

**THE EDUCATION FOUNDATION OF COLLIER COUNTY, INC.
DBA: CHAMPIONS FOR LEARNING**

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024



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**THE EDUCATION FOUNDATION OF COLLIER COUNTY, INC.
DBA: CHAMPIONS FOR LEARNING
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YEARS ENDED JUNE 30, 2025 AND 2024**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
The Education Foundation of Collier County, Inc.
dba: Champions For Learning
Naples, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The Education Foundation of Collier County, Inc. dba: Champions For Learning (a nonprofit corporation) (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 financial statements referred to above present fairly, in all material respects, the financial position of The Education Foundation of Collier County, Inc. dba: Champions For Learning as of June 30, 2025, 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). 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 audit. 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 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 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, 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.



CliftonLarsonAllen LLP

Naples, Florida
November 19, 2025

THE EDUCATION FOUNDATION OF COLLIER COUNTY, INC.
DBA: CHAMPIONS FOR LEARNING
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash and Cash Equivalents	\$ 2,407,123	\$ 2,138,999
Contributions Receivable	35,110	116,933
Prepaid Expenses and Other Assets	45,115	51,839
Prepaid Scholarships	1,519,195	1,728,211
Beneficial Interest in Investments Held by Collier Community Foundation	5,045,282	1,152,624
Property and Equipment, Net	<u>1,795,892</u>	<u>1,898,404</u>
Total Assets	<u>\$ 10,847,717</u>	<u>\$ 7,087,010</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 19,735	\$ 78,967
Accrued Expenses	<u>42,848</u>	<u>62,569</u>
Total Liabilities	62,583	141,536
NET ASSETS		
Without Donor Restrictions:		
Undesignated	2,292,561	1,581,328
Investment in Property and Equipment	1,795,892	1,898,404
Board Designated	<u>500,000</u>	<u>500,000</u>
Total Without Donor Restrictions	4,588,453	3,979,732
With Donor Restrictions:		
Purpose Restrictions	3,696,681	2,965,742
Perpetual in Nature	<u>2,500,000</u>	<u>-</u>
Total With Donor Restrictions	<u>6,196,681</u>	<u>2,965,742</u>
Total Net Assets	<u>10,785,134</u>	<u>6,945,474</u>
Total Liabilities and Net Assets	<u>\$ 10,847,717</u>	<u>\$ 7,087,010</u>

See accompanying Notes to Financial Statements.

THE EDUCATION FOUNDATION OF COLLIER COUNTY, INC.
DBA: CHAMPIONS FOR LEARNING
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, SUPPORT, AND GAINS			
Foundations	\$ 1,112,423	\$ 2,500,000	\$ 3,612,423
Individuals and Family Foundations	689,806	1,093,261	1,783,067
Corporate	25,376	129,183	154,559
Government	4,528	6,805	11,333
Special Events - Net of Expenses	787,080	-	787,080
Florida Prepaid Scholarships Change, Net of Usage	-	(209,015)	(209,015)
Program Service Revenue	126,164	-	126,164
In-Kind Contributions	84,690	-	84,690
Investment Income, Net	142,258	-	142,258
Total	<u>2,972,325</u>	<u>3,520,234</u>	<u>6,492,559</u>
Net Assets Released from Restrictions	<u>289,295</u>	<u>(289,295)</u>	<u>-</u>
Total Revenue, Support, and Gains	<u>3,261,620</u>	<u>3,230,939</u>	<u>6,492,559</u>
EXPENSES AND LOSSES			
Program Services Expenses:			
Student Programs	1,543,316	-	1,543,316
Educator Programs	764,931	-	764,931
Community Engagement	50,653	-	50,653
Total Program Service Expenses	<u>2,358,900</u>	<u>-</u>	<u>2,358,900</u>
Supporting Services Expenses:			
Management and General	165,595	-	165,595
Fundraising	433,659	-	433,659
Total Supporting Services Expenses	<u>599,254</u>	<u>-</u>	<u>599,254</u>
Total Expenses	2,958,154	-	2,958,154
Change in Value of Split-Interest Agreement	<u>305,255</u>	<u>-</u>	<u>305,255</u>
CHANGE IN NET ASSETS	608,721	3,230,939	3,839,660
Net Assets - Beginning of Year	<u>3,979,732</u>	<u>2,965,742</u>	<u>6,945,474</u>
NET ASSETS - END OF YEAR	<u><u>\$ 4,588,453</u></u>	<u><u>\$ 6,196,681</u></u>	<u><u>\$ 10,785,134</u></u>

See accompanying Notes to Financial Statements.

THE EDUCATION FOUNDATION OF COLLIER COUNTY, INC.
DBA: CHAMPIONS FOR LEARNING
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, SUPPORT, AND GAINS			
Foundations	\$ 1,773,835	\$ 11,513	\$ 1,785,348
Individuals and Family Foundations	646,600	-	646,600
Corporate	15,599	211,169	226,768
Government	-	13,540	13,540
Special Events - Net of Expenses	553,328	-	553,328
Florida Prepaid Scholarships Change, Net of Usage	-	(374,947)	(374,947)
Program Service Revenue	596,391	-	596,391
In-Kind Contributions	110,587	-	110,587
Investment Income, Net	78,159	-	78,159
Total	<u>3,774,499</u>	<u>(138,725)</u>	<u>3,635,774</u>
Net Assets Released from Restrictions	697,725	(697,725)	-
Total Revenue, Support, and Gains	<u>4,472,224</u>	<u>(836,450)</u>	<u>3,635,774</u>
EXPENSES AND LOSSES			
Program Services Expenses:			
Student Programs	2,008,647	-	2,008,647
Educator Programs	1,304,173	-	1,304,173
Community Engagement	615,217	-	615,217
Total Program Services Expenses	<u>3,928,037</u>	<u>-</u>	<u>3,928,037</u>
Supporting Services Expenses:			
Management and General	185,445	-	185,445
Fundraising	416,824	-	416,824
Total Supporting Services Expenses	<u>602,269</u>	<u>-</u>	<u>602,269</u>
Total Expenses	4,530,306	-	4,530,306
Change in Value of Split-Interest Agreement	<u>69,737</u>	<u>-</u>	<u>69,737</u>
CHANGE IN NET ASSETS	11,655	(836,450)	(824,795)
Net Assets - Beginning of Year	3,968,077	5,358,584	9,326,661
Recalculation of Prepaid Scholarships	<u>-</u>	<u>(1,556,392)</u>	<u>(1,556,392)</u>
Net Assets - Beginning of Year (As Restated)	<u>3,968,077</u>	<u>3,802,192</u>	<u>7,770,269</u>
NET ASSETS - END OF YEAR	<u>\$ 3,979,732</u>	<u>\$ 2,965,742</u>	<u>\$ 6,945,474</u>

See accompanying Notes to Financial Statements.

THE EDUCATION FOUNDATION OF COLLIER COUNTY, INC.
DBA: CHAMPIONS FOR LEARNING
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025

	Program Services				Supporting Services			Total
	Student	Teachers and Educators	Community Engagement	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	
Personnel Expenses	\$ 1,025,137	\$ 275,420	\$ 6,542	\$ 1,307,099	\$ 95,163	\$ 287,182	\$ 382,345	\$ 1,689,444
Professional Services	54,177	56,439	35,048	145,664	26,695	77,516	104,211	249,875
Occupancy	48,406	13,020	504	61,930	4,610	13,468	18,078	80,008
Scholarships	145,355	-	-	145,355	-	-	-	145,355
Grants to Third Parties	-	307,603	-	307,603	-	-	-	307,603
Awards and Recognition to Individuals	894	13,762	-	14,656	-	98	98	14,754
General Program Materials	11,243	8,455	-	19,698	1	3,507	3,508	23,206
Meals and Entertainment	17,776	13,953	607	32,336	4,583	240,502	245,085	277,421
Transportation	23,131	-	715	23,846	-	235	235	24,081
School Services	-	750	-	750	-	-	-	750
Volunteer and Intern Expense	4,163	2,269	-	6,432	-	1,773	1,773	8,205
Outreach and Education	-	-	-	-	-	100	100	100
Marketing and Direct Donor Expense	-	103	-	103	-	2,173	2,173	2,276
Dues, Publications, and Subscriptions	2,087	1,625	2,507	6,219	65	876	941	7,160
Travel	5,166	570	2,725	8,461	348	1,316	1,664	10,125
Conferences, Conventions, and Meetings	3,588	656	10	4,254	92	1,209	1,301	5,555
Office Supplies	16,549	1,667	65	18,281	1,733	1,790	3,523	21,804
Equipment Leases	12,561	3,379	131	16,071	1,196	3,495	4,691	20,762
Telecommunications and Website	20,385	5,483	587	26,455	1,941	5,672	7,613	34,068
Software Licenses	29,405	5,631	97	35,133	18,189	23,584	41,773	76,906
Financial Service Fees	261	1,794	3	2,058	436	9,412	9,848	11,906
Insurance	27,913	7,508	291	35,712	2,658	7,766	10,424	46,136
State Registration and Licensing Fees	-	-	-	-	70	359	429	429
Payroll Processing Fees	10,564	2,841	110	13,515	1,006	2,939	3,945	17,460
Postage and Shipping	700	188	7	895	67	3,980	4,047	4,942
Printing and Copying	4,290	1,274	25	5,589	532	24,281	24,813	30,402
Advertising	17,544	23,859	33	41,436	304	47,969	48,273	89,709
Auction Expense	-	-	-	-	-	750	750	750
Depreciation	62,021	16,682	646	79,349	5,906	17,256	23,162	102,511
Total	1,543,316	764,931	50,653	2,358,900	165,595	779,208	944,803	3,303,703
Less: Special Event Expenses	-	-	-	-	-	(345,549)	(345,549)	(345,549)
Total Expenses by Function	<u>\$ 1,543,316</u>	<u>\$ 764,931</u>	<u>\$ 50,653</u>	<u>\$ 2,358,900</u>	<u>\$ 165,595</u>	<u>\$ 433,659</u>	<u>\$ 599,254</u>	<u>\$ 2,958,154</u>

See accompanying Notes to Financial Statements.

THE EDUCATION FOUNDATION OF COLLIER COUNTY, INC.
DBA: CHAMPIONS FOR LEARNING
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024

	Program Services				Supporting Services			Total
	Student	Teachers and Educators	Community Engagement	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	
Personnel Expenses	\$ 1,402,898	\$ 418,895	\$ 156,042	\$ 1,977,835	\$ 107,137	\$ 269,834	\$ 376,971	\$ 2,354,806
Professional Services	56,145	25,651	402,285	484,081	31,480	65,660	97,140	581,221
Occupancy	62,461	18,939	6,439	87,839	4,605	11,988	16,593	104,432
Scholarships	166,762	-	-	166,762	-	-	-	166,762
Grants to Third Parties	-	564,079	16,500	580,579	-	-	-	580,579
Awards and Recognition to Individuals	-	15,750	-	15,750	-	-	-	15,750
General Program Materials	86,532	171,667	12,331	270,530	-	5,444	5,444	275,974
Meals and Entertainment	9,078	10,345	1,126	20,549	5,118	230,256	235,374	255,923
Transportation	18,939	-	-	18,939	-	250	250	19,189
School Services	-	1,000	-	1,000	-	250	250	1,250
Volunteer and Intern Expense	3,252	2,830	-	6,082	-	-	-	6,082
Outreach and Education	75	22	-	97	-	395	395	492
Marketing and Direct Donor Expense	100	-	-	100	-	1,487	1,487	1,587
Dues, Publications, and Subscriptions	5,740	658	210	6,608	525	1,627	2,152	8,760
Travel	993	161	55	1,209	3,973	102	4,075	5,284
Conferences, Conventions, and Meetings	7,068	75	375	7,518	143	2,354	2,497	10,015
Office Supplies	11,279	3,387	1,151	15,817	2,756	2,386	5,142	20,959
Equipment Leases	13,321	4,039	1,373	18,733	982	2,557	3,539	22,272
Equipment - Expendable	2,634	799	272	3,705	194	506	700	4,405
Telecommunications and Website	19,283	5,847	3,273	28,403	1,422	5,110	6,532	34,935
Software Licenses	12,034	4,028	971	17,033	17,797	27,566	45,363	62,396
Financial Service Fees	1	1,637	-	1,638	701	11,220	11,921	13,559
Insurance	27,195	8,246	2,804	38,245	2,005	5,220	7,225	45,470
State Registration and Licensing Fees	-	-	-	-	429	-	429	429
Payroll Processing Fees	16,974	5,147	1,750	23,871	1,251	3,258	4,509	28,380
Postage and Shipping	616	219	52	887	37	5,836	5,873	6,760
Printing and Copying	3,550	1,169	731	5,450	258	32,966	33,224	38,674
Advertising	19,236	20,638	1,036	40,910	26	62,488	62,514	103,424
Auction Expense	-	-	-	-	-	32,006	32,006	32,006
Depreciation	62,481	18,945	6,441	87,867	4,606	11,992	16,598	104,465
Total	2,008,647	1,304,173	615,217	3,928,037	185,445	792,758	978,203	4,906,240
Less: Special Event Expenses	-	-	-	-	-	(375,934)	(375,934)	(375,934)
Total Expenses by Function	\$ 2,008,647	\$ 1,304,173	\$ 615,217	\$ 3,928,037	\$ 185,445	\$ 416,824	\$ 602,269	\$ 4,530,306

See accompanying Notes to Financial Statements.

THE EDUCATION FOUNDATION OF COLLIER COUNTY, INC.
DBA: CHAMPIONS FOR LEARNING
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 3,839,660	\$ (824,795)
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	102,512	104,466
Change in Value of Beneficial Interest Held by Collier Community Foundation	(305,255)	(69,737)
Changes in Operating Assets and Liabilities:		
Contributions Receivable	81,823	73,169
Other Prepaid Expenses	6,724	(27,335)
Florida Prepaid Scholarships	209,016	374,944
Accounts Payable and Accrued Liabilities	(78,953)	114,082
Net Cash Provided (Used) by Operating Activities	<u>3,855,527</u>	<u>(255,206)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash Paid for Beneficial Interest Held by Collier Community Foundation	(3,587,403)	-
Purchases of Property and Equipment	<u>-</u>	<u>(13,287)</u>
Net Cash Used by Investing Activities	<u>(3,587,403)</u>	<u>(13,287)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	268,124	(268,493)
Cash and Cash Equivalents - Beginning of Year	<u>2,138,999</u>	<u>2,407,492</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 2,407,123</u></u>	<u><u>\$ 2,138,999</u></u>

See accompanying Notes to Financial Statements.

THE EDUCATION FOUNDATION OF COLLIER COUNTY, INC.
DBA: CHAMPIONS FOR LEARNING
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Foundation

The Education Foundation of Collier County, Inc. dba: Champions For Learning (the Foundation) was incorporated on July 20, 1990 under the laws of Florida as a nonprofit private foundation. The Foundation's mission is to serve as a catalyst for educational success by investing in Collier's students and educators. The primary sources of revenue are from foundations, individual, and corporate donors, and special events held in Collier County, Florida.

Program Services

The Foundation provides three primary program services, the main activities of which are summarized as follows:

Student Programs

Student Programs are divided into two complementary spheres: college/career access and occupation-based learning/skill-building and are designed to equip and prepare students for their future learning and career goals. The College and Career Preparation Program introduces 9th and 10th grade students to the various options that are available to them post-graduation, including technical career paths and a broad range of post-secondary education opportunities, and then incorporates more vigorous workshops and working lab sessions for 11th and 12th grade students to gain valuable experience in how to navigate the college admissions and financial aid processes, build leadership and foundational skills, and develop personalized roadmaps to not only achieve post-secondary credentials and/or degree attainment but to do so as close to debt free as possible. Take Stock in Children is an academically focused mentoring program for high school students who come from households classified as low income that engages volunteer mentors who meet with students regularly during the school year and provide guidance, motivation, support, and role-modeling to grow the mentees' life skills.

Educator Programs

Educator Programs are designed to value, empower, and support educators across traditional public, charter, and private schools to experience professional success. The Classroom Grants Program is a competitive grant application process which provides awarded educators with funding for classroom supplies or equipment, local field trips, enrichment activities, school-wide initiatives, and other innovative classroom projects not covered under the school's budget that encourage deeper learning and engagement for students. Golden Apple is an educator recognition program that unites the community in honoring and celebrating a select cohort of teachers each school year who exemplify teaching excellence.

THE EDUCATION FOUNDATION OF COLLIER COUNTY, INC.
DBA: CHAMPIONS FOR LEARNING
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program Services (Continued)

Community Engagement

Recognized as the education foundation serving Collier County by the Consortium of Florida Education Foundations, Champions For Learning serves as a unifying force within the community by driving collective action towards the common goal of student and educator success. To carry out our work, Champions For Learning partners with several state-wide networks, along with countless local community nonprofits, businesses, and volunteers. Champions For Learning is committed to working closely with Collier County Public Schools, ensuring that we are meeting the unique needs of our school district through our programming. We help facilitate Collier County Public School's High School Entrepreneurship Program, which offers unique classes where students collaborate in teams to develop a viable and marketable product or service—Champions For Learning recruits, trains, and retains volunteers, many of whom are either current or retired business professionals in the community, as mentors, coaches, and judges for the program. As a volunteer-driven organization, we rely on nearly 450 individuals who give their time, dedicating over 6,700 hours to support students and educators.

Basis of Accounting

The accounts of the Foundation are maintained, and the accompanying financial statements have been prepared, on the accrual basis of accounting. Accordingly, assets are recorded when the Foundation obtains the rights of ownership or is entitled to claims for receipt and liabilities are recorded when the obligation is incurred.

Liquidity

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

Net Assets

Net assets and revenues, gains, and losses are classified based on donor-imposed restrictions. Accordingly, net assets of the Foundation 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. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

THE EDUCATION FOUNDATION OF COLLIER COUNTY, INC.
DBA: CHAMPIONS FOR LEARNING
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets (Continued)

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. 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.

All contributions are considered available for unrestricted use unless specifically restricted by the donor or subject to other legal restrictions.

Cash and Cash Equivalents

The Foundation considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

The Foundation maintains bank account balances which are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At times, cash may exceed FDIC insurable limits.

Contributions

Contributions are recognized at fair value when received in cash, unconditional promises to give, other assets, or reduction in liabilities. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. All donor restricted contributions and grants whose restrictions are met in the same fiscal year as the donation is received are recorded as support without restriction.

Contribution Receivables

Contribution receivables are stated at the amount management expects to collect from outstanding balances. The Foundation records a contribution receivable when donors make promises to give money to the Foundation that are considered by management to be unconditional. Such receivables that are due to be paid within one year are recorded at their estimated net realizable values. Such receivables that are due to be paid after one year are recorded at their discounted net realizable values, using a risk-free interest rate for such purposes. Outstanding balances are reviewed periodically and written off at the time they are deemed uncollectible. The allowance for credit losses is based on historical loss experience, an assessment of current economic conditions, and a review of subsequent collections. As of June 30, 2025 and 2024, management has determined that any allowance for expected credit loss would be immaterial and therefore, no allowance has been recorded.

THE EDUCATION FOUNDATION OF COLLIER COUNTY, INC.
DBA: CHAMPIONS FOR LEARNING
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Beneficial Interest in Investments Held by Collier Community Foundation

Beneficial interest in investments held by Collier Community Foundation is recorded at fair value. Interest income and market value change earned on the beneficial interest is recorded in the Foundation's statements of activities and changes in net assets.

Leases

The Foundation determines if an arrangement is a lease at inception. As of June 30, 2025 and 2024, the Foundation has not entered into any material leases. However, if an arrangement should be identified as a material lease, operating leases would be included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases would be included in right-of-use assets – financing and lease liability – financing in the statement of financial position.

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. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. 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 operating lease payments is recognized on a straight-line basis over the lease term. The Foundation has elected to recognize payments for short-term leases with a term of 12 months or less as expense as incurred and these leases will not be included as lease liabilities or ROU assets on the statement of financial position.

Individual lease contracts may not provide information about the discount rate implicit in the lease. In these instances, the Foundation has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of the lease liabilities.

The Foundation has elected not to separate nonlease components from lease components and instead will account for each separate lease component and the nonlease component as a single lease component.

Donated Services and In-Kind Contributions

Contributed nonfinancial assets include donated professional services, donated equipment, and other in-kind contributions which are recorded at the respective fair values of the goods or services received. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation.

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Advertising Costs

Advertising costs are expensed as incurred and approximated \$89,709 and \$103,424 during the years ended June 30, 2025 and 2024, respectively. As of June 30, 2025, advertising costs are comprised of \$83,940 in in-kind services and \$5,769 in purchased services. As of June 30, 2024, advertising costs are comprised of \$97,321 in in-kind services and \$6,103 in purchased services.

Property and Equipment

Property and equipment are recorded at cost when purchased or at fair market value at the time of contribution. Expenditures for routine maintenance and repairs are charged to expense as incurred. Depreciation expense is primarily computed on a straight-line basis over the estimated useful lives of property and equipment. Future estimated useful lives are as follows:

Building (First Floor Only)	39 Years
Equipment	3 Years
Furniture and Fixtures	7 Years
Musical Instruments	7 Years
Program Fixtures	5 Years
Software	5 Years

Functional Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The costs of providing various programs and other activities have been summarized on the statement of functional expenses. Direct costs are charged directly to the programs benefited. Costs that are related to both programs and supporting services are allocated based on an allocation of time spent by employees across programs and supporting functions. The calculation of the employees' time was determined on a reasonable and consistent basis for each employee as determined by the Foundation's key management.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires us to make estimates and assumptions that affect the reported amounts of 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, and those differences could be material.

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Internal Revenue Service has determined that the Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC). The Foundation is a nonprofit Florida corporation and is not subject to state income taxes. As such, only unrelated business income, as defined by Section 512(a)(1) of the IRC is subject to federal income tax. Management is not aware of any activities that could jeopardize the Foundation's tax-exempt status. The Foundation has evaluated its tax positions and concluded that the Foundation has taken no uncertain tax positions that require adjustments to the financial statements. The Foundation's Form 990, Return of Foundation Exempt from Income Tax, for the years 2022, 2023, and 2024 are subject to examination by the Internal Revenue Service (IRS), generally for three years after they were filed. As a result of the application, the Foundation was not required to recognize a liability for unrecognized tax benefits.

Subsequent Events

The Foundation has evaluated subsequent events through November 19, 2025, the date the financial statements were available to be issued.

NOTE 2 RECALCULATION OF PRIOR YEAR PREPAID SCHOLARSHIPS

During the year ended June 30, 2024, it was discovered that the Florida Prepaid Scholarships and related net assets with restriction were overstated in previous years. The Foundation has purchased college scholarship contracts from the Florida Prepaid College Foundation ("FPCF"), an agency of the State of Florida, for its use in paying for college or technical school tuition for deserving students. When the Foundation purchases these contracts, the FPCF matches 100% of the amount the Foundation pays for the scholarships. In prior years, the Foundation has recorded the cost of the contracts as prepaid scholarships and increased that amount by the amount of the state match, with the corresponding credit recorded as contribution income. This adjustment has no impact to the Foundation as the scholarship funds are available at the State of Florida for students' use.

The accounts affected are noted in the table below:

	As Reported In 2023 Financials	Changes due to Recalculation of Prepaid Scholarships	Amounts that Should Have Been Reported
Statement of Financial Position			
Prepaid Scholarships	\$ 3,659,547	(1,556,392)	\$ 2,103,155
Net Assets With Donor Restriction	5,358,584	(1,556,392)	3,802,192
Statement of Activities			
Net Assets With Donor Restriction	5,358,584	(1,556,392)	3,802,192

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NOTE 3 LIQUIDITY

Financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, comprise the following at June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Financial Assets at Year-End:		
Cash and Cash Equivalents	\$ 2,407,123	\$ 2,138,999
Contributions Receivable - Due Within One Year	35,110	116,933
Prepaid Scholarships	1,519,195	1,728,211
Beneficial Interest in Investments Held		
By Collier Community Foundation	<u>5,045,282</u>	<u>1,152,624</u>
Total Current Financial Assets at Year-End	<u>9,006,710</u>	<u>5,136,767</u>
Less:		
Restricted by Donor With Time or Purpose Restriction	(3,696,681)	(2,965,742)
Board Designated Funds for Operating, Designated, and Building Reserves	(500,000)	(500,000)
Endowment	<u>(2,500,000)</u>	<u>-</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u><u>\$ 2,310,029</u></u>	<u><u>\$ 1,671,025</u></u>

NOTE 4 CONTRIBUTIONS RECEIVABLE

Contributions receivable consisted of the following at June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Without Donor Restrictions:		
Due Within One Year	<u>\$ -</u>	<u>\$ 80,304</u>
Total Contributions Receivable - Without Donor Restrictions	-	80,304
With Donor Restrictions		
Due Within One Year	<u>35,110</u>	<u>36,629</u>
Total Contributions Receivable - With Donor Restrictions	<u>35,110</u>	<u>36,629</u>
Total Contributions Receivable	<u><u>\$ 35,110</u></u>	<u><u>\$ 116,933</u></u>

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NOTE 5 PREPAID SCHOLARSHIPS

The Foundation, through its donors, has purchased prepaid scholarships from the Florida Prepaid College Foundation, Inc. As of June 30, 2025 and 2024, the Foundation owns prepaid scholarships worth \$3,038,393 and \$3,456,424, respectively, which are reported on the statement of financial position at a cost of \$1,519,195 and \$1,728,211, respectively. Of the prepaid scholarships owned at June 30, 2025, \$117,538 were purchased in the current fiscal year with a value of \$235,076 from the Florida Prepaid College Foundation, Inc. Of the prepaid scholarships owned at June 30, 2024, \$109,092 were purchased in the current fiscal year with a value of \$218,184 from the Florida Prepaid College Foundation, Inc. The State of Florida matches, dollar for dollar, the Foundation's cost of prepaid scholarships purchased.

Scholarship activity for the year ended June 30, 2025 and 2024 was as follows:

	2025	2024
Balance - Beginning of Year	\$ 1,728,211	\$ 2,103,155
Scholarship Reinvestment Opportunity	-	-
Scholarships Purchased	117,538	109,092
Scholarships Awarded	-	-
Value Used	(326,554)	(484,036)
Balance - End of Year	<u>\$ 1,519,195</u>	<u>\$ 1,728,211</u>

NOTE 6 BENEFICIAL INTEREST IN INVESTMENTS HELD BY COLLIER COMMUNITY FOUNDATION

On July 23, 2013, the Foundation established a Fund in the initial amount of \$183,463 with the Collier Community Foundation, f/k/a the Community Foundation of Collier County Inc., from monies received from donors. The Foundation is the beneficiary of this fund, and the invested funds generate gains and/or losses. The Foundation may also receive distributions of income, subject to the Collier Community Foundation's spending policy. The Fund is recorded at fair value and the balance as of June 30, 2025 and 2024 was \$5,045,282 and \$1,152,624, respectively. The Fund consists of primarily equities, mutual funds, and fixed income investments. Currently, the investment policy is to invest with the Collier Community Foundation.

NOTE 7 PROPERTY AND EQUIPMENT

Property and equipment, net, at June 30, 2025 and 2024 consisted of the following:

	2025	2024
Building (First Floor Only)	\$ 2,100,189	\$ 2,100,189
Equipment	211,958	211,958
Furniture and Fixtures	283,797	283,797
Musical Instruments	9,085	9,085
Total	2,605,029	2,605,029
Accumulated Depreciation	(809,137)	(706,625)
Total Property and Equipment, Net	<u>\$ 1,795,892</u>	<u>\$ 1,898,404</u>

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NOTE 7 PROPERTY AND EQUIPMENT (CONTINUED)

Depreciation expense for the years ended June 30, 2025 and 2024 totaled \$102,512 and \$104,466, respectively.

NOTE 8 ENDOWMENT

The Foundation has a donor-restricted endowment fund established for the purposes of providing income to support the College and Career Preparation Program and classroom grants. The endowment also includes certain net assets without donor restrictions that have been designated for endowment by the board of directors.

The Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At June 30, 2025 and 2024, there were no such donor stipulations. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. The Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

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NOTE 8 ENDOWMENT (CONTINUED)

As of June 30, the Foundation had the following endowment net asset composition by type of fund:

June 30, 2025	Without Donor Restrictions	With Donor Restrictions	Total
Board-Designated Endowment Funds	\$ -	\$ -	\$ -
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	2,500,000	2,500,000
Accumulated Investment Gains	-	-	-
Total	<u>\$ -</u>	<u>\$ 2,500,000</u>	<u>\$ 2,500,000</u>

June 30, 2024	Without Donor Restrictions	With Donor Restrictions	Total
Board-Designated Endowment Funds	\$ -	\$ -	\$ -
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	-	-
Accumulated Investment Gains	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Foundation has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. At June 30, 2025 and 2024, there were no underwater endowments.

Investment and Spending Policies

The Foundation has adopted investment and spending policies for the endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the endowment investments. The target minimum rate of return is the Total Portfolio Policy Benchmark developed by the Investment Advisor and validated by the Endowment Committee. Actual returns in any given year may vary from this amount.

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NOTE 8 ENDOWMENT (CONTINUED)

Investment and Spending Policies (Continued)

To satisfy this long-term rate-of-return objective, the investment portfolio is structured on a total-return approach through which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). A significant portion of the funds are invested to seek growth of principal over time.

Changes in the endowment net assets for the years ended June 30 are as follows:

June 30, 2025	Without Donor Restrictions	With Donor Restrictions - Purpose	With Donor Restrictions - Perpetual	Total
Endowment Net Assets - Beginning of Year	\$ -	\$ -	\$ -	\$ -
Investment Return, Net	-	167,209	-	167,209
Contributions	-	-	2,500,000	2,500,000
Appropriation of Endowment Assets Pursuant to Spending-Rate Policy	-	(167,209)	-	(167,209)
Endowment Net Assets - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,500,000</u>	<u>\$ 2,500,000</u>

June 30, 2024	Without Donor Restrictions	With Donor Restrictions - Purpose	With Donor Restrictions - Perpetual	Total
Endowment Net Assets - Beginning of Year	\$ -	\$ -	\$ -	\$ -
Investment Return, Net	-	-	-	-
Contributions	-	-	-	-
Appropriation of Endowment Assets Pursuant to Spending-Rate Policy	-	-	-	-
Endowment Net Assets - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

THE EDUCATION FOUNDATION OF COLLIER COUNTY, INC.
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NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at June 30, 2025 and 2024 consisted of the following:

	2025	2024
Subject to Expenditure for Specified Purpose:		
Florida Prepaid Scholarships	\$ 1,519,195	\$ 1,728,211
Scholarships	191,009	205,264
Lucie Jenny MacCarthy Fund	7,648	10,608
Disaster Relief	-	39,214
Building Reserve for Future Repair/Replacement	6,350	6,350
College and Career Preparation	37,658	30,531
Other Scholarships and Grants	17,518	41,885
Teacher Based Grants	38,324	112,103
Operating	665,826	660,826
Programs	1,082,403	-
Scholarships	130,750	130,750
Total	<u>3,696,681</u>	<u>2,965,742</u>
Endowment:		
Subject to Appropriation and Expenditure When a Specified Event Occurs:		
Restricted by Donors for:		
College and Career Preparation Program and Classroom Grants	2,500,000	-
Total Endowments	<u>2,500,000</u>	<u>-</u>
Total Net Assets with Donor Restrictions	<u>\$ 6,196,681</u>	<u>\$ 2,965,742</u>

During 2025 and 2024, net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors as follows:

	2025	2024
Distribution of Funds for Educator Programs	\$ 135,945	\$ 405,993
Distribution of Funds Due to Expiration of Time Restriction	-	100,000
Distribution of Funds for Grants, Scholarships, and Other	151,850	148,815
Distribution of Funds for Building and Other Costs	1,500	42,917
Total Net Assets With Donor Restrictions	<u>\$ 289,295</u>	<u>\$ 697,725</u>

NOTE 10 NET ASSETS WITHOUT DONOR RESTRICTIONS - DESIGNATED

The board of directors has approved to designate \$300,000 for operating reserves, \$125,000 for liquidity reserves, and \$75,000 for building reserves for total accumulated designated net assets of \$500,000 as of June 30, 2025 and 2024. The Foundation has a designated bank account to hold these designated funds. These funds are held in a money market account and therefore are presented in cash and cash equivalents in the statement of financial position as of June 30, 2025.

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NOTE 11 FAIR VALUE MEASUREMENTS

The accounting literature provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has ability to access and have the highest priority.

Level 2 – Inputs that include quoted prices for similar (but not exact) assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement and have the lowest priorities.

The following tables present the fair value hierarchy for the balances of the assets and liabilities of the Foundation measured at fair value as of June 30:

		2025			
		Level 1	Level 2	Level 3	Total
Beneficial Interest in Investments Held by Collier Community Foundation		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,045,282</u>	<u>\$ 5,045,282</u>
		2024			
		Level 1	Level 2	Level 3	Total
Beneficial Interest in Investments Held by Collier Community Foundation		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,152,624</u>	<u>\$ 1,152,624</u>
Instrument	Fair Value		Principal Valuation Technique	Unobservable Inputs	
	2025	2024			
Beneficial Interest in Investments Held by Collier Community Foundation	<u>\$ 5,045,282</u>	<u>\$ 1,152,624</u>	Market Price at Close of Business	Amount and Timing of Distributions from Collier Community Foundation	

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NOTE 11 FAIR VALUE MEASUREMENTS (CONTINUED)

The following table presents activity for the beneficial interest in investments held by Collier Community Foundation for the year ended June 30, 2025 and 2024:

	2025	2024
Purchases	\$ 3,587,403	\$ 5,000
Interest Income, Dividends, and Gains (Losses)	342,655	117,465
Transfers In	-	-
Transfers Out	(37,400)	(52,728)

NOTE 12 IN-KIND CONTRIBUTIONS

Many individuals volunteer their time and perform a variety of tasks that assist the Foundation in its program services and fundraising campaigns. In-kind contributions include contributed services that are specialized, and the Foundation would otherwise have purchased if not donated; therefore, meeting the criteria for recognition. For the year ended June 30, 2025 and 2024, donated professional services and goods were valued at \$84,690 and \$110,587, respectively.

In-kind contributions as of June 30, 2025 and 2024 were as follows:

	2025	2024	Utilization in Programs/Activities	Donor Restrictions	Valuation Techniques
Program Services	\$ 83,940	\$ 97,321	Professional Marketing Services	None	Fair Value Estimated on the Basis of Current Rates for Comparable Services
Program Goods	750	13,266	Goods for Foundation Events and Operations	None	Fair Value Estimated on the Basis of Current Rates for Comparable Products
	<u>\$ 84,690</u>	<u>\$ 110,587</u>			

