

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

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024



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**EDUCATION FOUNDATION OF COLLIER COUNTY, INC.
(DBA: CHAMPIONS FOR LEARNING)
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YEAR ENDED JUNE 30,2024**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
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 Education Foundation of Collier County, Inc. (dba: Champions For Learning) (a nonprofit corporation) (the Foundation), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Education Foundation of Collier County, Inc. (dba: Champions For Learning) as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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.

Adjustments to Prior Period Financial Statements

As described in note 2 to the financial statements, management noted the prepaid scholarships and net assets with restrictions in prior years were overstated. This caused the net assets with restriction and prepaid scholarships to be overstated at July 1, 2023. 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 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.

Board of Directors
Education Foundation of Collier County, Inc.
(dba: Champions For Learning)

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
October 28, 2024

EDUCATION FOUNDATION OF COLLIER COUNTY, INC.
(DBA: CHAMPIONS FOR LEARNING)
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024

ASSETS

Cash and Cash Equivalents	\$	2,138,999
Contributions Receivable		116,933
Prepaid Expenses and Other Assets		51,839
Prepaid Scholarships		1,728,211
Beneficial Interest in Investments Held by Others - Endowment		1,152,624
Property and Equipment, Net		<u>1,898,404</u>
Total Assets	\$	<u><u>7,087,010</u></u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts Payable	\$	78,967
Accrued Expenses		<u>62,569</u>
Total Liabilities		141,536

NET ASSETS

Without Donor Restrictions		
Undesignated		1,581,328
Investment in Property and Equipment		1,898,404
Board Designated		<u>500,000</u>
Total Without Donor Restrictions		3,979,732
With Donor Restrictions		<u>2,965,742</u>
Total Net Assets		<u><u>6,945,474</u></u>
Total Liabilities and Net Assets	\$	<u><u>7,087,010</u></u>

See accompanying Notes to Financial Statements.

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

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
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	<u>697,725</u>	<u>(697,725)</u>	<u>-</u>
Total Support, Revenue, and Reclassification	4,472,224	(836,450)	3,635,774
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 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.

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 & 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.

**EDUCATION FOUNDATION OF COLLIER COUNTY, INC.
(DBA: CHAMPIONS FOR LEARNING)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ (824,795)
Adjustments to Reconcile Change in Net Assets to	
Net Cash Used by Operating Activities:	
Depreciation Expense	104,466
Change in Value of Beneficial Interest Held by Others - Endowment	(69,737)
Changes in Operating Assets and Liabilities:	
Contributions Receivable	73,169
Other Prepaid Expenses	(27,335)
Florida Prepaid Scholarships	374,944
Accounts Payable and Accrued Liabilities	114,082
Net Cash Used by Operating Activities	<u>(255,206)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sales of Investments	-
Purchases of Property and Equipment	<u>(13,287)</u>
Net Cash Used by Investing Activities	<u>(13,287)</u>
 NET CHANGE IN CASH AND CASH EQUIVALENTS	 (268,493)
Cash and Cash Equivalents - Beginning of Year	<u>2,407,492</u>
 CASH AND CASH EQUIVALENTS - END OF YEAR	 <u><u>\$ 2,138,999</u></u>

See accompanying Notes to Financial Statements.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Foundation

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 not-for-profit 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 distinct but complementary spheres: "college and career access" and "occupation-based learning and skill-building." Student Programs empowers students from households with low- and mid-incomes gap who cannot afford the full cost of postsecondary education or technical training without help, many of whom are on track to be the first in their families to graduate from high school, to overcome the obstacles to higher education that they face. Student Programs integrate core elements of highly effective college and career access programming, including leadership and personal development through building foundational and employability skills, mentoring, coaching service learning, career exploration, college visits, college access workshops, and financial literacy workshop.

Educator Programs

Educator Programs are designated to value, empower, and support our teachers and educators to experience professional success. Classroom Grants and Golden Apple are the two Educator Programs that work with over 400 educators in traditional public, charter, and private schools in Collier County. Classroom Grants aim to provide funding for supplies, classroom items, and enrichment activities not included in the school's budget. Golden Apple is a highly competitive program that identifies the best teaching practices, celebrates the profession, and provides continued professional development.

Community Engagement

Engaging and energizing the community is critical to the Foundation's mission to serve as a catalyst for educational success by investing in Collier's students and educators. Champions For Learning is the backbone Foundation for Future Ready Collier, a collective impact initiative, of more than 60 Foundations, designed to build an educational pipeline for college, career, and life readiness. As a volunteer driven Foundation, the Foundation relies on more than 450 volunteers to support student and teacher success, equaling more than 10,000 volunteer hours in support of the mission.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 2024, management has determined that any allowance for expected credit loss would be immaterial and therefore, no allowance has been recorded.

Beneficial Interests in Investments Held by Others (Endowment)

Beneficial interests in investments held by others (endowment) are recorded at fair value. Interest income and market value change earned on the beneficial interest (endowment) 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, 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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

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.

Advertising Costs

Advertising costs are expensed as incurred and approximated \$103,423 during the year ended June 30, 2024. Advertising costs are comprised of \$97,321 in in-kind services and \$6,102 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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 2021, 2022, and 2023 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 October 28, 2024, the date the financial statements were available to be issued.

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

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 organization as the scholarship funds are available at the State of Florida for students' use.

The accounts affected are noted in the table below:

	<u>As Reported In 2023 Financials</u>	<u>Changes due to Recalculation of Prepaid Scholarships</u>	<u>Amounts that Should Have Been Reported</u>
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

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, 2024:

Financial Assets, at June 30, 2024	
Cash and Cash Equivalents	\$ 2,138,999
Contributions Receivable - Due within One Year	116,933
Prepaid Scholarships	1,728,211
Beneficial Interest in Investments Held by Others - Endowment	<u>1,152,624</u>
Total Current Financial Assets at Year-End	5,136,767
Less:	
Restricted by Donor with Time or Purpose Restriction	(2,965,742)
Board Designated Funds for Operating, Designated, and Building Reserves	<u>(500,000)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures within One Year	<u>\$ 1,671,025</u>

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

NOTE 4 CONTRIBUTIONS RECEIVABLE

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

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

NOTE 5 PREPAID SCHOLARSHIPS

The Foundation, through its donors, has purchased prepaid scholarships from the Florida Prepaid College Foundation, Inc. As of June 30, 2024, the Foundation owns prepaid scholarships worth \$3,456,424, which are reported on the statement of financial position at a cost of \$1,728,211. 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, 2024 was as follows:

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

NOTE 6 BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS - ENDOWMENT

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, 2024 was \$1,152,624. The Fund consists of primarily equities, mutual funds, and fixed income investments. Currently, the investment policy is to invest with the Collier Community Foundation.

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

NOTE 7 PROPERTY AND EQUIPMENT

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

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

Depreciation expense for the year ended June 30, 2024 totaled \$104,465.

NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS

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

Subject to Expenditure for Specified Purpose	
Florida Prepaid Scholarships	\$ 1,728,211
Scholarships	205,264
Lucie Jenny MacCarthy Fund	10,608
Disaster Relief	39,214
Building Reserve for Future Repair/Replacement	6,350
College and Career Preparation	30,531
Other Scholarships and Grants	41,885
Teacher Based Grants	112,103
Endowment - Operating	660,826
Endowment - Scholarships	130,750
Total Net Assets with Donor Restrictions	<u><u>\$ 2,965,742</u></u>

During 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:

Distribution of Funds for Educator Programs	\$ 405,993
Distribution of Funds Due to Expiration of Time Restriction	100,000
Distribution of Funds for Grants, Scholarships, and Other	148,815
Distribution of Funds for Building and Other Costs	42,917
Total Net Assets with Donor Restrictions	<u><u>\$ 697,725</u></u>

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NOTE 9 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, 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, 2024.

NOTE 10 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, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Beneficial Interest in Assets Held by Others	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,152,624</u>	<u>\$ 1,152,624</u>

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NOTE 10 FAIR VALUE MEASUREMENTS (CONTINUED)

Instrument	Fair Value		Principal Valuation Technique	Unobservable Inputs
	2024	2023		
Beneficial Interest in Assets	<u>\$ 1,152,624</u>	<u>\$ 1,082,887</u>	Market Price at Close of Business	Amount and Timing of Distributions from Community Foundation

The following table presents activity for the beneficial interest in assets held by others for the year ended June 30, 2024:

Purchases	\$	5,000
Interest Income, Dividends, and Gains (Losses)		117,465
Transfers In		-
Transfers Out		(52,728)

NOTE 11 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, 2024, donated professional services and goods were valued at \$110,587.

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

Category	Description	
Professional Services	Professional Marketing Services	\$ 97,321
Fundraising Items	Gift Cards, Other Auction Items	<u>13,266</u>
	Total	<u>\$ 110,587</u>

Contributed services were utilized in the following programs: student, educator, community engagement, and were also utilized in fundraising. Contributed services primarily consisted of media and other discounts for various professional services.

Gifts to be auctioned were utilized for the benefit of student and educatory programs. These contributed items were primarily utilized in the Foundation's special events, such as, Golden Apple and Night for Champions.

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NOTE 11 IN-KIND CONTRIBUTIONS (CONTINUED)

In valuing services and gifts to be auctioned, the Foundation estimated the fair value on the basis of estimates of wholesale values and current market rates that would be received for selling similar products and receiving similar services in the United States.



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