments are subject to changes in market values.

NOTE 10. FAIR VALUE MEASUREMENTS

Generally accepted accounting principles in the United States of America establishes a hierarchy for which assets and liabilities must be grouped, based on significant levels of inputs (assumptions that market participants would use in pricing an asset or liability) as follows:

Level 1: Quoted prices for identical assets or liabilities in active markets.

Level 2: Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and model-driven valuations whose inputs are observable or whose significant value drivers are observable.

Level 3: Significant inputs to the valuation model are unobservable.

The following assets are required to be measured at fair market value on a recurring basis and the classification within the hierarchy as of September 30, 2025 is as follows:

	Level 1	Level 2	Level 3	Total at September 30, 2025
Investments				
U.S. equities	$ 35,242,059	$ -	$ -	$ 35,242,059.00
Alternative investments	-	-	17,539,076	17,539,076
Fixed income	25,402,574	-	-	25,402,574
International	21,867,435	-	-	21,867,435
Cash and cash equivalents	303,818	-	-	303,818
Total investments	82,815,886	-	17,539,076	100,354,962
Beneficial interest in perpetual trusts	2,103,623	-	118,657	2,222,280
	$ 84,919,509	$ -	$ 17,657,733.00	$ 102,577,242.00

The fair value of the Foundation's Level 1 financial assets is based on quoted market prices of the identical security. The Foundation's Level 3 financial assets consist of an alternative investment in the SEI Core Property Fund LP, SEI Global Private Assets V LP, SEI Gpa III Private Equity Fund, SEI Gpa IV Private Equity Fund, SEI Special Situations Fund, Ltd., and SEI Structured Credit Fund. The value of the Level 3 investments and assets is based on unobservable inputs (assumptions that market participants would use in pricing an asset) that reflect assumptions based on the best information available. As of September 30, 2025, the Foundation did not have any liabilities measured at fair value.

NOTE 10. FAIR VALUE MEASUREMENTS (CONTINUED)

The following is a reconciliation of the investments in which significant unobservable inputs (Level 3) were used in determining value as of September 30, 2025:

Fair value, beginning of year	$	19,224,315
Net realized and unrealized (losses)		(1,693,935)
Change in value of split-interest agreements		127,353
Fair value, end of year	$	17,657,733

The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities.

NOTE 11. ENDOWMENTS

The Foundation holds various endowments which are either donor restricted or Board designated. The Board of Trustees of the Foundation has interpreted the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) 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 net assets with donor restrictions perpetual: (a) the original value of the gift donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions perpetual is classified as net assets with donor restrictions time or purpose until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by FUPMIFA.

In accordance with FUPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulated donor-restricted endowment funds:

1. The duration and preservation of the fund;
2. The purposes of the Foundation and the donor-restricted endowment fund;
3. General economic conditions;
4. The possible effect of inflation and deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the Foundation;
7. The investment policies of the Foundation.

NOTE 11. ENDOWMENTS (CONTINUED)

The Foundation has adopted investment and spending policies for endowment assets that attempt to protect the principal of the fund, provide consistent long-term income returns, and protect the Foundation against long-term inflation trends. 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 that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or FUPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no such deficiencies as of September 30, 2025.

The endowment net asset composition is as follows:

	Without Donor Restrictions	With Donor Restrictions		Total at September 30, 2025
		Time and Purpose	Perpetuity	
Donor-restricted endowment funds	$ 8,576,390	$ 77,833,990	$ 14,460,125	$ 100,870,505

The changes in the Foundation's endowment net assets are as follows:

	Without Donor Restrictions	With Donor Restrictions		Total
		Time and Purpose	Perpetuity	
Endowment net assets, September 30, 2024, as previously reported	$ 6,738,729	$ 69,467,321	$ 12,332,772	$ 88,538,822
Prior period adjustment	658,093	(658,093)	-	-
Endowment net assets, September 30, 2024, restated	7,396,822	68,809,228	12,332,772	88,538,822
Investment return				
Investment income	24,929	1,689,165	-	1,714,094
Net appreciation (realized and unrealized)	71	8,901,489	-	8,901,560
Total investment return	25,000	10,590,654	-	10,615,654
Contributions	51,666	323,594	2,000,000	2,375,260
Miscellaneous revenue	891,252	-	-	891,252
Change in value of split interest agreements	-	-	127,353	127,353
Transfers	1,889,486	(1,889,486)	-	-
Amounts appropriated for expenditure	(1,677,836)	-	-	(1,677,836)
Endowment net assets, September 30, 2025	$ 8,576,390	$ 77,833,990	$ 14,460,125	$ 100,870,505

OTHER INDEPENDENT AUDITOR'S REPORT

MAULDIN & JENKINS
CPAs & ADVISORS

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors
State College of Florida Foundation, Inc.
Bradenton, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of State College of Florida Foundation, Inc. (the "Foundation"), a direct support organization and component unit of State College of Florida, Manatee-Sarasota which comprise the statement of financial position as of September 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 18, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation's internal control over financial reporting (internal control) as a basis for designing the 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Foundation'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control, described in a separate communication dated December 18, 2025 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of 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*.

Foundation's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Foundation's response to the finding identified in our audit. The Foundation's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Mauldin & Jenkins, LLC

Bradenton, Florida
December 18, 2025