

# **Northwest Florida State College Foundation Finance Committee Meeting**

Tuesday, April 25, 2023 at 8:00 AM  
Room 302, Building 400  
Niceville Campus

## **AGENDA**

- I. Agenda
- II. Call to Order
- III. Action Items
  - A. Approval of January 24, 2023 Meeting Minutes
  - B. Finance and Investment Reports
  - C. Investment Report by McGovern, O'Dell & Associates/Merrill Lynch
  - D. Fiscal Year 2024 Foundation Operating Budget
  - E. Selection of Foundation Audit Firm
  - F. Underwriting of Mattie Kelly Art Center Series 2023-2024
  - G. Fiscal Year 2024 Foundation/College Memorandum of Understanding
  - H. Checks Over \$5,000
- IV. Other Business
  - A. Executive Director Report
- V. Adjourn



NWFSC Foundation Finance Committee Meeting  
January 24, 2023 8:00 a.m.  
Room 308, 3<sup>rd</sup> Floor, Student Services Building

**Members Present:**

Bo Arnold	Jonathan Ochs
James Bagby	JD Peacock
Heather Kilbey	Steve Rhodes
Alan Wood	

**Staff Present:**

Jennifer Bernich	Conner Rogers
A'isha Cristobal	Wendy McAdams Dorr
Chris Stowers	

**Others Present:**

Cristie Kedroski	Ray McGovern
Shane O'Dell	

**Absent:**

Destin Cobb	Don Litke
Brian Pennington	Todd Grisoff
Christie Austin	Gordon King

**Call to Order:**

Mr. Ochs called the meeting to order at 8:01 a.m.

**Approval of Committee Meeting Minutes:**

The October 25, 2022 minutes were approved as presented. **Motion to approve minutes, Mr. Bagby; Second, Mr. Ochs. Motion to approve carried unanimously.**

**Finance and Investment Reports:**

Ms. McAdams Dorr presented the Statement of Financial Position, Statement of Activities, and Investment Report as of December 31, 2022. Total Assets are \$56,874,163 and Total Liabilities are \$2,213 bringing the Total Fund Balance to \$56,871,950. For the previous fiscal year as of November 30, 2021, the Total Fund Balance was \$69,884,451. Total Revenues were \$1,807,621 and Total Expenses were \$2,291,887 for a Net Decrease in Fund balance of (\$484,265). A Statement of Activities from the previous fiscal year from July 1, 2021 through December 31, 2021 shows Total Revenues of \$9,466,160 and Total Expenses of \$5,022,219 for a Net Increase in Fund balance of \$4,443,941. The Net Increase to the Merrill Lynch EMA account since July 1, 2022 was \$1,118,480 bringing the Total Market Value to \$55,419,307 at December 31, 2022. The Net Increase to the Vanguard Wellington Account (Science Development Fund and First Responders Fund) since July 1, 2022 was \$9,073, bringing the Total Market



Value to \$424,614 as of the last statement date of December 31, 2022. Combined total holdings of the Merrill Lynch EMA and Vanguard Wellington accounts were \$55,843,921. The portfolio allocation was 3.01% Cash & Cash Equivalents, 61.36% Equity, 9.80% Alternative Investments and 25.83% Fixed Income. As of December 31, 2022 Total Operating Expenditures were \$235,240, leaving 50% of the budget available at the end of the fiscal year. **Motion to accept the December 31, 2022 financial reports for presentation to the Board Mr. Peacock; Second, Mr. Wood. Motion to approve carried unanimously.**

**Investment Report by McGovern, O'Dell & Associates/Merrill Lynch:**

Mr. McGovern presented a portfolio review as of December 30, 2022 and provided an overview of current market conditions. He presented the custom benchmark report from Blackrock, which reflected a market value of \$55,419,307 as of December 30, 2022, reminding the committee that the Blackrock report is not a representation of the Foundation's entire investment portfolio with Merrill Lynch. The Merrill Lynch report shows investment allocations stand at 63.06% Equity, 24.10% Fixed Income, 2.97% Cash, and 9.88% Alternative Investments.

**Endowment Spending Allocation for the 2023-24 Academic Year:**

Ms. McAdams Dorr presented the Endowment Spending Allocation for 2023-24 Academic Year. Per the Foundation's spending policy the award allocations are calculated as a percentage, not to exceed 4%, of the three year average of the endowment market value at fiscal year-end. Total endowment support for the 2023-24 year is \$2,178,536. **Motion to approve the 2023-24 Endowment Spending Allocation for presentation to the Board Mr. Peacock; Second, Ms. Kilbey. Motion carried unanimously.**

**Checks over \$5,000:**

Ms. McAdams Dorr presented a listing of checks over \$5,000 from October 1 through December 31, 2023 for the committee to review. **Motion to approve the checks over \$5,000 as presented Mr. Wood; Second, Mr. Rhodes. Motion to approve carried unanimously.**

**Professional Services Contract Schedule and Insurance Review:**

Ms. McAdams Dorr Presented the contract schedule for all the professional services for the Foundation. Per the schedule, the insurance contract Fisher Brown Bottrell Insurance, Inc. is due for review. The staff's recommendation is to remain with the same company and renew the contract for 3 years.

**Motion to approve the continued service with Fisher Brown Bottrell Insurance, Inc. as presented Ms. Kilbey; Second, Mr. Peacock. Motion to approve carried unanimously. Note: Mr. Ochs recused himself from the vote because Fisher Brown Bottrell Insurance, Inc., is owned by Trustmark National Bank, with whom Mr. Ochs is employed.**

**New Endowments:**

Mr. Stowers presented one new endowment: the AFC April Leake Scholarship. The AFC, Association of Florida Colleges NWFSC Chapter, created the AFC April Leake Scholarship with a \$5,000 gift and pledge for an additional \$10,000. This scholarship was named for the current president of the association, April Leake, for her passion to help students pursue their education here at NWFSC as well as our affiliated program with UWF. **Motion to approve the AFC April Leake Scholarship for presentation to the Board, Dr. Arnold; Second, Mr. Wood. Motion to approve carried unanimously.**



**Executive Director Report:**

Mr. Stowers provided a quick update regarding college events and activities. He also encouraged board members to nominate new board members. Mr. Stowers also reported that upon request from Dr. Stephenson and Kevin Brown, Director of Government Relations, the Foundation has ended the contract with Ramba Consulting Group for State legislative consulting and are in negotiations with another firm to provide services. The intention is to bring the new contract to the Board for approval once finalized.

**Next Meeting:**

The next Finance Committee Meeting will be held April 25, 2023 at 8:00 a.m.

**Adjournment:**

There being no further business, the meeting adjourned at 9:10 a.m.

---

Jonathon Ochs, Chair

---

Date

---

Chris Stowers, Secretary

---

Date



# MEMORANDUM

TO: NWFSC Foundation Finance Committee

FROM: Mr. Chris Stowers

DATE: April 25, 2023

SUBJECT: Finance and Investment Reports

---

Below is a summary of the Statement of Financial Position, Statement of Activities, Investment Report, and Operating Budget Review as of March 31, 2023.

## Statement of Financial Position

- Total Assets are \$59,113,230 and Total Liabilities are \$1,768, bringing the Total Fund Balance to \$59,111,461.
- For the previous fiscal year as of March 31, 2022, the Total Fund Balance was \$64,048,171.

## Statement of Activities

- Total Revenues were \$4,470,275 and Total Expenses were \$2,715,029 for a Net Increase in Fund balance of \$1,755,246.
- A Statement of Activities from the previous fiscal year from July 1, 2021 through March 31, 2022 shows Total Revenues of \$3,742,433 and Total Expenses of \$5,134,874 for a Net Decrease in Fund balance of (\$1,392,440).

## Investment Report

- The Net Increase to the Merrill Lynch EMA account since July 1, 2022 was \$3,376,653 bringing the Total Market Value to \$57,811,462 at March 31, 2023.
- The Net Increase to the Vanguard Wellington Account (Science Development Fund and First Responders Fund) since July 1, 2022 was \$23,290 bringing the Total Market Value to \$438,831 as of the last statement date of March 31, 2023.
- Combined total holdings of the Merrill Lynch EMA and Vanguard Wellington accounts were \$58,250,293. The portfolio allocation was 3.35% Cash & Cash Equivalents, 61.65% Equity, 9.56% Alternative Investments and 25.44% Fixed Income.

## Operating Budget Review

- As of March 31, 2023 Total Operating Expenditures were \$326,544, leaving 31% of the budget available for the fiscal year.

## RECOMMENDATION:

The NWFSC Foundation Finance Committee accepts the March 31, 2023 financial reports for presentation to the Board.



**Northwest Florida State College Foundation, Inc.**

Statement of Financial Position

As of March 31, 2023

(in whole numbers)

	Unrestricted Operating	Temporary Restricted Gift	Permanent Restricted Endowed	Current Total as of 31-Mar-2023	Prior Year Total as of 31-Mar-2022	% Change
<b>Asset</b>						
Cash and Cash Equivalents	2,004,902	780,908	(2,101,126)	684,683	681,967	0%
Investments	68,225	504,588	57,677,480	58,250,293	63,152,043	▼8%
Accounts Receivable (Net)	7,091	43,181	39,025	89,298	193,921	▼54%
Due from Other Funds	0	0	0	0	0	0%
Prepaid Expenses	76,125	0	0	76,125	4,265	1,685%
Depreciable Capital Assets (Net)	0	0	0	0	0	0%
Non-Depreciable Capital Assets	0	0	12,830	12,830	15,975	▼20%
<b>Total Assets</b>	<b>2,156,343</b>	<b>1,328,678</b>	<b>55,628,209</b>	<b>59,113,230</b>	<b>64,048,171</b>	<b>▼8%</b>

<b>Liabilities</b>						
Accounts Payable	1,768	0	0	1,768	100	1,668%
Deferred Revenue	0	0	0	0	0	0%
<b>Total Liabilities</b>	<b>1,768</b>	<b>0</b>	<b>0</b>	<b>1,768</b>	<b>100</b>	<b>1,668%</b>

<b>Fund Balance</b>						
<b>Total Fund Balance</b>	<b>2,154,575</b>	<b>1,328,678</b>	<b>55,628,209</b>	<b>59,111,461</b>	<b>64,048,071</b>	<b>▼8%</b>
<b>Total Liabilities and Fund Balance</b>	<b>2,156,343</b>	<b>1,328,678</b>	<b>55,628,209</b>	<b>59,113,230</b>	<b>64,048,171</b>	<b>▼8%</b>



**Northwest Florida State College Foundation, Inc.**

Statement of Activities

July 1, 2022 through March 31, 2023

(in whole numbers)

	Unrestricted Operating	Temporary Restricted Gift	Permanent Restricted Endowed	Current Total as of 31-Mar-23	Prior Year Total as of 31-Mar-22	% Change
<b>Revenue</b>						
Gifts/Contributions	106,392	371,406	105,235	583,033	1,034,724	▼44%
Grants	0	176,000	0	176,000	15,975	1,002%
Memberships	0	58,550	0	58,550	57,225	2%
Special Events	0	23,648	0	23,648	22,831	4%
Market Gains/(Losses)	103,542	15,986	2,430,991	2,550,518	(1,035,680)	346%
Interest and Dividends	9,509	7,304	1,030,325	1,047,139	1,055,732	▼1%
Rental Income	0	0	0	0	46,492	0%
Other Non-Operating Revenues	0	0	0	0	2,515,652	0%
Other Operating Revenues	31,388	0	0	31,388	29,484	6%
<b>Total Revenue</b>	<b>250,830</b>	<b>652,895</b>	<b>3,566,551</b>	<b>4,470,275</b>	<b>3,742,433</b>	<b>19%</b>

<b>Direct Expenditures</b>						
Communication Service	0	0	0	0	547	0%
Freight and Postage	0	0	0	0	0	0%
Insurance	3,489	0	0	3,489	11,853	▼71%
Office Materials and Supplies	427	0	0	427	28	1,404%
Other Expenses	0	0	0	0	0	0%
Other Materials and Supplies	28,660	0	0	28,660	26,436	8%
Other Services	980	0	0	980	1,204	▼19%
Plant Maintenance Supplies	0	0	0	0	2,861	0%
Printing and Duplication	375	0	0	375	1,895	▼80%
Professional Fees/Support Services	289,706	0	188,205	477,911	495,624	▼4%
Repairs and Maintenance	0	1,261	0	1,261	5,455	▼77%
Scholarships	2	356,607	0	356,609	328,977	8%
Support to College	12,000	1,832,991	142	1,845,133	4,244,801	▼57%
Taxes and Licenses	36	149	0	185	215	▼14%
Travel	0	0	0	0	0	0%
Utilities	0	0	0	0	14,974	0%
<b>Total Direct Expenditures</b>	<b>335,675</b>	<b>2,191,007</b>	<b>188,347</b>	<b>2,715,029</b>	<b>5,134,874</b>	<b>▼47%</b>

<b>Transfers</b>						
Transfer In-Admin Fee Income	304,644	0	0	304,644	348,709	▼13%
Transfer In-Donor Principal	0	0	0	0	0	0%
Transfer In-End Spending Allocation	0	2,040,576	0	2,040,576	3,067,174	▼33%
Transfer In-Other Undistributed	0	0	0	0	44	0%
Transfer Out-Admin Fee Expense	(1,286)	(4,263)	(299,095)	(304,644)	(348,709)	13%
Transfer Out-Donor Principal	0	0	0	0	0	0%
Transfer Out-End Spending Allocatio	0	0	(2,040,576)	(2,040,576)	(3,067,174)	33%
Transfer Out-Other Undistributed	0	0	0	0	(44)	0%
<b>Total Transfers</b>	<b>303,358</b>	<b>2,036,313</b>	<b>(2,339,671)</b>	<b>0</b>	<b>0</b>	<b>0%</b>

<b>Net Increase/(Decrease) In Fund Balance</b>	<b>218,513</b>	<b>498,200</b>	<b>1,038,533</b>	<b>1,755,246</b>	<b>(1,392,440)</b>	<b>226%</b>
--	----------------	----------------	------------------	------------------	--------------------	-------------



# NORTHWEST FLORIDA STATE COLLEGE FOUNDATION, INC.

## INVESTMENT REPORT

July 1, 2022 - March 31, 2023

### Merrill Lynch EMA Account

*(statements provided monthly)*

	Income	Expense	Net Income	Gain/(Loss)	Total
1st Quarter: Jul / Aug / Sep	\$ 275,733	\$ 64,361	\$ 211,372	\$ (2,621,316)	\$ (2,409,944)
2nd Quarter: Oct / Nov / Dec	308,649	60,320	\$ 248,329	3,280,095	3,528,424
3rd Quarter: Jan / Feb / Mar	445,944	63,523	\$ 382,420	1,875,753	2,258,173
4th Quarter: Apr / May / Jun			-		-
<b>YTD Total</b>	<b>\$ 1,030,325</b>	<b>\$ 188,205</b>	<b>\$ 842,121</b>	<b>\$ 2,534,532</b>	<b>\$ 3,376,653</b>

	Cost	Market
Beginning Balance	\$ 46,964,085	\$ 56,355,827
Transfers Out of EMA	(2,055,000)	(2,055,000)
Transfers In to EMA	133,982	133,982
Net Investment Income	842,121	842,121
Gains (Loss)	2,534,532	2,534,532
<b>YTD Total</b>	<b>\$ 48,419,720</b>	<b>57,811,462</b>

### Vanguard Wellington Account

*(statements provided quarterly)*

	Income	Expense	Net Income	Gain/(Loss)	Total
1st Quarter: Jul - Sep	\$ 2,176	\$ -	\$ 2,176	\$ (22,387)	\$ (20,211)
2nd Quarter: Oct - Dec	2,824	-	2,824	26,460	29,284
3rd Quarter: Jan - Mar	2,305	-	2,305	11,913	14,217
4th Quarter: Apr - Jun		-	-		-
<b>YTD Total</b>	<b>\$ 7,304</b>	<b>\$ -</b>	<b>\$ 7,304</b>	<b>\$ 15,986</b>	<b>\$ 23,290</b>

	Cost	Market
Beginning Balance	\$ 372,511	\$ 415,541
Transfers Out of Vanguard	-	-
Transfers In to Vanguard	-	-
Net Investment Income	7,304	7,304
Gains (Loss)	15,986	15,986
<b>YTD Total</b>	<b>\$ 395,801</b>	<b>\$ 438,831</b>

### Total Holdings

	Merrill Lynch	Vanguard	Total	Allocation	Target Range
Cash & Money	\$ 1,946,349	\$ 7,811	\$ 1,954,160	3.35%	2% - 8%
Equity	35,621,629	288,093	\$ 35,909,722	61.65%	45% - 65%
Alternative Investments	5,569,295	-	\$ 5,569,295	9.56%	5% - 15%
Fixed Income/Annuity	14,674,187	142,927	\$ 14,817,115	25.44%	25% - 45%
	<b>\$ 57,811,461</b>	<b>\$ 438,831</b>	<b>\$ 58,250,293</b>	<b>100.00%</b>	<b>100.00%</b>



**Northwest Florida State College Foundation, Inc.**

Operating Budget

July 1, 2022 through March 31, 2023

Description	Adopted Budget	Year To Date	Remaining Balance	% Residual Budget (Year Remaining - 25%)
<b>Direct Expenditures</b>				
Advertising (required by law)	800.00	179.55	620.45	78%
Auditing Fees	17,500.00	16,750.00	750.00	4%
Bank Card/Credit Card Fees	750.00	402.65	347.35	46%
Consultants	70,000.00	47,634.96	22,365.04	32%
Current Expense Budget Contingency	10,000.00	0.00	10,000.00	100%
Food and Food Products	24,000.00	16,585.30	7,414.70	31%
Freight and Postage	750.00	0.00	750.00	100%
Ins-Directors and Officers	4,118.00	3,088.53	1,029.47	25%
Ins-General Liability	497.00	400.95	96.05	19%
Internal Support Services	288,000.00	216,000.00	72,000.00	25%
Legal Fees	250.00	0.00	250.00	100%
Materials and Supplies-Other	3,500.00	2,943.89	556.11	16%
Office Materials and Supplies	1,000.00	427.33	572.67	57%
Printing and Duplication	500.00	375.00	125.00	25%
Property Taxes	45.00	35.70	9.30	21%
Registration Fee	500.00	0.00	500.00	100%
Scholarships	0.00	1.92	(1.92)	
Service Contracts/Agreements	11,000.00	8,918.57	2,081.43	19%
Sponsorship Expense	600.00	800.00	(200.00)	-33%
Support to College	37,000.00	12,000.00	25,000.00	68%
Taxes and Licenses-Other	450.00	0.00	450.00	100%
Travel-Employee	1,500.00	0.00	1,500.00	100%
<b>Direct Expenditures - Total</b>	<b>472,760.00</b>	<b>326,544.35</b>	<b>146,215.65</b>	<b>31%</b>

**Northwest Florida State College Foundation, Inc.**

President's Office Budget

July 1, 2022 through March 31, 2023

Description	Adopted Budget	Year To Date	Remaining Balance	% Residual Budget (Year Remaining - 25%)
<b>Direct Expenditures</b>				
Current Expense Budget Contingency	15,000.00	0.00	15,000.00	
Food and Food Products	0.00	8,955.96	(8,955.96)	
Materials and Supplies-Other	0.00	174.60	(174.60)	
<b>Direct Expenditures - Total</b>	<b>15,000.00</b>	<b>9,130.56</b>	<b>5,869.44</b>	<b>39%</b>



# Portfolio Review

**Confidential - Prepared for Northwest Florida State College Foundation (Finance Committee) on April 02, 2023**

**McGovern, O'Dell & Associates**

Raymond J. McGovern, CPWA®

Managing Director

Senior Resident Director

Portfolio Manager

Shane O'Dell, CFP®, CRPC®, C(k)P®

Senior Vice President

Wealth Management Advisor

Portfolio Manager





# Table of Contents

1.	Account List
2.	Total Portfolio Review
3.	Asset Allocation Overview
4.	Time Weighted Rate of Return by Period: Yearly
5.	Money Weighted Rate of Return by Period: Yearly
6.	Time Weighted Rate of Return by Account: Yearly
7.	Money Weighted Rate of Return by Account: Yearly



# Account List



As of Close of Business: 03/31/2023

Merrill					
Account Number/NickName	Account Title	Credit Type	Account Registration	Market Value(\$)	% of Total
XXX-XX017 "ANNUITY ALT INVEST"		Cash	ENDOWMENT	7,706,902	13.33
XXX-XX003 "EQUITY"	Service Type: BlackRock Sub-Advised Investment Manager/Model: BLACKROCK WDP TR ALL EQ (R) Manager Style: Multi Asset	Cash	TMA	37,057,724	64.10
XXX-XX004 "FIXED INCOME"	Service Type: BlackRock Sub-Advised Investment Manager/Model: BLACKROCK INTMTAX FIX INC (R) Manager Style: Intermediate Duration	Cash	TMA	13,048,349	22.57
Total				57,812,976	100

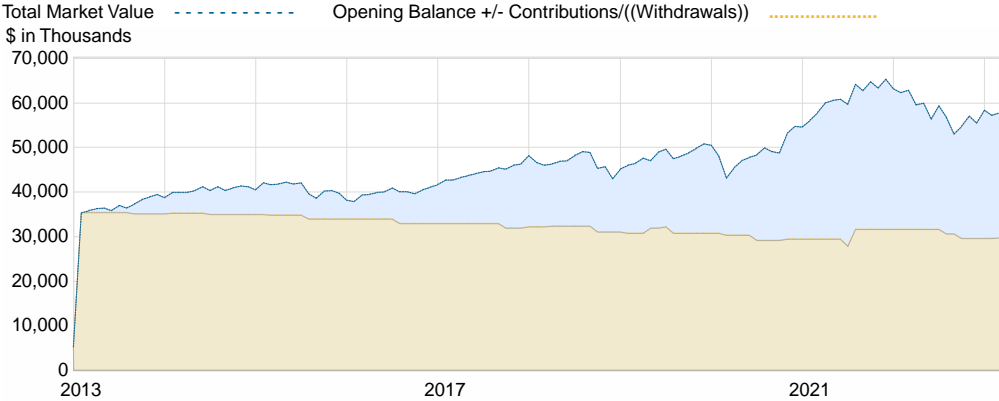
Unless otherwise indicated, assets and investment accounts included in this Report are held at Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), Member SIPC.  
Bank deposits are held at the Bank of America, N.A. and affiliated banks or other depository institutions and are covered by FDIC insurance up to applicable limits. Bank deposits are not protected by SIPC.  
All reports other than the Balances report contain brokerage information only.



# Total Portfolio Review

Performance period: 02/01/2013 to 03/31/2023

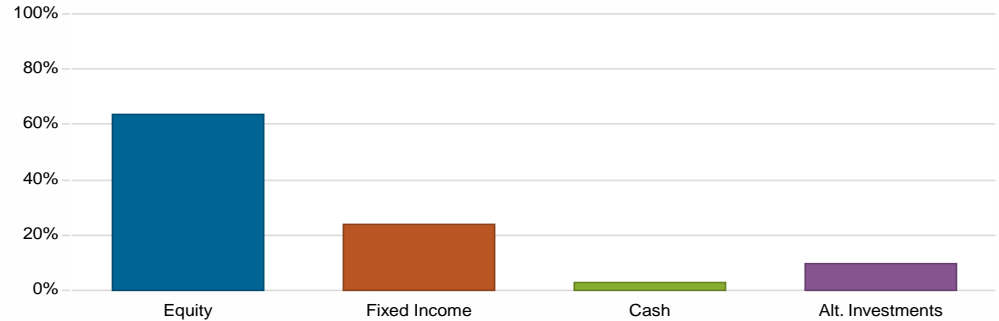
## Investment Earnings and Cash Flows



Categories	Prior 3 Months	Prior 12 Months	Entire Period
Opening Balance(\$)	55,419,307	62,838,224	5,141,579
Contributions/(Withdrawals)(\$)	133,983	(1,921,047)	24,504,561
Interest/Dividends(\$)	444,158	1,162,874	10,870,487
Appreciation/(Depreciation)(\$)	1,815,528	(4,267,075)	17,296,349
Closing Balance(\$)	57,812,976	57,812,976	57,812,976

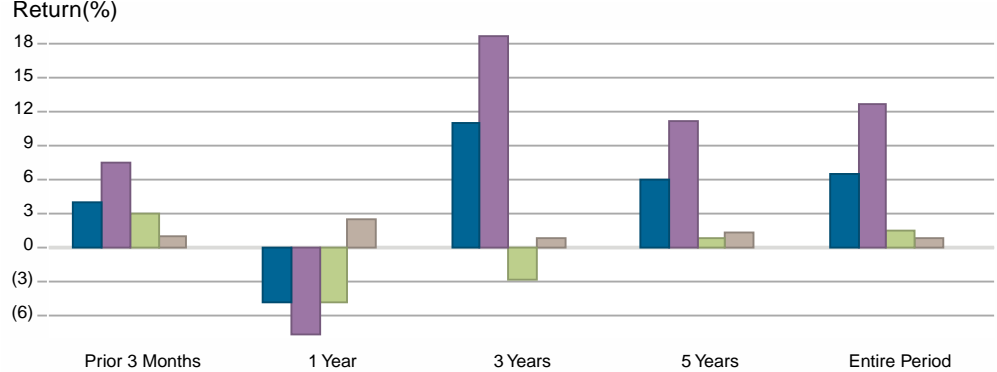
## Asset Allocation

As of Close of Business: 03/31/2023



Current Holdings		
Asset Class	Amount(\$)	Percent(%)
Equity	36,862,317	63.78
Fixed Income	13,637,257	23.60
Cash	1,727,551	2.99
Alt. Investments	5,569,295	9.64
SubTotal	57,796,420	100.00
Other	16,556	
Total	57,812,976	

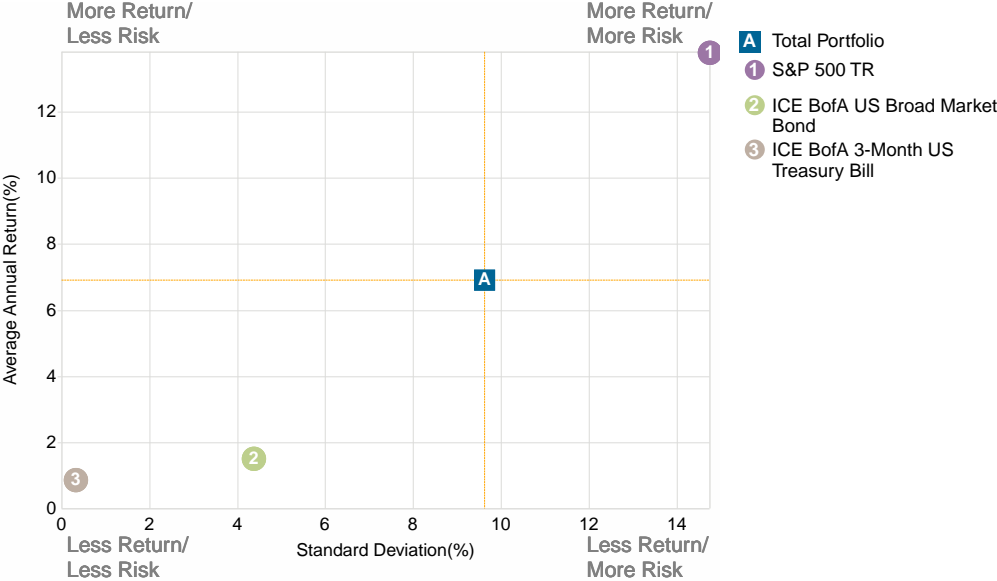
## Annualized Performance



(%)	Prior 3 Months	1 Year	3 Years	5 Years	Entire Period
Total Portfolio	4.08	(4.79)	11.03	5.94	6.43
S&P 500 TR	7.50	(7.73)	18.60	11.19	12.59
ICE BofA US Broad Market Bond	2.97	(4.83)	(2.82)	0.91	1.42
ICE BofA 3-Month US Treasury Bill	1.07	2.50	0.89	1.41	0.86
Consumer Price Index (All Urban NSA)	--	--	--	--	--

Returns for periods longer than one year are annualized.

## Risk vs. Return Analysis



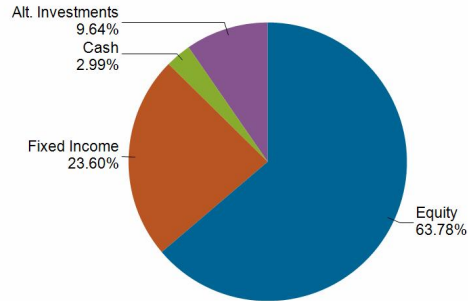
Accounts included in this report: Please refer to the Account List for accounts included in this report.



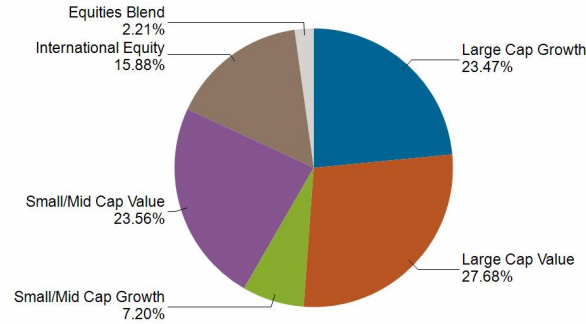
# Asset Allocation Overview

As of Close of Business: 03/31/2023

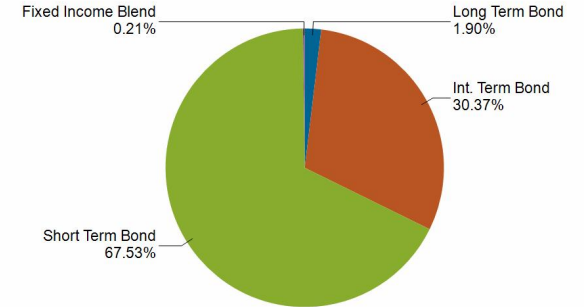
**Asset Allocation**



**Equity Size and Style**



**Fixed Income**



Asset Class	Market Value(\$)	% of Total	Size & Style	Market Value(\$)	% of Total	Maturity	Market Value(\$)	% of Total
Equity	36,862,317	63.78	Large Cap Growth	8,650,724	23.47	Long Term Bond	259,047	1.90
Fixed Income	13,637,257	23.60	Large Cap Value	10,205,316	27.68	Int. Term Bond	4,141,548	30.37
Cash	1,727,551	2.99	Small/Mid Cap Growth	2,652,875	7.20	Short Term Bond	9,208,592	67.53
Alt. Investments	5,569,295	9.64	Small/Mid Cap Value	8,683,015	23.56	Fixed Income Blend	28,070	0.21
<b>Subtotal</b>	<b>57,796,420</b>	<b>100.00</b>	International Equity	5,854,234	15.88	<b>Total</b>	<b>13,637,257</b>	<b>100.00</b>
Other	16,556		Equities Blend	816,153	2.21			
<b>Total</b>	<b>57,812,976</b>		<b>Total</b>	<b>36,862,317</b>	<b>100.00</b>			

## Account Summary

Account	Account Type/Manager	Market Value(\$)	% of Total
XXX-XX003 "EQUITY"	BLACKROCK WDP TR ALL EQ (R)	37,057,724	64.10
XXX-XX004 "FIXED INCOME"	BLACKROCK INTMTAX FIX INC (R)	13,048,349	22.57
XXX-XX017 "ANNUITY ALT INVEST"	ENDOWMENT	7,706,902	13.33
<b>Total</b>		<b>57,812,976</b>	<b>100.00</b>

## Top Holdings (Based on Market Value)

Security Description	Quantity	Price(\$)	Market Value(\$)	% of Total
ISHARES CORE S&P MID-CAP ETF	17,881	250.16	4,473,111	7.74
PARTNERS GROUP PRIVATE EQUITY MASTER FUND LLC CLASS A	303,865	7.71	2,343,651	4.05
IRONWOOD MULTI-STRATEGY FUND LLC	1,941	1,125.26	2,183,765	3.78
JNL PERSPECTIVE II B	1	0	1,839,528	3.18
ISHARES TR RUSSELL 2000	9,570	178.40	1,707,288	2.95
BLF FEDFUND CASH RESERVE	1,588,872	1.00	1,588,872	2.75
MICROSOFT CORP	5,403	288.30	1,557,685	2.69
JLL INCOME PROPERTY TRUST, INC. CLASS A	64,654	13.76	889,634	1.54
AMAZON COM INC COM	8,569	103.29	885,092	1.53
APPLE INC	5,104	164.90	841,650	1.46
COMCAST CORP NEW CL A	16,328	37.91	618,994	1.07
<b>Total</b>			<b>18,929,271</b>	<b>32.74</b>

Accounts included in this report: Please refer to the Account List for accounts included in this report.



# Time Weighted Rate of Return by Period: Yearly

Performance period: 02/01/2013 to 03/31/2023

Period	Opening Balance(\$)	Contributions/ (Withdrawals)(\$)	Interest/ Dividends(\$)	Appreciation/ (Depreciation)(\$)	Closing Balance(\$)	ROR Period(%)	ROR Cum(%)
2023	55,419,307	133,983	444,158	1,815,528	57,812,976	4.08	88.37
2022	65,350,760	(2,055,030)	1,197,414	(9,073,837)	55,419,307	(12.03)	80.99
2021	54,696,180	2,205,990	928,512	7,520,078	65,350,760	15.41	105.75
2020	50,736,242	(1,320,828)	994,667	4,286,100	54,696,180	10.89	78.29
2019	42,886,595	(319,972)	1,094,857	7,074,762	50,736,242	19.11	60.78
2018	46,244,358	(924,957)	1,159,272	(3,592,079)	42,886,595	(5.40)	34.99
2017	41,078,153	(1,000,012)	928,767	5,237,450	46,244,358	15.08	42.69
2016	39,672,676	(994,671)	878,532	1,521,616	41,078,153	6.11	23.99
2015	41,206,869	(1,032,282)	1,255,871	(1,757,782)	39,672,676	(1.26)	16.86
2014	39,427,858	(154,994)	1,236,915	697,092	41,206,869	4.90	18.35
2013	5,141,579	29,967,333	751,523	3,567,422	39,427,858	12.82	12.82
<b>Total</b>	<b>5,141,579</b>	<b>24,504,561</b>	<b>10,870,487</b>	<b>17,296,349</b>	<b>57,812,976</b>		<b>88.37</b>

Note that various factors, including unpriced securities, and certain adjustments, holdings or activity may cause report results to differ from actual performance. Report results may also differ from results reported by other Merrill services. Past performance does not guarantee future results.



# Money Weighted Rate of Return by Period: Yearly



Performance period: 07/01/2022 to 03/31/2023

Period	Opening Balance(\$)	Contributions/ (Withdrawals)(\$)	Interest/ Dividends(\$)	Appreciation/ (Depreciation)(\$)	Closing Balance(\$)	ROR Period(%)	ROR Cum(%)
2023	55,419,307	133,983	444,158	1,815,528	57,812,976	4.08	6.15
2022	56,360,630	(2,055,030)	487,271	626,435	55,419,307	2.02	2.02
Total	56,360,630	(1,921,047)	931,430	2,441,963	57,812,976		6.15

Note that various factors, including unpriced securities, and certain adjustments, holdings or activity may cause report results to differ from actual performance. Report results may also differ from results reported by other Merrill services. Past performance does not guarantee future results.



# Time Weighted Rate of Return by Account: Yearly

Performance period: 02/01/2013 to 03/31/2023

Period	Opening Balance(\$)	Contributions/ (Withdrawals)(\$)	Interest/ Dividends(\$)	Appreciation/ (Depreciation)(\$)	Closing Balance(\$)	ROR Period(%)	ROR Cum(%)
<b>XXX-XX017 "ANNUITY ALT INVEST"</b>	<b>5,141,579</b>	<b>583,908</b>	<b>1,609,678</b>	<b>371,737</b>	<b>7,706,902</b>		<b>33.64</b>
2023	7,413,589	133,982	188,451	(29,121)	7,706,902	2.14	33.64
2022	9,056,352	(1,075,030)	273,421	(841,154)	7,413,589	(6.26)	30.83
2021	8,185,499	234	72,841	797,778	9,056,352	10.59	39.56
2020	8,854,487	(432,958)	145,522	(381,552)	8,185,499	(2.66)	26.20
2019	7,749,966	598,626	200,128	305,766	8,854,487	6.30	29.64
2018	7,647,197	0	186,171	(83,402)	7,749,966	1.34	21.95
2017	6,983,283	0	77,079	586,835	7,647,197	9.51	20.33
2016	5,904,777	1,100,000	93,229	(114,723)	6,983,283	(0.76)	9.89
2015	5,309,259	759,970	250,296	(414,749)	5,904,777	(2.42)	10.73
2014	5,284,031	(201,955)	121,868	105,315	5,309,259	4.24	13.48
2013	5,141,579	(298,962)	669	440,744	5,284,031	8.86	8.86
<b>XXX-XX003 "EQUITY"</b>	<b>0</b>	<b>11,761,169</b>	<b>6,134,469</b>	<b>19,162,086</b>	<b>37,057,724</b>		<b>141.15</b>
2023	35,218,315	1	143,676	1,695,732	37,057,724	5.22	141.15
2022	42,402,489	(980,000)	556,541	(6,760,715)	35,218,315	(14.73)	129.18
2021	35,392,110	(796,799)	535,413	7,271,765	42,402,489	22.24	168.78
2020	31,422,478	(950,000)	517,170	4,402,462	35,392,110	16.29	119.89
2019	26,402,524	(2,028,579)	577,098	6,471,435	31,422,478	27.59	89.09
2018	30,179,810	(1,224,957)	693,244	(3,245,572)	26,402,524	(8.90)	48.21
2017	25,875,153	(1,000,011)	578,476	4,726,192	30,179,810	20.66	62.69
2016	24,242,285	(594,671)	493,486	1,734,053	25,875,153	9.27	34.83
2015	26,490,967	(1,792,252)	694,202	(1,150,632)	24,242,285	(1.67)	23.39
2014	24,974,618	46,960	827,397	641,992	26,490,967	5.87	25.49
2013	0	21,081,476	517,768	3,375,374	24,974,618	18.53	18.53
<b>XXX-XX004 "FIXED INCOME"</b>	<b>0</b>	<b>12,159,484</b>	<b>3,126,340</b>	<b>(2,237,475)</b>	<b>13,048,349</b>		<b>12.53</b>
2023	12,787,403	0	112,030	148,917	13,048,349	2.04	12.53
2022	13,891,919	0	367,451	(1,471,968)	12,787,403	(7.95)	10.28
2021	11,118,571	3,002,556	320,258	(549,466)	13,891,919	(1.74)	19.80
2020	10,459,277	62,130	331,974	265,190	11,118,571	5.68	21.93
2019	8,734,104	1,109,981	317,631	297,561	10,459,277	6.43	15.37
2018	8,417,352	300,000	279,858	(263,105)	8,734,104	0.18	8.40
2017	8,219,717	(1)	273,212	(75,576)	8,417,352	2.41	8.21
2016	9,525,614	(1,500,000)	291,817	(97,714)	8,219,717	1.80	5.66
2015	9,406,643	0	311,373	(192,402)	9,525,614	1.27	3.79
2014	9,169,209	0	287,649	(50,216)	9,406,643	2.59	2.49
2013	0	9,184,818	233,086	(248,695)	9,169,209	(0.09)	(0.09)

Note that various factors, including unpriced securities, and certain adjustments, holdings or activity may cause report results to differ from actual performance. Report results may also differ from results reported by other Merrill services. Past performance does not guarantee future results.



# Money Weighted Rate of Return by Account: Yearly

Performance period: 04/01/2013 to 03/31/2023

Period	Opening Balance(\$)	Contributions/ (Withdrawals)(\$)	Interest/ Dividends(\$)	Appreciation/ (Depreciation)(\$)	Closing Balance(\$)	ROR Period(%)	ROR Cum(%)
<b>XXX-XX017 "ANNUITY ALT INVEST"</b>	<b>5,269,990</b>	<b>583,908</b>	<b>1,609,525</b>	<b>243,479</b>	<b>7,706,902</b>		<b>30.33</b>
2023	7,413,589	133,982	188,451	(29,121)	7,706,902	2.15	30.33
2022	9,056,352	(1,075,030)	273,421	(841,154)	7,413,589	(6.45)	27.67
2021	8,185,499	234	72,841	797,778	9,056,352	10.59	37.34
2020	8,854,487	(432,958)	145,522	(381,552)	8,185,499	(2.77)	23.23
2019	7,749,966	598,626	200,128	305,766	8,854,487	6.19	27.80
2018	7,647,197	0	186,171	(83,402)	7,749,966	1.34	19.76
2017	6,983,283	0	77,079	586,835	7,647,197	9.51	18.56
2016	5,904,777	1,100,000	93,229	(114,723)	6,983,283	(0.34)	6.80
2015	5,309,259	759,970	250,296	(414,749)	5,904,777	(3.05)	7.61
2014	5,284,031	(201,955)	121,868	105,315	5,309,259	4.37	10.83
2013	5,269,990	(298,962)	517	312,486	5,284,031	6.11	6.11
<b>XXX-XX003 "EQUITY"</b>	<b>20,765,688</b>	<b>(8,795,307)</b>	<b>6,131,991</b>	<b>18,955,353</b>	<b>37,057,724</b>		<b>139.28</b>
2023	35,218,315	1	143,676	1,695,732	37,057,724	5.22	139.28
2022	42,402,489	(980,000)	556,541	(6,760,715)	35,218,315	(14.76)	128.53
2021	35,392,110	(796,799)	535,413	7,271,765	42,402,489	22.32	157.94
2020	31,422,478	(950,000)	517,170	4,402,462	35,392,110	15.91	113.85
2019	26,402,524	(2,028,579)	577,098	6,471,435	31,422,478	28.00	85.90
2018	30,179,810	(1,224,957)	693,244	(3,245,572)	26,402,524	(8.53)	48.57
2017	25,875,153	(1,000,011)	578,476	4,726,192	30,179,810	20.67	60.10
2016	24,242,285	(594,671)	493,486	1,734,053	25,875,153	9.27	33.50
2015	26,490,967	(1,792,252)	694,202	(1,150,632)	24,242,285	(1.76)	22.27
2014	24,974,618	46,960	827,397	641,992	26,490,967	5.87	24.27
2013	20,765,688	525,000	515,290	3,168,640	24,974,618	17.45	17.45
<b>XXX-XX004 "FIXED INCOME"</b>	<b>9,758,281</b>	<b>2,449,666</b>	<b>3,089,136</b>	<b>(2,248,734)</b>	<b>13,048,349</b>		<b>9.00</b>
2023	12,787,403	0	112,030	148,917	13,048,349	2.04	9.00
2022	13,891,919	0	367,451	(1,471,968)	12,787,403	(7.95)	6.25
2021	11,118,571	3,002,556	320,258	(549,466)	13,891,919	(1.89)	18.84
2020	10,459,277	62,130	331,974	265,190	11,118,571	5.68	21.77
2019	8,734,104	1,109,981	317,631	297,561	10,459,277	6.39	15.07
2018	8,417,352	300,000	279,858	(263,105)	8,734,104	0.19	8.06
2017	8,219,717	(1)	273,212	(75,576)	8,417,352	2.41	7.75
2016	9,525,614	(1,500,000)	291,817	(97,714)	8,219,717	2.18	5.34
2015	9,406,643	0	311,373	(192,402)	9,525,614	1.27	3.15
2014	9,169,209	0	287,649	(50,216)	9,406,643	2.59	1.86
2013	9,758,281	(525,000)	195,882	(259,954)	9,169,209	(0.68)	(0.68)

Note that various factors, including unpriced securities, and certain adjustments, holdings or activity may cause report results to differ from actual performance. Report results may also differ from results reported by other Merrill services. Past performance does not guarantee future results.



# Important Information About Reference Indices

Market indices are included in this report to provide a reference point when reviewing the performance of your account(s). Indices provide a general source of information on how various market segments and types of investments have performed in the past. The index illustrated may be a single index, a combination of indices, or may include the performance of a Merrill allocation model. The characteristics of the indices provided may differ from your actual account(s). You should discuss with your Financial Advisor the reference indices selected and how they compare with your account(s).

**XXX-XX017: Account Performance Range: 01/14/2005 - CURRENT**  
**Advisor Defined Style Index Performance Range: 01/01/2005 - 02/28/2023 \***

**Fixed Allocation Blend Index:**

Cash: 20.00% ICE BofA 3-Month US Treasury Bill  
AI: 60.00% HFRI Fund of Funds Composite \*  
Equity: 12.00% S&P 500 TR  
Fixed Income: 8.00% ICE BofA US Corporate & Government 1-10Yr A Rtd+

**XXX-XX004: Account Performance Range: 02/19/2013 - CURRENT**

**Style Index:**

02/01/2013 - 02/28/2023 (100.00% BBG Barclays US Aggregate Intermediate Bond TR) \*

**XXX-XX003: Account Performance Range: 02/19/2013 - CURRENT**

**Style Index:**

02/19/2013 - 08/31/2016 (25.00% S&P 500 TR, 25.00% MSCI AC World ex US TR Net, 17.50% Russell 1000 Value TR, 17.50% S&P 500 Growth TR, 5.00% S&P Mid Cap 400 Value TR, 5.00% MSCI World Small Cap TR Net, 5.00% MSCI Emerging Markets TR Net)  
09/01/2016 - CURRENT (60.00% MSCI AC World ex US TR Net, 40.00% MSCI USA TR Gross)

**Additional Comparatives:** The following indices are further reference points to various broad market indices. Based on the exhibits selected, these indices may or may not be included in this report.

**S&P 500 TR**

**ICE BofA 3-Month US Treasury Bill**

**Russell 1000 Value TR**

**ICE BofA US Corporate, Government & Mortgage**

**ICE BofA US Broad Market Bond**

**ICE BofA US Corporate, Government & Mortg 1-10Yr**

**BBG Barclays US Aggregate Intermediate Bond TR**

**Consumer Price Index (All Urban NSA)**

A **Style Index** is designed to provide a relevant market comparison to the performance of an account and where applicable, an investment manager or Financial Advisor's investment strategy. It can either be a single index benchmark or a combination of indexes. A Style Index is determined by Merrill based on several factors such as the Manager's investment philosophy and style if applicable, the asset mix over time, the range and average market capitalization of stock holdings over time, and maturities and duration of fixed income holdings.

An **Advisor Defined Style Index** is the reference index selected by your Advisor as the primary comparative index for your account(s). If risk statistics such as alpha or the information ratio have been included in the analysis, this index will be used in calculating those statistics. The following are type(s) of index blends your Financial Advisor selected:

**Fixed Allocation Blend Index** - weighs the performance of the indices selected for each asset class based on the allocation displayed. If daily performance is available for each component index leveraged, your Fixed Allocation Blend is calculated based on the actual performance start date. If performance data is not available daily for one or more component indices, your Fixed Allocation Blend will leverage full month performance returns for those indices and months.

A **Custom Index** when presented, is calculated using the same market indices included in the Style Index, but leverages the actual asset allocation of your account(s). The difference between the Style and Custom Indices provides an indication of positive/negative asset allocation impact. Please note, the Custom Index can leverage indices not included in your Style Index and, therefore, may not have the same data availability.

**Allocation Score:** This score is designed as a measure of the incremental rate of return added by the investment manager's asset allocation decisions. Mathematically, it is derived by subtracting the Style Index Return from the Custom Index Return, thus "isolating" out the effect of the manager's active asset allocation decisions in the Custom Index, as compared with the static or passive allocation guidelines in the Style Index.

**Selection Score:** This is designed as a measure of the value added by the investment manager or Financial Advisor's active security selection. Mathematically, it is derived by subtracting the Custom Index return from the actual portfolio's return, thus "isolating" out the effect of the manager or Financial Advisor's active security selection decisions versus the passive alternative of the market indices used in the Custom Index.

**Active Management Score:** This score indicates the incremental rate of return added by the investment manager or Financial Advisor through security selection and asset allocation. The score is derived by comparing the actual, actively managed portfolio's returns to those of a "passive" portfolio, the Style Index. Mathematically, the Active Management Score is computed as the difference between the actual portfolio return and the Style Index return. It is also equal to the sum of the Selection and the Allocation Scores, since it "cumulates" the manager's or the Financial Advisor's contribution in both areas.

Reference Indices may be included as a general source of information regarding the performance of certain types of investments (e.g., US equities, international equities, fixed income, cash, etc.). Direct investment into an index cannot be made. Additional information regarding the indices shown is available from your Financial Advisor.

**Accounts included in this report:** Please refer to the Account List for accounts included in this report.



# Important Information About Reference Indices



The Russell Indexes are marks of Frank Russell Company.

Performance data for indices is generally available on a "Close of Business" or monthly basis for the performance date range.

\* The noted indices do not have performance information available as of "Close of Business" or for partial month portfolio returns. In these cases, the indices reflect full month performance returns. It is important to understand this if you are using any indices for performance comparisons relative to your account(s) and the overall market.



# Important Information About This Report

This analysis is a brokerage report that provides you with a detailed review of your investment strategy, including current financial positions, asset allocation and investment performance. In conjunction with a Financial Advisor's assistance, this report can help you make informed investment decisions in order to support your financial objectives. Merrill offers brokerage, investment advisory and other services. For more information about any of these services and their differences, including the type of advice and assistance offered, see your Financial Advisor. Please note that security classifications and definitions of objectives described below can be changed from time to time at the discretion of Merrill. It is important for you to understand that this report is not a comprehensive financial plan. If you are interested in a formal analysis of your entire financial situation, ask your Advisor about Merrill's financial planning services, including the fees that may be applicable.

Please note that it does not provide information on any unsupervised (i.e., unmanaged) assets that may be held in your account(s).

An (R) after the name of the investment objective means that you have imposed one or more restrictions on the management of your account.

For accounts enrolled in managed account programs such as the Merrill Lynch Investment Advisory Program, BlackRock Private Investors ("BR PI"), Strategic Portfolio Advisor ("SPA"), client agreements, disclosure statements, and profiles (if applicable) can provide additional information about these programs, including applicable fees, restrictions and other terms.

Merrill is both a broker-dealer and an investment adviser, and it offers both brokerage and investment advisory services. There are important differences between these services, including the type of advice and assistance provided, the fees charged, and the rights and obligations of the parties. Brokerage services are also regulated under different laws and rules than advisory services. It is important for you to understand these differences, particularly when determining which service or investments you might select.

## **Pricing of Securities**

Pricing of securities is provided for your information. Your Account Statement is your official record of holdings, balances, and security values for your accounts at Merrill and sold to you by your Financial Advisor. Unless you or a third party have provided the values for any External Assets, values reflect information as of the "Close of Business" date reflected at the top of each exhibit. Values for External Assets (if you have chosen to include them) will reflect information as of the "Close of Business" date indicated, provided pricing information for the particular security is available to Merrill. Otherwise, pricing information for External Assets are based on values you or a third party have provided to Merrill. Please contact your Financial Advisor if you have questions relating to pricing information. Please see the "External Assets" section at the end of this Report for important information relating to External Assets generally, including reviewing the External Assets with your Financial Advisor on a regular basis.

Annuities and life insurance products are not held in your account. Their values are listed in the report for your convenience. Life Insurance Cash Values and Annuity Contract Values are used to calculate Total Portfolio Value. These values are as of "close of one business" day prior to the "as of" date shown. Cash values may not reflect immediately available funds due to loan balances and/or policy changes. Annuity Contract Values may not reflect immediately available funds due to contract changes. All market values include accrued interest, unless otherwise indicated.

## **Performance**

Account values, cash flows and returns may differ from other sources due to differing methods of pricing, accounting or calculation. This Report is prepared on a trade date basis using accrued income when sufficient data is available and thus will differ from a report prepared on a settlement date basis (e.g., your Merrill account statement). From time to time, asset valuation or transaction data may be adjusted, which in turn may impact the portfolio performance calculations and other information shown in the report. In addition, if your account(s) holds "when issued securities," which are not valued by Merrill until the settlement date, your asset allocation may not be accurately reflected.

Rate of returns presented "Net of Fees" reflect the deduction of the **Investment Advisory Program** fee, where applicable. The deduction of the **Investment Advisory Program** fee, where applicable, is also reflected in the Appreciate/Depreciation section. Other than the applicable program fee, net returns do not reflect the deduction of fees that may be charged directly to an underlying account, including, but not

limited to brokerage-related commissions, transfer taxes, margin interest, certain redemption fees, exchange or similar fees (such as American Depositary Receipts) charged by third parties, including issuers, electronic fund, wire or other account transfer fees, annual investor fees and repurchase fees relating to exchange-traded notes and other charges imposed by law.

Rate of returns presented "Gross of Fees" are shown before the deduction of advisory fees where applicable in order to make them comparable to the returns of the market indices. Rate of returns are presented "Net of Fees" unless noted as "Gross of Fees."

Please refer to the applicable ADV Brochure and Client Agreement for a full description of investment advisory fees for accounts enrolled in an investment advisory program.

Market indices or other benchmark returns are shown for comparison purposes only, and there is no assurance or guarantee that such performance will be achieved. Market indices are unmanaged. It is not possible to invest in an index. Depending on how account fees are paid (see below), the account returns may be shown after the deduction of fees for certain periods. When the fee is deducted directly from this account(s), information will be shown both before and after the deduction of fees. When the fee is deducted directly from another account(s), information will be shown before the deduction of fees. When the fee is paid via invoice:

- For periods prior to September 1998, information will be shown before the deduction of fees.
- For periods after September 1998, information will be shown both before and after the deduction of fees.

It is very important that you provide Merrill with current information regarding the management of your account(s). We encourage you to contact a Financial Solutions Advisor if there have been any changes in your financial situation or investment objectives, or if you wish to impose any reasonable restrictions on the management of your account(s) or reasonably modify existing restrictions. If you would like to receive a free copy of the current Form ADV Brochure(s) for the investment advisory program(s) in which your account(s) is enrolled, please send a written request with your account number(s) to: Managed Accounts Processing and Services, 4800 Deer Lake Drive West, Building 1, 3rd Fl., Jacksonville, FL 32246. You may also obtain a copy of the various Merrill advisory program brochures by accessing the Securities and Exchange Commission ("SEC") website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The valuation of hedge funds is prepared based upon information from third party sources. The information has not been verified and cannot be guaranteed. This data may include estimates and is subject to revision.

If an account has been managed by more than one manager, the manager name in the Report reflects the current manager. However, return and standard deviation information may be calculated using the entire history of each account. This Report may also include information for account(s) that are not managed by an investment manager (i.e., where you make the investment decisions).

## **Classification of Securities**

For Asset Class, Sector or Size and Style Analysis reports, securities are generally classified by asset class, sector, size and style and, for Fixed Income, maturity.

- For Size and Style, security classification is as follows: a capitalization breakpoint of \$19.70 billion defines the size Large Cap, \$19.70 billion to \$6.40 billion for Mid Cap, and less than \$6.40 billion for Small Cap for domestic equity securities. Small/Mid Cap (SMID) is defined as less than \$19.70 billion. The style (Growth, Core or Value) for these securities is defined by a proprietary procedure which utilizes a series of quantitative and qualitative metrics (e.g., expected earnings growth, analyst coverage, etc.).

- For Equity Sector, security classifications are based on Global Industry Classification Standard ("GICS"). Source: Morgan Stanley Capital International ("MSCI") and Standard & Poor's ("S&P"), a division of the McGraw Hill Companies, Inc.
- For Fixed Income, maturity breakpoints are as follows: Short-Term: 0-5 years, Intermediate-Term: 5-15 years, Long-Term greater than 15 years.
- For Fixed Income, Non-Securitized US Agency, US Government Sponsored Enterprise, and Super National debt are classified as US Government / Quasi Government. All Securitized Agency and Government Sponsored Enterprise debt are classified as Securitized.



# Important Information About This Report

- For Fixed Income, bonds are classified as either Investment Grade or High Yield based on the bond's composite rating as determined by a methodology set out in the Composite Rating Explanation, with the exception of bonds pre-refunded or maturity to escrow (including partial redemptions). Bonds pre-refunded or maturity to escrow (including partial redemptions) are classified as investment grade and placed in their respective fixed income sector.
- Equity Region classifications are based on country of domicile and mapped to BofA Global Research Group global regions.
- Convertible securities and options are classified as Equities.
- Preferred Stock is classified as Fixed Income.
- Life Insurance products are classified as Other.
- For Alternative Investments, Exchange Funds, Hedge Funds, Private Equity, Managed Futures, Precious Metals and select Market-Linked Investments may be included.
- For "Other" and "Hard" Assets, items that are not easily classified into the asset classes above (such as business interests, investment real estate, options, and life insurance) are shown for informational purposes only and are not part of your analysis.
- When External Assets are included in a Report (as described further in the External Assets section of this Appendix), securities and/or strategies are generally classified, where available, as indicated above. If a classification is not available, External Assets are classified as "Other".
- When available, Market-Linked Investments are classified by the nature of the referenced or linked security or market measure associated with that market-linked investment which may be an individual security, index, or other investment such as a mutual fund or exchange traded fund.
- For mutual funds, exchange traded funds, closed end funds and the investment options of underlying annuities, the fund may be shown by holdings or, optionally, by profile (fund objective).
- When shown by holdings, the fund is classified by the asset class, sector, size and style or maturity breakdown of those securities. When shown by profile, the fund is classified by the asset class, sector, or size and style provided by vendors and mapped to Merrill's GWIM Chief Investment Office allocation schema in order to report the industry's or Merrill's interpretation of the objective of the fund/pooled investment vehicle. Note that the data used for this classification is obtained from a variety of sources and may not be current (see "Data As Of" date shown in the Details Section for the date the portfolio securities and/or strategies were reported by the fund). Mutual funds, exchange traded funds, closed end funds and the investment options of underlying annuities may change their portfolio securities on a regular (often daily) basis. Accordingly, any analysis that includes mutual funds, exchange traded funds, closed end funds, and the investment options of underlying annuities may not accurately reflect the current composition of these funds. The classification of these securities may differ from other sources due to differing methods of classification (e.g. shown and classified by holdings versus by profile). As such, this Report may differ from other reports (e.g., your Merrill account statement, in which these funds are always shown by profile) depending on whether the funds are shown by holdings or by profile in this Report. In particular, Non-Traditional Funds (NTFs), mutual funds and exchange traded funds that pursue alternative strategies or provide alternative asset exposure, may be classified as alternative investments when shown by profile, but when shown by holdings, the NTF will be classified by the asset class, sector, size and style or maturity breakdown of its holdings, which may reflect no allocation to alternative investments.
- If the holdings or profile data for mutual funds, exchange traded funds, or closed end funds is not available, the fund is classified by its predominant asset class ("Data As Of" date shown as "N/A" in the Details Section).
- If the holdings or profile data for the investment options of underlying annuities is not available, fixed annuities and market value adjusted annuities are classified as Fixed Income and variable annuities are classified as Equities. Note that annuities and life insurance products are not held in your account but are included here for your information.
- For investment advisory programs, asset allocation information may be based on your actual securities and/or strategies, model portfolio holdings or the mandated style. Your Financial Advisor can provide additional information.

The Details Section may also provide summary information regarding accounts enrolled in managed account programs such as the Investment Advisory Program (utilizing Managed or Custom Managed strategies), Consults, BlackRock Private Investors ("BR PI"), and MFA, classification detail for the

managed account is not based on your actual holdings but on the investment style that has been identified for the specific investment manager/style.

Your Financial Advisor can also provide a report based on the account's actual holdings.

When External Assets are included in a Report (as described further in the External Assets section of this Appendix), holdings are generally classified, where available, as indicated above and are based on classification types established by Merrill. The Merrill classification types may differ from those used at those institutions where your External Assets are maintained. These differences in classification may cause the External Assets in your External Accounts to be displayed in asset allocations and/or sector information on your Merrill Reports that differ from how they appear in those other institutions. These differences in classification types do not impact the valuation of the External Assets. Allocations reported when a classification is not available for External Accounts and External Account Proxies are classified as "Other".

Classification details for mutual funds, closed end funds, certain managed accounts, annuities and External Account Proxies are identified in "Details for Managed Assets and Pooled Investments" ("Details Section").

"External Account Proxy" are External Accounts that you have generally identified in the aggregate and not by specific holdings. Be sure to periodically review these accounts with your Financial Advisor and advise if there have been any changes to the holdings in or value of these Accounts.

When External Accounts and External Account Proxies are included in a Report (as described further in the External Assets section of this Report), holdings are generally classified, where available, as indicated above. If a classification is not available, External Accounts and External Account Proxies are classified as "Other".

If "Portfolio Detail" reports are included, the value shown for mutual funds, exchange traded funds, closed end funds and the investment options of underlying variable annuities is the proportionate dollar value of a fund's holdings, as classified by asset class, sector, size and style or maturity, respectively.

## **Date of Composition Information Obtained for Pooled Investments**

If the accounts included in this Report hold mutual funds, closed end funds, annuities, and/or other pooled investments, the holdings reported by the fund or carrier as appropriate, as of the date identified below, are reflected in the Report. Note that mutual funds change their portfolio holdings on a regular (often daily) basis. Accordingly, this Report may not reflect the current composition of the accounts included.

## **External Assets**

The following important information is provided to help you better understand the external assets information that has been provided in this report, if applicable, and to advise you of action you may need to take by periodically reviewing those assets. If you have requested your Financial Advisor include your external assets in this report, your disclosed external assets are reflected in Appendix: Client Profile in the "Investment Assets Not Held at Merrill or Bank of America" section. For purposes of the following information, both External Accounts and External Account Proxies are referred to generally as "External Assets".

- External Assets may include securities, values and other information that have been supplied: (1) by you to your Financial Advisor; (2) by you through a direct custodial feed (or) through a third party data aggregation service which combines your External Assets and provides that information to Merrill. External Assets information may not be included in every exhibit in this Report. Please make sure you periodically review your External Assets and if you have provided External Assets-related information to your Financial Advisor for inclusion in this or other reports and analyses, it is important that you provide your Financial Advisor with updated values, as appropriate.



# Important Information About This Report

External Assets information is not included in every exhibit in this Report. External Assets information is only included in the following exhibits:

- Account List
- Asset Allocation
- Asset Allocation Overview
- Asset and Account Allocation
- Asset Class Analysis Account Detail
- Asset Class Analysis Account Summary
- Asset Class Analysis Detail
- Asset Class Analysis Summary
- Balances
- Historical Allocation by Asset Class
- Holdings by Account/Product
- Holdings by Product
- Holdings by Product (MRP)
- Holdings by Product/Account
- Portfolio Overview
- Portfolio Summary by Account
- Potential Wealth
- Progress to Goals
- Research Ratings
- Sector Analysis Detail
- Sector Analysis Summary
- Size and Style Analysis Detail
- Size and Style Analysis Summary
- Total Portfolio Review

Please make sure you periodically review your External Assets and if you have provided External Assets-related information to your Financial Advisor for inclusion in this or other reports and analyses, it is important that you provide your Financial Advisor with updated values, as appropriate.

Your Financial Advisor and Merrill will not update information relating to your External Assets, except for pricing information, if pricing information for the particular security is available to Merrill. Please refer to "Pricing of Securities" Important Information About This Report for additional information.

- *Your Merrill Account Statement is your official record of holdings, balances, and security values for your accounts at Merrill and sold to you by your Financial Advisor.* Any investments sold to you by your Merrill Advisor will be included on your Merrill Account Statement. Any information contained in this Report does not replace or supersede information on your Merrill Account Statement or any third party account statement for your External Assets. If there is any inconsistent information reflected for the External Assets information included in this Report, please refer to the statement or report sent to you by the third party and notify the Office Management Team at your Merrill branch office so that we may update the information.
- **Merrill does not independently verify the accuracy of the information supplied, by you or any third party used through My Financial Picture.**
- Although Merrill may be providing you with information relating to External Assets, Merrill does not provide investment advice with respect to External Assets unless otherwise agreed to between you and Merrill.

## **Important Note about Alternative Investments**

Alternative investments can provide diversification benefits not obtained from more traditional investments, but should be carefully considered based on your investment objectives, risk tolerance, liquidity needs and time horizon. Certain types of products that implement alternative investment strategies (such as hedge funds and private equity) are often long-term, illiquid investments that are not easily valued, while other types of products that implement alternative investment strategies, such as Non-Traditional Funds (NTFs) (mutual funds and exchange traded funds that pursue alternative strategies or provide alternative asset exposure) are generally liquid. NTFs, hedge funds, private equity funds and other products that implement alternative investment strategies may be reflected in the alternative investment asset allocation.

- For Alternative Investments, Exchange Funds, Hedge Funds, Private Equity, Managed Futures Precious Metals and select Market-Linked Investments may be included.  
- For "Other" and "Hard" Assets, items that are not easily classified into the asset classes above (such as business interests, investment real estate, options, and life insurance) are shown for informational purposes only and are not part of your analysis.

## **Alternative Investment Risks**

For investors who may want to consider alternative investments as part of a diversified portfolio, careful consideration should be given to the associated risks of these investments. The investor's investment objectives, time horizon, risk tolerance, liquidity needs and net worth should be appropriate as certain types of products that implement alternative investment strategies (such as hedge funds and private equity) are often long-term, illiquid investments that are not easily valued.

Often specific levels of net worth and liquidity are required in making certain alternative investments available (e.g., for some alternative investments, such as hedge funds and private equity, net worth of \$5 million or more is required). In addition, the timing of capital calls and distributions may not be predictable; periodic pricing or valuation information may not be available; and complex tax structures may be utilized and there may be delays in distributing important tax information. Certain alternative investment products (such as hedge funds and private equity) are sold pursuant to exemptions from registration with the SEC and may not be subject to the same regulatory requirements as other investment products. Certain alternative investments require tax reports on Schedule K-1 to be prepared and filed. As a result, investors will likely be required to obtain extensions for filing federal, state, and local income tax returns each year. Certain other investments in your portfolio may also be classified as alternative investments. Non-Traditional funds (NTFs) are mutual funds and exchange-traded funds that are classified as alternative investments because their principal investment strategies utilize alternative investment strategies or provide for alternative asset exposure as the means to meet their investment objectives. Though the portfolio holdings of NTFs are generally made up of stocks and bonds, NTFs may also hold other asset classes and may use short selling, leverage and derivatives. While the strategies employed by NTFs are often used by hedge funds and other alternative investment vehicles, unlike hedge funds, NTFs are registered with the SEC and thus subject to a more structured regulatory regime and offer lower initial and subsequent investment minimums, along with daily pricing and liquidity. While these investment vehicles can offer diversification within a relatively liquid and accessible structure, it is absolutely essential to understand that because of this structure, NTFs may not have the same type of non-market returns as other investments classified as alternative investments (such as hedge funds) and thus may serve as an imperfect substitute for such other investment vehicles. The risk characteristics of NTFs can be similar to those generally associated with traditional alternative investment products (such as hedge funds). No assurance can be given that the investment objectives of any particular alternative investment will be achieved. Like any investment, an investor can lose all or a substantial amount of his or her investment. In addition to the foregoing risks, each alternative investment vehicle is subject to its own varying degrees of strategy-specific or other risks. Whether a particular investment meets the investment objectives and risk parameters of any particular client must be determined case by case. You must carefully review the prospectus or offering materials for any particular fund/pooled vehicle and consider your ability to bear these risks before any decision to invest.

## **Asset Allocation Models**

Merrill, through the CIO, has developed asset allocation models for investment guidance that are based on various risk tolerance and time horizon metrics. These asset allocation models and guidance are subject to change as market conditions change in the future. Alternatively, your Financial Advisor may have customized an asset allocation for your specific situation which may or may not be based on an asset allocation model. Asset allocation does not assure a profit or protect against a loss in declining markets. Asset allocation cannot eliminate the risk of fluctuating prices and uncertain returns.

Asset allocation models that include alternative investments as an asset class are predicated on various client liquidity profiles. In general, including alternative investments, particularly traditional hedge funds and private equity funds, may only be in the best interest of clients with lower liquidity needs. In adopting an asset allocation model or strategy that includes alternative investments or in investing in alternative investments, you should consider your liquidity needs and assets available to you to meet those needs. You should regularly review your asset allocation with your Financial Advisor.

- When a Wealth Management Analysis is included, the Portfolio Assets Rate of Return represents the after-tax rate of return that your portfolio assets are projected to generate for the purposes of this analysis. Liquidating your portfolio assets would be more costly than the financing alternatives with lower interest rates because you would be losing a greater amount of investment income than you would be paying in interest costs. Interest expense may not be deductible for all taxpayers. Please consult your tax advisor.

## **IMPORTANT DISCLOSURES**

Merrill Lynch, Pierce, Fenner & Smith Incorporated (also referred to as "MLPF&S" or "Merrill") makes available certain investment products sponsored, managed, distributed, or provided by companies that are affiliates of Bank of America Corporation ("BoFA Corp."). MLPF&S is a registered broker-dealer, registered investment adviser, Member SIPC, and a wholly owned subsidiary of BoFA Corp.



# Important Information About This Report



Merrill Lynch Life Agency Inc. ("MLLA") is a licensed insurance agency and a wholly owned subsidiary of BofA Corp.

Trust and fiduciary services are provided by Bank of America, N.A., Member FDIC, and a wholly-owned subsidiary of BofA Corp.

Banking products are provided by Bank of America, N.A., and affiliated banks, Members FDIC, and wholly owned subsidiaries of BofA Corp.

Investment products offered through MLPF&S and insurance and annuity products offered through MLLA:

Are Not FDIC Insured	Are Not Bank Guaranteed	May Lose Value
Are Not Deposits	Are Not Insured by Any Federal Government Agency	Are Not a Condition to Any Banking Service or Activity

©2023 Bank of America Corporation. All rights reserved. | 4898760 |



**Otis Greene, CFA**

Managing Director / Portfolio Manager  
BlackRock

**Liz Hanson, CFA**

Associate Portfolio Manager  
BlackRock

**BlackRock®**

## **The NW FL State College Foundation**

**As of March 31, 2023**

McGovern, O'Dell & Associates  
Financial Advisory Group  
Merrill Lynch Wealth Management



# Portfolio Analysis

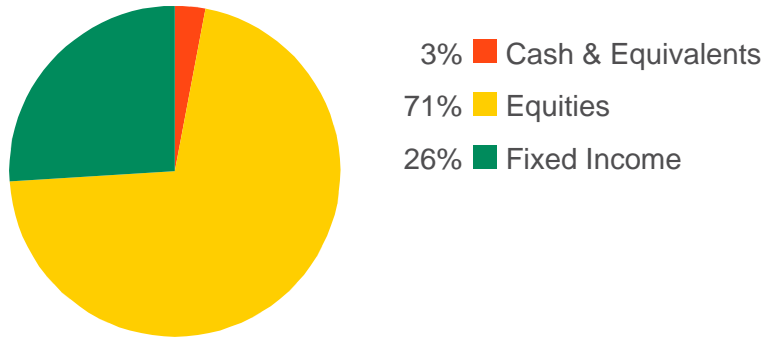


# Asset Allocation Overview

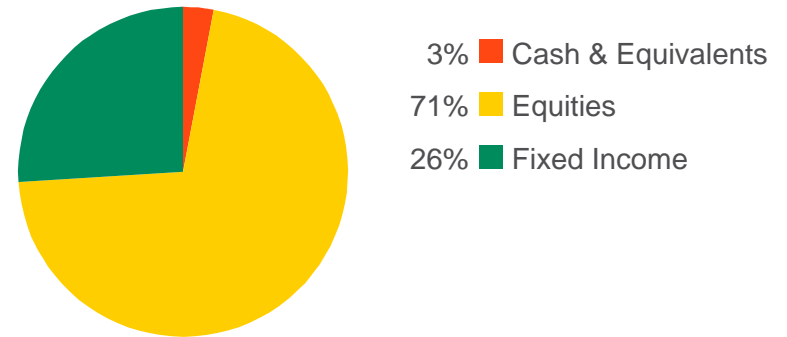
As of March 31, 2023

Account No: 20650599 Custodian Account No:

As of December 31, 2022



As of March 31, 2023



Asset Class	Market Value	% MV as of 12/31/2022	% MV as of 3/31/2023	Annual Income	Yield (%) <sup>1</sup>
Cash & Equivalents	1,423,346	2.9	2.8		
Equities	35,751,055	71.0	71.5	551,582	1.54
Fixed Income	12,835,801	26.1	25.7	383,038	4.60
Total Account	50,010,202	100.0	100.0	934,620	2.28
Accrued Income	121,382				
<b>Total Account Plus Accrued Income</b>	<b>\$50,131,584</b>				

<sup>1</sup> For equities, "Yield" reflects the dividend yield. For fixed income, "Yield" reflects the yield to maturity. Please refer to the Important Information at the end of this document for additional information. This report is intended solely for the owner(s) of the account identified herein.

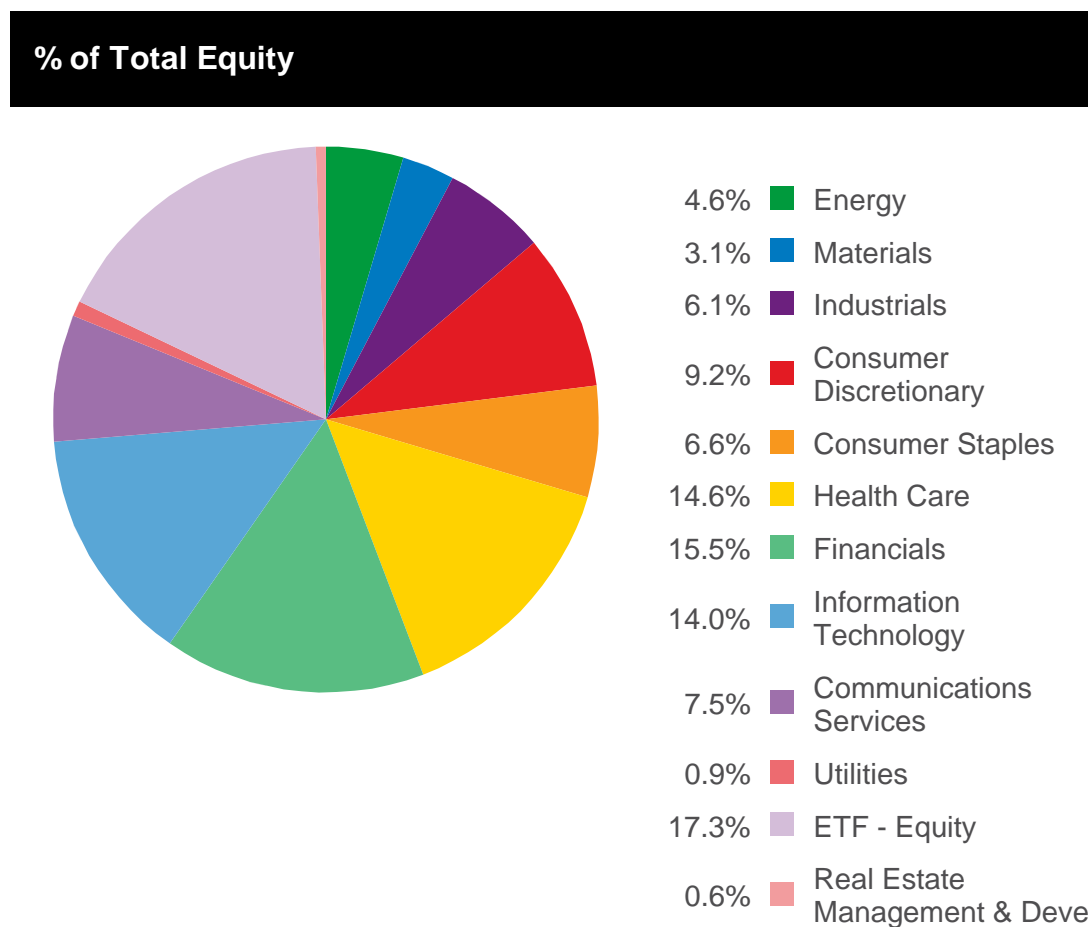


# Equity Top Holdings & Sector Allocation

As of March 31, 2023

Account No: 20650599 Custodian Account No:

Top 10 Equity Holdings	% of Equity Portion
iShares Core S&P Mid-Cap	12.5
iShares Russell 2000 ETF	4.8
Microsoft Corp	4.4
Amazon Com Inc	2.5
Apple Inc	2.3
Comcast Corp Class A	1.7
Sanofi SA ADR	1.7
Laboratory Corporation Of	1.4
Visa Inc Class A	1.4
BP PLC ADS	1.3
<b>Total</b>	<b>34.0</b>



Holdings are subject to change.  
Please refer to the Important Information at the end of this document for additional information.  
This report is intended solely for the owner(s) of the account identified herein.



# Fixed Income Analysis

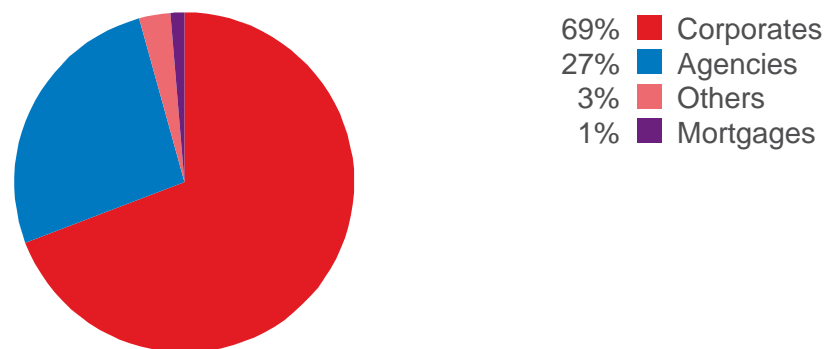
As of March 31, 2023

Account No: 20650599

Custodian Account No:

## Fixed Income Sector Allocation

% of Fixed Income



Fixed Income Characteristics	Average Quality <sup>1</sup>	Average Duration	Average Maturity	Average Yield to Maturity (%)	Average Current Yield (%)
Portfolio	A	3.4 Years	3.8 Years	4.60	2.98

<sup>1</sup> "Average Quality": Excludes bonds that are not rated.  
It is not possible to directly invest in an unmanaged index.  
Please refer to the Important Information at the end of this document for additional information.  
This report is intended solely for the owner(s) of the account identified herein.



# Performance Highlights

As of March 31, 2023

Account No: 20650599 Custodian Account No:

Portfolio Asset Allocation	Market Value	% of Total Portfolio	Yield (%) <sup>1</sup>
Cash & Equivalents	1,423,346	2.8	
Equities	35,751,055	71.5	1.54
Fixed Income	12,835,801	25.7	4.60
Total Account	50,010,202	100.0	2.28
Accrued Income	121,382		
<b>Grand Total</b>	<b>\$50,131,584</b>		

Portfolio Change Since 02/26/13	
Opening Market Value	\$29,938,388
Net Additions/(Withdrawals) <sup>2</sup>	(8,716,005)
Income Received	9,286,472
Market Appreciation/(Depreciation)	19,622,729
<b>Closing Market Value as of 03/31/23</b>	<b>\$50,131,584</b>

Performance Returns (%)	Latest 3 Months	Year to Date	Latest 12 Months	Previous Year 2022	2 Years Annualized	3 Years Annualized	5 Years Annualized	Since 02/26/13
Total Portfolio	4.54	4.54	(4.64)	(12.50)	0.06	13.56	7.29	7.85
Equities	5.58	5.58	(5.88)	(14.47)	0.84	19.57	9.49	10.44
Fixed Income	2.19	2.19	(1.12)	(7.64)	(2.67)	(0.37)	1.49	1.53
Equity Custom Benchmark	5.05	5.05	(8.64)	(17.86)	(1.41)	16.79	7.27	9.59
Fixed Custom Benchmark	2.24	2.24	(1.31)	(7.87)	(3.19)	(1.87)	1.24	1.16
Total Portfolio Benchmark <sup>3</sup>	4.09	4.09	(5.77)	(14.13)	(1.76)	10.25	5.54	6.84

<sup>1</sup> For equities, "Yield" reflects the dividend yield. For fixed income, "Yield" reflects the yield to maturity.

<sup>2</sup> Reflects the deduction of BlackRock's management fees (if such fees are deducted from the account).

<sup>3</sup> Blb807/65/MLcg35/35 - 65% ; 35% MLBOA CORP/GOVT 3-5 YRS A RATED

It is not possible to directly invest in an unmanaged index. Index performance information assumes reinvestment of all dividends.

Performance information does not reflect the deduction of fees. Past performance does not guarantee or indicate future results.

Performance periods of less than one year are not annualized.

Please refer to the Important Information at the end of this document for additional information.

This report is intended solely for the owner(s) of the account identified herein.



# Portfolio Summary

As of March 31, 2023

Account No: 20650599

Custodian Account No:

	Cost or Other Basis	% of Total Basis	Market Value	% of Total Portfolio	Unrealized Gain/(Loss)	Est. Annual Income	Yield (%) <sup>1</sup>
<b>Cash &amp; Equivalents Total</b>			<b>1,423,346</b>	<b>2.9</b>	<b>0</b>	<b>0</b>	
Cash & Equivalents	1,423,346	3.1	1,423,346	2.9	0	0	
<b>Equity Total</b>			<b>35,751,060</b>	<b>71.5</b>	<b>5,639,102</b>	<b>551,582</b>	<b>1.54</b>
Energy	1,399,648	3.1	1,655,231	3.3	255,583	55,306	3.34
Materials	933,059	2.0	1,111,142	2.2	178,084	13,278	1.19
Industrials	2,122,230	4.7	2,194,422	4.4	72,192	29,849	1.36
Consumer Discretionary	3,258,313	7.1	3,277,453	6.5	19,140	25,773	0.79
Consumer Staples	2,203,607	4.8	2,375,519	4.8	171,912	46,349	1.95
Health Care	4,837,309	10.6	5,209,479	10.4	372,170	70,012	1.34
Financials	5,389,567	11.8	5,525,199	11.0	135,632	113,993	2.06
Information Technology	3,443,834	7.6	5,022,274	10.0	1,578,440	49,700	0.99
Communications Services	2,269,111	5.0	2,666,417	5.3	397,306	37,855	1.42
Utilities	292,056	0.6	312,133	0.6	20,077	9,054	2.90
Exchange Traded Funds	3,781,264	8.3	6,180,399	12.4	2,399,135	99,242	1.61
Real Estate Management &	181,959	0.4	221,391	0.4	39,431	1,173	0.53
<b>Fixed Income Total</b>			<b>12,835,796</b>	<b>25.7</b>	<b>(1,235,294)</b>	<b>383,038</b>	<b>4.60</b>
U.S. Agency	3,698,425	8.1	3,395,732	6.8	(302,693)	24,780	4.37
Mortgage-Backed	178,268	0.4	165,476	0.3	(12,793)	5,602	2.17
Corporates	9,774,807	21.4	8,892,673	17.8	(882,134)	337,056	4.71

<sup>1</sup> For equities, "Yield" reflects the dividend yield. For fixed income, "Yield" reflects the yield to maturity. Please refer to the Important Information at the end of this document for additional information. This report is intended solely for the owner(s) of the account identified herein.



## Portfolio Summary (continued)

As of March 31, 2023

Account No: 20650599 Custodian Account No:

	Cost or Other Basis	% of Total Basis	Market Value	% of Total Portfolio	Unrealized Gain/(Loss)	Est. Annual Income	Yield (%) <sup>1</sup>
Other	419,590	0.9	381,915	0.8	(37,675)	15,600	5.34
<b>Total Securities</b>	<b>\$44,183,048</b>	<b>96.9</b>	<b>\$48,586,856</b>	<b>97.2</b>	<b>\$4,403,808</b>	<b>\$934,620</b>	<b>2.35</b>
<b>Total Portfolio</b>	<b>\$45,606,394</b>	<b>100.0</b>	<b>\$50,010,202</b>	<b>100.0</b>	<b>\$4,403,808</b>	<b>\$934,620</b>	<b>2.28</b>

<sup>1</sup> For equities, "Yield" reflects the dividend yield. For fixed income, "Yield" reflects the yield to maturity. Please refer to the Important Information at the end of this document for additional information. This report is intended solely for the owner(s) of the account identified herein.



# Important Information

## Important Information About This Report

This report is for informational purposes only and contains data and analyses based on information derived from sources believed to be accurate, but their accuracy cannot be assured. It reflects our records regarding only those assets under our supervision (i.e., management) and is not a report of physical custody of the assets. The account statement provided by the custodian is the official record of your account. The information herein is as of the date indicated and is subject to change.

**Past performance is not a guarantee of future results.** Performance information does not reflect the deduction of fees. Performance periods less than one year are not annualized. It is not possible to directly invest in an unmanaged index. Index performance information assumes reinvestment of all dividends. For the periods displayed, changes to the benchmark and/or its components may have occurred. To obtain information on these changes please contact your Financial Advisor or BlackRock Portfolio Manager.

**This report is not a tax document** and should not be relied upon for making tax decisions. It reflects our records regarding assets under our discretionary management and is not a report of physical custody of the assets. The account statement provided by the custodian is the official record of your account. BlackRock does not provide legal or tax advice. Please consult your tax and/or legal counsel for specific tax questions and concerns.

The information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed will remain in an account's portfolio at the time you receive this report or that securities sold have not been repurchased. The securities discussed may not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings.

It should not be assumed that any of the securities transactions or holdings discussed have or will prove to be profitable, or that the investment recommendations or decisions made in the future will be profitable or will equal the investment performance of the securities discussed herein.

The information contained herein has been obtained from various sources believed to be reliable, but we cannot guarantee as to its accuracy or completeness. Any opinions expressed herein are subject to change, and there can be no assurance that any opinions contained herein will come to pass.

If this report contains pooled vehicles (i.e. mutual funds, Exchange Traded Funds), note that asset classifications and other calculations contained herein may not fully reflect the investments contained in those pooled vehicles.

Client requested investment restrictions are based on the most recent information maintained by BlackRock. Please inform your BlackRock Portfolio Manager of any change to your financial circumstances or investment objectives, or if you wish to impose and/or change permissible restrictions on the management of your account.



## Important Information (continued)

### Definition of Key Financial Terms

**Standard Deviation** is a statistical measure that depicts how widely the returns of a portfolio varied over a certain period of time. A higher standard deviation indicates greater volatility or a wider range of returns.

**Beta** is a historical measure of the degree of change in value in a portfolio given a change in value of a benchmark. A portfolio with a beta greater than one generally exhibits more volatility than its benchmark, and a portfolio with a beta of less than one generally exhibits less volatility than its benchmark.

**Sharpe Ratio** is a measure of risk-adjusted return. It divides excess return by risk. Excess return is defined as the annualized return of the portfolio minus the annualized return of the risk free rate. Risk is defined by standard deviation. A high value for the sharpe ratio is generally considered to be positive since either the excess return is rather large or the level of risk is low.

**Up Market Capture Return** is the return of a portfolio during an up market which is defined as any month where the portfolio's benchmark return is greater than or equal to zero.

**Up Market Capture Ratio** is a measure of a portfolio's performance in up markets defined as any month where the portfolio's benchmark return is greater than or equal to zero.

**Down Market Capture Return** is the return of a portfolio during a down market which is any month where the portfolio's benchmark return is less than zero.

**Down Market Capture Ratio** is a measure of a portfolio's performance in down markets which is any month where the portfolio's benchmark return is less than zero.

**Number of Up Months** is the number of months that the portfolio was greater than (or equal to) zero in the period being measured.

**Number of Down Months** is the number of months that the portfolio was less than zero in the period being measured.



## MEMORANDUM

TO: NWFSC Foundation Finance Committee

FROM: Mr. Chris Stowers

DATE: April 25, 2023

SUBJECT: Foundation FY 2024 Operating Budget

---

The fiscal year 2024 operating budget is presented for your review. As of March 31, 2022, the fund balance in the Operating fund (#100000) is \$1,791,976. Please note that the operating fund is invested and, therefore, is subject to investment gains/losses, which are not accounted for in this budget.

Key budget items for FY24 include:

- \$299,520 in Internal Support Services for Foundation salary expenses. This is a 4% increase from FY23, representing 75% of Foundation staff's salary expenses.
- \$70,000 for Consultants to support continued legislative services for NWFSC, which the institution is unable to pay from state appropriations.
- Service Contracts/Agreements includes online giving platform (Give Campus), Board communication platform (OnBoard), and new subscription to wealth indicator software platform (Donor Search).
- Support to College includes \$25,000 for Faculty Grants for FY24 (no change) along with \$15,000 to support the Annual President's VIP Reception at the Holiday Pops Concert. This includes an increase of \$3,000.

The Foundation utilizes an income-based approach for our annual budgeting, meaning that staff budget for operating income first and work to ensure expenses do not exceed revenues.

### RECOMMENDATION:

The NWFSC Foundation Finance Committee approves the FY 2024 Foundation Operating Budget for presentation to the Board.



# Northwest Florida State College Foundation, Inc.

## Operating Budget

July 1, 2022 through March 31, 2023

### Foundation Operating Budget

Description	FY 2023			FY2024	
	Adopted Budget	Year To Date	Remaining Balance	Requested Budget	\$ Change
<b>Direct Expenditures</b>					
Advertising (required by law)	800	180	620	500	(300)
Auditing Fees	17,500	16,750	750	19,000	1,500
Bank Card/Credit Card Fees	750	403	347	500	(250)
Consultants	70,000	47,635	22,365	70,000	0
Current Expense Budget Contingency	10,000	0	10,000	10,000	0
Food and Food Products	24,000	16,585	7,415	26,500	2,500
Freight and Postage	750	0	750	500	(250)
Ins-Directors and Officers	4,118	3,089	1,029	4,077	(41)
Ins-General Liability	497	401	96	497	0
Internal Support Services	288,000	216,000	72,000	299,520	11,520
Legal Fees	250	0	250	250	0
Materials and Supplies-Other	3,500	2,944	556	4,500	1,000
Office Materials and Supplies	1,000	427	573	1,000	0
Printing and Duplication	500	375	125	1,500	1,000
Property Taxes	45	36	9	45	0
Registration Fee	500	0	500	500	0
Service Contracts/Agreements	11,000	8,919	2,081	19,000	8,000
Sponsorship Expense	600	800	(200)	1,000	400
Support to College	37,000	12,000	25,000	40,000	3,000
Taxes and Licenses-Other	450	0	450	450	0
Travel-Employee	1,500	0	1,500	1,500	0
<b>Direct Expenditures - Total</b>	<b>472,760</b>	<b>326,542</b>	<b>146,218</b>	<b>500,839</b>	<b>28,079</b>

### President's Office Budget

Description	FY 2023			FY2024	
	Adopted Budget	Year To Date	Remaining Balance	Requested Budget	\$ Change
<b>Direct Expenditures</b>					
Current Expense Budget Contingency	15,000	0	15,000	15,000	0
Food and Food Products	0	8,956	(8,956)		
Materials and Supplies-Other	0	175	(175)		
<b>Direct Expenditures - Total</b>	<b>15,000</b>	<b>9,131</b>	<b>5,869</b>	<b>15,000</b>	<b>0</b>



## MEMORANDUM

TO: NWFSC Foundation Finance Committee

FROM: Mr. Chris Stowers

DATE: April 25, 2023

SUBJECT: Selection of Foundation Audit Firm

---

The current Foundation policy for Contracting and Professional Services (#12.0) states:

*All Professional Services Contracts that exist for multi-year periods shall be re-examined at a minimum of every three (3) years with a request for quote/proposal required at a minimum of every six (6) years.*

Based on the Professional Services Contract Review Schedule, Audit Services are scheduled to be rebid before June 2023. An RFQ was created and distributed in February, 2023 to the following firms with the corresponding responses:

- Mauldin & Jenkins (incumbent)
  - Proposal submitted
- EFPR Group CPA Firm
  - Proposal submitted
- James Moore and Co.
  - Declined to participate
- Thomas Howell Ferguson
  - Declined to participate
- Carr, Riggs & Ingram
  - Recused from process due to partner on Foundation Board

The proposals from Mauldin & Jenkins and EFPR Group CPS's are included in your packet. Please review each proposal and consider criteria such as: approach to audit quality, team knowledge and experience, and scope and pricing of the engagement. Let it be noted that the incumbent firm, Mauldin & Jenkins, has valuable experience with the Foundation, have served the Foundation capably over their previous tenure, and assisted with complex reporting issues in recent audits.

### Fee Schedule in Proposals

Firm	2023	2024	2025
EFPR Group CPA's	\$28,000	\$29,000	\$30,000
Mauldin & Jenkins	\$19,000	\$20,000	\$21,000

A breakdown of the fees can be found in each proposal.



RECOMMENDATION:

The NWFSC Foundation Finance Committee selects the accounting firm \_\_\_\_\_ for professional services related to the audit needs of the Foundation, beginning with the year ending June 30, 2023.



March 3, 2023

Mr. Chris Stowers  
Executive Director  
Northwest Florida State College Foundation  
100 College Boulevard, Building 400  
Niceville, Florida 32578


Dear Mr. Stowers:

Attached is our proposal to provide audit and related services to Northwest Florida State College Foundation, Inc. for the year ending June 30, 2023, and two option years ending June 30, 2024 and 2025.

Please call me if you have any questions with regard to this proposal.

Very truly yours,

EFPR GROUP, CPAs, PLLC



Douglas E. Zimmerman, CPA  
Partner

DEZ:kms

Enclosures



NORTHWEST FLORIDA STATE  
COLLEGE FOUNDATION, INC.

Proposal to Provide  
Audit and Related Services

Year ending June 30, 2023, and  
Option years ending June 30, 2024 and 2025

EFPR GROUP, CPAs, PLLC

Douglas E. Zimmerman, CPA  
Partner

[dzimmerman@efprgroup.com](mailto:dzimmerman@efprgroup.com)

March 3, 2023



# Northwest Florida State College Foundation, Inc.

## Table of Contents

	<u>Page</u>
Transmittal Letter	
Firm Philosophy	1
Key Considerations Regarding the EFPR Group	1
Fresh Perspective	1
Quote	1 - 3
Profile of the Proposing Agency	3 - 4
Mandatory Qualifications of Auditor	4
Summary of Qualifications for Proposing Agency	4 - 8
Insurance Requirements	8
Additional Information	8 - 14
Appendix A - Detailed Resumes of Key Personnel from the Firm's Nonprofit Audit Practice Group	
Appendix B - Partial Nonprofit Client List	
Appendix C - Peer Review Letter	



March 3, 2023

Mr. Chris Stowers  
Executive Director  
Northwest Florida State College Foundation  
100 College Boulevard, Building 400  
Niceville, Florida 32578

Dear Mr. Stowers:

We are pleased to present our proposal to provide audit and related services to Northwest Florida State College Foundation, Inc. (the Foundation) for the year ending June 30, 2023, and two option years ending June 30, 2024 and 2025. We believe the EFPR Group, CPAs, PLLC is highly qualified to provide audit and related services to the Foundation based on the following:


- Our experience with regard to providing audit, tax and related services for over 450 nonprofit organizations on an annual basis.
- Our experience with regard to providing audit, tax and related services for nonprofit organizations on various campuses of the State University of New York (SUNY).
- Our experience with regard to providing audit, tax and related services to the City University of New York (CUNY). We perform audits of Auxiliaries, Associations, Childcare Centers, Non-Tax Levy Funds and Foundations located throughout New York City.
- Our ability to provide quality services on a timely basis for reasonable fees.

Our depth of experience working with many nonprofit campus entities should provide peace of mind that the Foundation would be served by a highly competent team of professionals committed to assist in whatever capacity you require. We understand that for our services to be valuable to the Foundation, we need to provide more than just financial reporting. At the EFPR Group, CPAs, PLLC, we take a proactive approach to our client relationships in order to ensure we are anticipating our client's needs before they call on us for assistance. We are available throughout the year to answer questions and address concerns that may arise.

We would consider it a distinct privilege to provide professional services as outlined in this proposal or any additional services you desire. Simply put, we want to be your auditors and business consultants. Please contact us if there are any questions regarding this proposal.

Very truly yours,

EFPR GROUP, CPAs, PLLC



Douglas E. Zimmerman, CPA  
Partner



## **FIRM PHILOSOPHY**

The EFPR Group, CPAs, PLLC was founded on the principle of providing our clients with the same high quality level of service expected from a national firm yet with the dedicated involvement that can only be developed by personal attention. The primary mission of our Firm has always been helping our clients succeed. We are committed to delivering services targeted to each client's critical needs and industry niche.

## **KEY CONSIDERATIONS REGARDING THE EFPR GROUP**

The EFPR Group, CPAs, PLLC has achieved its present position in the accounting profession by providing quality services on a timely basis, for reasonable fees. Accounting firms should be evaluated in light of several important conditions:

- The firm's qualifications, experience and its ability to provide auditing, accounting and consulting services for a reasonable fee.
- The firm's ability to assemble and commit a team of professionals experienced in providing audit, accounting, tax and related services to nonprofit campus related organizations.
- The firm's involvement of client personnel and active participation and coordination on a year-round basis.
- The firm's commitment to provide services which will contribute to the success of the client's organization.

In the following paragraphs, we shall demonstrate that the EFPR Group, CPAs, PLLC is the accounting firm best qualified to serve the Northwest Florida State College Foundation, Inc.

## **FRESH PERSPECTIVE**

Changing auditors does not have to be difficult. The professionals at the EFPR Group, CPAs, PLLC are excited about providing the Foundation with a fresh perspective on internal controls, compliance risks, and other operational matters. As noted throughout our proposal, our objective is to provide value beyond our financial and compliance audits.

## **QUOTE**

### **Understanding of Work to be Performed**

We confirm that we understand the scope of services to be provided and will commit the resources necessary to ensure performance of our services within the required timeframe. The following is an outline of the services to be provided to the Northwest Florida State College Foundation, Inc. for the year ending June 30, 2023, and two option years ending June 30, 2024 and 2025:

- Audit the financial statements in accordance with auditing standards generally accepted in the United States of America. The primary purpose of an audit is the expression of an opinion as to the fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.
- Prepare a letter to management detailing comments and suggestions for improvements in internal control or general management techniques which come to our attention during the audits. We will review and explain all observations and recommendations so that appropriate changes may be implemented.
- Prepare U.S. Form 990 - "Return of Organization Exempt from Income Tax."



- Attend meetings with the Foundation Board of Directors and College Board of Trustees to review the financial statements, management letter and tax return.
- Deliver 10 copies and an electronic copy of all final reports to the Executive Director of the Foundation.
- Maintain contact throughout the year to discuss: (a) changes in accounting which could affect the Foundation and (b) the progress toward fulfilling current needs and future objectives.

### **Timing**

Upon receiving notice of appointment as auditors, we will meet with you and establish a definite time program for the performance of services. The time program will be established to ensure that work is efficient and structured in such a way as to avoid disrupting the day-to-day routine duties of your staff. The following is an estimated timetable related to performance of our services on an annual basis:

<u>Task</u>	<u>Deadline</u>
Commencement of audit testwork	By August 1 <sup>st</sup>
Complete testwork	By August 31 <sup>st</sup>
Issue draft reports	By September 15 <sup>th</sup>
Issue final reports	Upon approval
Meet with Finance Committee	Late October
Meet with full Board	First week of November

### **Authorized Person to Make Representations**

The following individual is authorized to make representations for the EFPR Group, CPAs, PLLC:

Douglas E. Zimmerman, CPA  
Partner  
1061 E. Indiantown Road, Suite 104  
Jupiter, Florida 33477

### **Person Authorized to Bind the Firm**

Douglas E. Zimmerman is the individual who is authorized to bind the Firm.

### **Audit Fee**

Our fee quote is based upon the estimated time we will spend on the engagement and the qualifications of personnel that will be assigned. On the basis of our extensive experience with campus related nonprofit organizations similar to yours, we have determined the fees that we will charge for the required services for the year ending June 30, 2023, and two option years ending June 30, 2024 and 2025 to be as follows:

June 30, 2023	\$ 28,000
June 30, 2024	29,000
June 30, 2025	<u>30,000</u>

These are the ALL-INCLUSIVE FEES to be charged to the Foundation and include all direct and indirect costs, including report reproduction, travel, clerical, and all out-of-pocket expenses.

We consider ourselves not only auditors but also advisors to our clients. Accordingly, we encourage our clients to contact us throughout the year to discuss any technical matters or other issues that arise. We consider this service an integral part of our overall client relationship and accordingly, do not bill separately for any of these questions.



In the event additional services, outside of the scope of services listed in our proposal, are requested by Northwest Florida State College Foundation, Inc., the discounted hourly rates to be billed for these services for the year ending June 30, 2023 will be as follows:

Partner	\$ 290
Manager/Supervisor	180
Senior accountant	120
Staff accountant	<u>100</u>

Any such additional work shall be performed **ONLY** if set forth in an addendum to the contract between the Foundation and EFPR Group, CPAs, PLLC.

## **PROFILE OF THE PROPOSING AGENCY**

### **Type of Firm**

The EFPR Group, CPAs, PLLC is a national certified public accounting firm that operates as a limited liability partnership.

### **Subcontracting**

The EFPR Group, CPAs, PLLC does not have any plans for subcontracting work related to this contract.

### **Office From Which Work Will be Performed**

Our Firm has offices located in Jupiter, Florida, Williamsville, Rochester, and Corning, New York. The fieldwork associated with the engagement will be performed at the Foundation's office located in Niceville, Florida by the professionals from the Firm's Nonprofit Audit Practice Group in our Jupiter office with staff assisting from our Williamsville office where necessary.

### **Number of Staff Employed at Office Responsible for Audit**

The Jupiter office consists of ten professionals, including five partners (two tax partners and three audit partners). The Williamsville office consists of 70 professionals, including 16 partners and directors.

### **Personnel to Perform Audit Services**

Achieving our present position in the profession has come as a result of being responsive to the needs of our clients. Accordingly, we will assemble an engagement team that will include personnel with extensive experience in performing audits of campus related nonprofit organizations. Douglas E. Zimmerman, CPA will serve as the partner in charge of our relationship with Northwest Florida State College Foundation, Inc. David A. Urban, CPA will serve as the engagement review partner. Sara G. Menth will serve as the engagement supervisor, overseeing the day-to-day performance of the audit. Emma Lu will serve as a senior accountant on this engagement and we will also assign a staff accountant from the Firm's Nonprofit Audit Practice Group.

### **Auditing Computerized Systems**

Our Firm has substantial experience in performing audits of automated systems. We have provided thousands of hours of computer consulting services over the last few years to numerous nonprofit and governmental organizations which utilize various software systems to maintain their financial records.



Our Firm's Information Technology Consulting Group analyzes systems and obtains evidential matter in audit engagements to corroborate the effectiveness of IT system controls, management of resources and adherence to policies. Some of the information technology systems that our Firm has audited in connection with the engagements we perform include the following:

- New York State Division of the Budget in connection with performing the Single Audit of the State of New York
- New York State Office of the State Comptroller
- SUNY at Stony Brook University Hospital Medical Center
- New York State Division of the Budget in connection with our audit of the internal control system

### **Auditing Nonprofit Agencies**

Our Firm provides audit, accounting and consulting services to over 450 nonprofit organizations annually, including numerous campus related nonprofit organizations. The firm employs 200 professionals with 41 partners and directors. The firm's Nonprofit Audit Practice Group consists of more than 40 individuals who keep up-to-date on emerging trends and proposed legislation that could impact our nonprofit clients. Our Firm has offices located in Jupiter, Florida and Williamsville, Rochester, and Corning, New York. Please see Appendix A for detailed resumes of our Firm's key Nonprofit Audit Practice Group members and Appendix B for a partial listing of nonprofit organizations which are our clients.

## **MANDATORY QUALIFICATIONS OF AUDITOR**

### **Licensed in Florida as a Certified Public Accountant**

The EFPR Group, CPAs, PLLC is licensed to practice in the State of Florida. Please see Appendix A for evidence of the firm's license to practice and licenses of key individuals to be assigned to the engagement.

### **Independence**

The EFPR Group, CPAs, PLLC is independent of Northwest Florida State College Foundation, Inc. as defined by generally accepted auditing standards and U.S. Government Accountability Office (GAO)'s Government Auditing Standards. Accordingly, no relationship exists between the EFPR Group, CPAs, PLLC and the Foundation or any of its employees, Board members or with any person or agency that constitutes a conflict of interest with respect to the Foundation.

### **No Record of Substandard Audit Work**

The EFPR Group, CPAs, PLLC does not have a record of substandard audit work. No federal or state desk review or field review of the EFPR Group, CPAs, PLLC's audits has been completed in the past three years. Additionally, neither the EFPR Group, CPAs, PLLC nor any of our employees has been the subject of any disciplinary action by State regulatory bodies or professional organizations. The firm's peer review opinion in Appendix C attests to the exceptional quality of the EFPR Group, CPAs, PLLC's audit work.

## **SUMMARY OF QUALIFICATIONS FOR PROPOSING AGENCY**

### **Supervisor and Senior Auditors to be Assigned to the Audit**

Achieving our present position in the profession has come as a result of being responsive to the needs of our clients. Accordingly, we will assemble an engagement team that will include personnel with extensive experience in performing audits of campus related nonprofit organizations. The key individuals to be assigned and their roles are as follows:



Douglas E. Zimmerman, CPA will serve as the partner in charge of our relationship with Northwest Florida State College Foundation, Inc. Doug will oversee all services provided and ensure that they are delivered in a timely and efficient manner. He will be responsible for all matters concerning accounting policy, participate in the planning phases of our engagement, review all working papers and reports prepared, and attend meetings with management and the Board. He has over 36 years of public accounting experience and currently functions as a partner in the Firm. He has extensive experience in providing audit, accounting and consulting services for numerous campus related nonprofit organizations. Doug is licensed in New York, Florida and Massachusetts as a Certified Public Accountant.

Robert J. Williams, CPA will serve as the engagement review partner. Rob will provide a secondary review of all deliverables and critical engagement decisions. He has over 28 years of public accounting experience. He currently functions as a partner in the Firm and has extensive experience in providing audit, accounting and consulting services for numerous campus related nonprofit organizations. Rob is licensed in New York State as a Certified Public Accountant.

Timothy D. Hagen, CPA will serve as an engagement director, supervising the day-to-day performance of the audit. Tim has over 27 years of public accounting experience. He currently functions as a director in the Firm and has extensive experience in providing audit, accounting and consulting services to numerous campus related nonprofit organizations. Tim is licensed in New York State as a Certified Public Accountant.

Emma Lu will serve as the senior accountant on this engagement. Emma has over two years of public accounting experience. She currently functions as a senior accountant in the Firm and has extensive experience in providing audit, accounting and consulting services for numerous campus related nonprofit organizations.

Staff Accountant: Your account will also be assigned an additional staff accountant from the Firm's Nonprofit Audit Practice Group, who will work as part of the engagement team in performing your audit.

### **Continuing Professional Education**

With regard to continuing professional education (CPE), each of our staff members is required to complete an annual minimum of 40 hours of CPE programs approved by the American Institute of Certified Public Accountants. Additionally, since we perform audits in accordance with generally accepted Government Auditing Standards (GAGAS) (over 350 each year), our staff members must complete at least 24 of the 80 hours (over a two-year period) of CPE in subjects directly related to the government and nonprofit auditing environment. Please see Appendix A for copies of the CPE courses attended by the proposed staff in the past three years.

### **Recent Similar Auditing Experience**

**State University of New York (SUNY)** - Our Firm has substantial experience in providing audit, tax and related services for nonprofit organizations on the various campuses of the SUNY system. We provide services on the following campuses:

- Brockport State College
- Buffalo State College
- College of Optometry
- Farmingdale State College
- Fredonia State College
- Genesee Community College
- Maritime College
- Monroe Community College
- Old Westbury State College



- Oneonta State College
- Oswego State College
- Plattsburgh State College
- Purchase State College
- Ulster Community College
- University at Albany
- University at Buffalo
- University at Stony Brook
- Westchester Community College

**City University of New York (CUNY)** - Our Firm provides audit services to CUNY in which we perform audits of Auxiliaries, Associations, Childcare Centers, Non-Tax Levy Funds, and Foundations located throughout New York City. Our staff are trained, experienced and specialize in providing extensive audit and related services to campus related nonprofit organizations. We provide services on the following campuses:

- Baruch College
- Borough of Manhattan Community College
- Bronx Community College
- Brooklyn College
- City College of New York
- College at Staten Island
- Graduate Center
- Graduate School of Journalism
- Graduate School of Public Health and Health Policy
- Guttman Community College
- Hostos Community College
- Hunter College
- John Jay College of Criminal Justice
- Kingsborough Community College
- LaGuardia Community College
- Lehman College
- Macaulay Honors College
- Medgar Evers College
- New York City College of Technology
- Queens College
- Queensborough Community College
- School of Law
- School of Professional Studies
- York College

**College Foundations** - Our Firm currently provides audit and related services to the following college and university campus foundations:

- Bronx Community College Foundation, Inc.
- The City University of New York School of Law Foundation, Inc.
- The College of Staten Island Foundation, Inc.
- Craig Newmark Graduate School of Journalism CUNY Foundation, Inc.
- CUNY Graduate School of Public Health and Health Policy Foundation
- CUNY TV Foundation
- Eugenio Maria de Hostos Community College Foundation
- Fiorello H. LaGuardia Community College Foundation, Inc.
- The Foundation for City College



- Genesee Community College Foundation, Inc.
- Genesee Community College Foundation Housing Services, Inc.
- The Graduate Center Foundation, Inc.
- The Health Science Center at Brooklyn Foundation, Inc.
- Herbert H. Lehman College Foundation, Inc.
- Hunter College Foundation, Inc.
- John Jay College Foundation, Inc.
- Kingsborough Community College Foundation, Inc.
- Macaulay Honors College Foundation, Inc.
- Medgar Evers College Educational Foundation, Inc.
- New York City College of Technology Foundation, Inc.
- School of Professional Studies Foundation, Inc.
- State University College at Oneonta Foundation Corporation
- Stella and Charles Gutman Community College Foundation
- Ulster Community College Foundation, Inc.
- York College Foundation, Inc.

### **References**

Our Firm has provided various audit services to numerous campus related nonprofit organizations. The following individuals may be contacted to provide references with regard to the quality of our Firm's work:

#### Ulster County Community College

Scope of work: Audit of the financial statements and single audit of the College, including audit of the Association and Foundation.

Contact: Ms. Amy Winters, CPA  
 Dean for Administration - Financial Services  
 491 Cottekill Road  
 Stone Ridge, New York 12484  
 (845) 687-5124  
[wintersa@sunyulster.edu](mailto:wintersa@sunyulster.edu)

#### Graduate Center Foundation, Inc.

Scope of work: Audit of the financial statements and tax return preparation.

Contact: Mr. Kenneth B. Tirino  
 Vice President for Finance and Administration, Business Office  
 365 Fifth Avenue  
 New York, New York 10016  
 (212) 817-7604  
[ktirino@gc.cuny.edu](mailto:ktirino@gc.cuny.edu)

#### The Hunter College Foundation, Inc. and Subsidiary

Scope of work: Audit of financial statements and tax return preparation.

Contact: Ms. Livia Cangemi  
 Chief Financial Officer  
 695 Park Avenue, Room E1313  
 New York, New York 10065  
 (212) 772-4475  
[lcangemi@hunter.cuny.edu](mailto:lcangemi@hunter.cuny.edu)



Genesee Community College Foundation, Inc.

Scope of work: Audit of financial statements and tax return preparation.

Contact: Mr. Justin Johnston  
Executive Director  
1 College Road  
Batavia, New York 14020  
(585) 345-6809  
[jmjohnston@genesee.edu](mailto:jmjohnston@genesee.edu)

State University College at Oneonta Foundation Corporation

Scope of work: Audit of financial statements and tax return preparation.

Contact: Ms. Frances Althiser  
Associate Treasurer  
234 Netzer Administration Building  
Oneonta, New York 13820  
(607) 436-2585  
[frances.althiser@oneonta.edu](mailto:frances.althiser@oneonta.edu)

## **INSURANCE REQUIREMENTS**

The EFPR Group, CPAs, PLLC currently has insurance coverage that meets all requirements of Northwest Florida State College Foundation, Inc. Specifically, we carry Commercial General Liability Insurance with an amount of \$2,000,000 combined single limit and \$4,000,000 in the aggregate; Comprehensive Business Automobile Insurance with an amount of \$1,000,000 each accident; and Professional Liability Insurance with an amount of \$3,000,000 each occurrence and \$3,000,000 in the aggregate. Upon award of contract, we will provide to the Foundation the appropriate insurance certificates naming the Foundation as an additional insured.

## **ADDITIONAL INFORMATION**

### **Quality Assurance**

#### **Peer Review**

The EFPR Group, CPAs, PLLC retains an independent accounting firm to conduct a review of its system of quality control every three years in accordance with the rigorous standards of the American Institute of Certified Public Accountants. In June 2020, our Firm successfully completed the most recent peer review of its accounting and auditing practice. The review determined that the Firm complies with the stringent quality control standards set by the American Institute of Certified Public Accountants. Our Firm has received the highest rating possible (pass) with no letter of comments being required in each of its last ten peer reviews. According to the peer review team, less than one percent of the firms in the nation achieve this level of excellence. We believe that this attests to our commitment to quality. Peer reviews, which are performed every three years, are required of all CPA firms and are conducted in accordance with rules issued by the American Institute of Certified Public Accountants. (See Appendix C for a copy of the report issued in connection with our most recent peer review.)

#### **CPAmerica, Inc.**

EFPR Group, CPAs, PLLC is an independently owned and operated member firm of CPAmerica, Inc., one of the largest associations of CPA firms in the United States. Through our affiliation, we have instant access to the expertise and resources of more than 4,000 professionals and more than 700 partners. CPAmerica is a member of Crowe Global, providing our firm access to the eighth largest accounting network in the world, with over 200 independent accounting and advisory firms in 130 countries. By supplementing our services, CPAmerica allows us to:



- Enhance our client services and broaden our capabilities overall
- Expand our domestic and international coverage
- Gain greater technical knowledge in specialty areas
- Utilize professionals with experience in a wide range of industries
- Access the most up-to-date technical information
- Participate in the latest training programs
- Utilize state of-the-art, customized computer systems
- Provide our clients with key contacts and sophisticated professionals throughout the U.S.

CPAmerica brings us the necessary tools to help us better serve our clients with greater flexibility, efficiency and cost effectiveness.

## **Audit Approach**

Our audits are made in accordance with auditing standards generally accepted in the United States of America and, accordingly, include such tests of the accounting records and other auditing procedures as we consider necessary and appropriate in order to express an opinion on the financial statements.

Although audits conducted by different firms should all comply with certain professional requirements and thus might appear identical in nature, you should distinguish individual firms by at least two key factors:

1. The extent to which the firm understands or expands its understanding of your organization in advance of the audit and tailors its auditing procedures to the conditions and needs of the Foundation.
2. The pertinent skills and processes the auditor can bring to bear upon the engagement to ensure an effective and efficient audit.

## **Transition from Current Auditor**

Changing auditors for the Foundation should not be a difficult task. Fortunately, your proposed engagement team has had many opportunities over the years to step in as the new auditor. This experience helps ensure that the transition goes as smoothly as possible. From communicating with the predecessor auditor, reviewing their work papers, documenting and understanding your business processes, we will focus on minimizing the challenges that sometimes come with an auditor change. We will obtain as much information as possible from your predecessor auditor and then assemble a list of any items needed from the Foundation's management, along with mutually agreed-upon response dates. Our objective as your professional service provider will be to front load as much work as possible, including our transition as your external auditor. Because of your engagement team's experience with campus related nonprofit entities, our engagement team will hit the ground running, resulting in minimal disruption to your day-to-day operations.

## **Financial Statement Audit**

Audit examinations performed by our Firm are conducted from a risk-based approach. This approach yields two major benefits:

- Maximization of understanding of the Foundation's operating environment, and
- Minimization of audit time by starting with broad considerations and narrowing to specific audit objectives in critical areas.



The audit of the financial statements of Northwest Florida State College Foundation, Inc. will consist of the following four phases:

- Planning
  - Systems evaluation
  - Testing
  - Reporting
- Planning is the first step in the audit engagement and provides the foundation for the direction of the audit. This phase of the audit involves meeting with the Audit Committee and management of the Foundation to clearly identify the lines of communication, perform the risk analysis, discuss the audit scope and concerns and set expectations. While facilitating an understanding between our firm and the Foundation, we highlight areas, which will receive emphasis during our audit. This type of analytical review process permits identification of critical areas. As a result, appropriate audit procedures are focused therein.
  - Systems Evaluation consists of the following steps:
    - A review of internal control systems of the Foundation;
    - A review of the information technology systems utilized by the Foundation to prepare its accounting records and monitor compliance with regulatory requirements;
    - An identification of control strengths and weaknesses in management and accounting controls; and
    - The development of a tailored audit program to be responsive to the Foundation's concerns and reflective of the internal control system.
  - Testing is the largest part of the audit process and includes both compliance test of internal controls and regulatory requirements and substantive test of the Foundation's financial data.

The EFPR Group, CPAs, PLLC uses sampling in selecting items for examination by compliance and/or substantive tests where it is determined to be cost beneficial to sample the population. Our Firm has an Audit and Accounting Manual which contains procedures for the control and evaluation of sampling risk, selection of samples, and evaluation of sample results.

Audit sampling will normally be used to perform the following tests:

- Substantive tests as part of the audit of the Foundation's basic financial statements;
  - Compliance tests to provide reasonable assurance that internal control (accounting and administrative) procedures used are being applied as prescribed; and
  - Substantive tests of compliance with laws and regulations as part of the audit of the basic financial statements.
- Reporting is completed at the conclusion of the audit process. This phase will include the preparation of the draft financial statements and management letter. Management of the Foundation will be provided drafts of all reports. These drafts will be reviewed in detail and any questions or concerns of management will be appropriately addressed. Reports will only be finalized after approval of management and the Audit Committee of the Foundation.



Our management letter will discuss internal control recommendations and suggestions for procedural improvements we identified as part of the audit. The letter will also include observations about accounting methods and procedures, business and industry practices or issues, operational ideas, and suggestions to further enhance the Foundation's operations. We will advise you of any new accounting pronouncements that have been or may be issued and indicate their potential impact.

As part of our risk assessment procedures of the Foundation, we review and document the five components of internal control. A description of the components of internal control is as follows:

- Control environment sets the tone of an organization, influencing the control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure.
- Risk assessment is the entity's identification and analysis of relevant risks to the achievement of its objectives. This forms a basis for determining how the risks should be managed.
- Control activities are the policies and procedures that help to ensure that management's directives are carried out.
- Information and communication are the means to identify, capture, and exchange information in a form and time frame that enable people to carry out their responsibilities.
- Monitoring is the process that assesses the quality of internal control performance over time.

### **Remote Auditing**

At EFPR Group, our audit teams have become very proficient at auditing remotely and working with clients to ensure that the most efficient audit process is being achieved. Information is shared through our secure client portal and discussions are carried on through virtual platforms such as Microsoft Teams, WebEx or Zoom. Should our audit team be allowed to be on site, each team member is provided with personal protective equipment and will work within the parameters of the Foundation's COVID protocols.

We are able to perform the audit remotely, on-site at the Foundation's offices, or under a hybrid approach. We work with each of our clients individual circumstances to determine which approach is best given their own health and safety protocols.

### **Reporting to the Board**

As required by professional standards, we will ensure that the Board of Directors will be informed of the following:

- The Auditors' responsibility under auditing standards generally accepted in the United States of America.
- Significant accounting policies.
- Management judgments and accounting estimates.
- Significant audit adjustments.
- Other information in documents containing audited financial statements.
- Disagreements with management.
- Management consultation with other accountants.
- Major issues discussed with management prior to retention.
- Difficulties encountered in performing the audit.
- Any other matter which may be important to the fair presentation of the Foundation's financial statements.



## VALUE ADDED SERVICES

### Nonprofit Seminar

In 2018, the Firm began hosting workshops for financial leaders in the nonprofit industry, called “Connecting the Pieces.” As part of our commitment to our clients, we hosted half day presentations on the following topics:

- Impact of new pronouncements
- 990 development
- New financial statement formats
- Nonprofit legal updates
- Qualified plan risks
- Paid family leave act

Based on the success of these workshops in 2018, the Firm once again hosted workshops in September of 2019 called “Bridging the Gap.” Event topics are developed, in part, from the AICPA National Non-Profit Conference, in which the firm is an annual participant. The Firm has continued these seminars in 2020, 2021 and 2022 through quarterly virtual webinars aimed at current nonprofit issues including the impact of COVID on the nonprofit community. These events are free to our clients.

### Tax Services

Our Firm prepares more than 450 U.S. Form 990’s for nonprofit organizations. Our team of professionals from our nonprofit tax practice is well versed and keeps up-to-date on all standards affecting the nonprofit tax environment. As part of the audit process, the audit team will gather all required tax information while audit fieldwork is being performed. Drafts of tax returns are typically issued within two weeks of the financial statement draft.

The Form 990 - “Return of Organization Exempt From Income Tax” has two objectives; transparency and compliance. Since the return is open to public inspection, the Internal Revenue Service (IRS) wants the public to have greater transparency or understanding of the operations of nonprofit organizations. The schedules include reporting of program service accomplishments that track the revenues, grants and expenses associated with the organization’s three largest program services. Additional schedules require information about the organization’s governance structure, policies and disclosure practices, public charity status, and special events and gaming. The traditional financial statement information is also included. The income and expense summary is a comparative statement reporting the current year’s activity as well as the prior year activity.

The IRS’s second objective is compliance. The Form 990 includes a “Statement Regarding Other IRS Filings and Compliance.” The Form 990 requires the organization to disclose its compliance with other IRS tax filing and tax compliance requirements. This includes disclosures regarding the proper filing of U.S. Forms W-2, 1099, 1096, information regarding unrelated business income tax (UBIT), related party transactions and the organizations compliance with notification to donors regarding documentation of tax deductible contributions. The Form 990 requires detailed reporting of information regarding an organization’s investment in related entities, such as partnerships, corporations and other for-profit entities.

Nonprofit organizations are not taxed on income from an activity that is substantially related to the charitable, educational, or other purpose that is the basis for the organization’s exemption. Such income is exempt even if the activity is a trade or business. However, if a nonprofit organization regularly carries on a trade or business that is not substantially related to its exempt purpose, except that it provides funds to carry out that purpose, the organization is subject to tax on its income from that unrelated trade or business. The IRS released Publication 598, “Tax on Unrelated Business Income of Exempt Organizations.” This publication details the rules for the tax on unrelated business income of nonprofit organizations. Our tax professionals are completely familiar with the reporting requirements for nonprofit organizations and communicate any significant new accounting pronouncements to our clients.



## **Management Consulting Services**

Understanding our client's operations and being involved throughout the year provides us with a unique opportunity to make recommendations and provide consulting services relating to operations which contributes to the success of your organization. The types of consulting services provided include, but are not limited to, the following areas:

- Assist clients with the implementation of new accounting pronouncements.
- Review of leases and other legal agreements and interpretations of such provisions of leases and agreements.
- Ability to provide better internal control recommendations as a result of our extensive internal control audit experience with regard to campus related nonprofit organizations.
- Budget reviews.
- Exempt bond financing assistance.
- Risk assessment and analysis.
- Computer needs assessments, conversion phase and implementation.
- Internal financial reporting systems.
- Assessment of Employee Benefits alternatives.
- Cash management analysis and budgeting.
- Assistance in implementing a business plan and long-range planning.
- Tax planning, consulting and preparation.
- Acquisition or valuation studies.

## **Fraud Detection and Prevention**

Stonebridge Business Partners (SBP), an EFPR Group Company, provides a full suite of business valuation, forensic accounting and litigation support services to an array of business clients across the United States. In addition, they now provide a state-of-the-art confidential, nationwide ethics hotline and on-line portal. Powered by Red Flag Reporting, the SBP ethics hotline and on-line portal system is recognized as the number one method of identifying and reporting unethical or unsafe conditions so you can prevent any threat to your firm's long-term sustainability. The Association of Certified Fraud Examiners recognizes this service as the most effective method of fraud detection and prevention saving clients thousands of dollars in losses and litigation exposure.

The Stonebridge system provides:

- 24-hour-a-day access for employees, strategic partners and suppliers
- An easy to use and completely confidential telephone and on-line reporting system
- The ability to make reports in English and Spanish
- Certified Fraud Examiners to review each report
- Posters and wallet cards to create employee awareness and facilitate quick response
- Quarterly emails to employees and newsletters to management
- A live fraud awareness seminar and pre-recorded issue awareness webinars
- Detained reports to pre-designated members of your organization
- "Reduced Risk" and increased "Peace of Mind"

## **Other Significant Information**

- Technology - All of our field staff are equipped with laptop computers and have access to various software packages and databases (e.g. data extraction software, flowchart software, Microsoft Office, etc.) and other electronic means to ensure that the audit is performed in the most efficient manner.



- Continuing Education - With regard to continuing professional education, each of our staff members is required to complete an annual minimum of 40 hours of continuing education programs approved by the American Institute of Certified Public Accountants. Additionally, since we perform audits in accordance with Government Auditing Standards (over 350 each year), our staff members must complete at least 24 of the 80 hours (over a two-year period) of continuing education in subjects directly related to the government environment and government auditing.
- Affirmative Action - The EFPR Group, CPAs, PLLC is an equal opportunity employer and as such possesses a firm commitment to affirmative action and to hiring only the best-qualified candidates regardless of gender or ethnic origin. Our Firm does not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, age, disability or marital status.

\* \* \* \* \*


We would consider it a distinct privilege to provide professional services as outlined in this letter or any additional services you may desire. Please contact us if you have any questions regarding this letter.

A copy of this letter is enclosed; if the terms of this proposal are satisfactory to you please sign the copy and return it to me at your convenience.

ACCEPTED:

EFPR GROUP, CPAs, PLLC

NORTHWEST FLORIDA STATE COLLEGE  
FOUNDATION, INC.

By:  By: \_\_\_\_\_  
Douglas E. Zimmerman, CPA  
Partner

Date: March 3, 2023

Date: \_\_\_\_\_



## **Appendix A**

### **Detailed Resumes of Key Members of the Firm's Nonprofit Audit Practice Group**



**Douglas E. Zimmerman, CPA**  
**Partner**

Doug has over 36 years of public accounting experience. He currently functions as a Partner of the EFPR Group, CPAs, PLLC and has responsibility for providing audit, accounting and consulting services for numerous nonprofit organizations.

Doug received a Bachelor of Science degree in Accounting from State University of New York College at Geneseo in 1986. He was licensed in New York State as a Certified Public Accountant in 1989, the State of Florida in 2015, and the State of Massachusetts in 2020.

**Professional Affiliations**

American Institute of Certified Public Accountants (AICPA)  
New York State Society of Certified Public Accountants (NYSSCPA)



**PRACTICE AREAS**

Nonprofit  
Governmental Accounting  
Construction and Real Estate

**EDUCATION**

SUNY Geneseo – B.S., Accounting,  
1986

**CONTACT**

**PHONE** (561) 746-0999

**CELL** (716) 445-4018

**FAX** (561) 575-9165

**E-MAIL**

[dzimmerman@efprgroup.com](mailto:dzimmerman@efprgroup.com)



**Robert J. Williams, CPA**  
**Partner**

Rob has over 28 years of public accounting experience. He currently functions as a Partner of the Firm and has responsibility for providing audit, accounting and consulting services for numerous nonprofit organizations.

Rob received a Bachelor of Science degree in Accounting from Niagara University in 1994. He was licensed in New York State as a Certified Public Accountant in 1998.

**Professional Affiliations**

American Institute of Certified Public Accountants (AICPA)



**PRACTICE AREAS**

Nonprofit  
Construction and Real Estate

**EDUCATION**

Niagara University – B.S.,  
Accounting, 1994

**CONTACT**

**PHONE** (716) 204-5714

**FAX** (716) 634-0764

**E-MAIL**

[rwilliams@efprgroup.com](mailto:rwilliams@efprgroup.com)



**David A. Urban, CPA, MBA**  
**Partner**

David has over 34 years of public accounting experience. He currently functions as a Partner of the Firm and has responsibility for providing audit, accounting and consulting services for numerous nonprofit organizations.

David received a Bachelor of Business Administration degree in Accounting and a Master of Business Administration degree in Finance from Niagara University. He was licensed in New York State as a Certified Public Accountant in 1995.

David's clients have included cultural organizations, health and human service agencies, Article 28 health clients, nonprofit medical practices, religious entities, HUD insured projects and various Federal, State and local governmental entities. He annually attends the nonprofit training conferences sponsored by the AICPA and NYSSCPA.

David is very active in the Western New York nonprofit community. He has served on various boards and has a special interest in organizations focused on animal welfare. David lectures on current issues facing nonprofit organizations and has focused his career on providing superior professional services to nonprofit organizations throughout Western New York.

**Professional Affiliations**

American Institute of Certified Public Accountants (AICPA)  
New York State Society of Certified Public Accountants (NYSSCPA)  
NYSSCPA, Buffalo Chapter, Nonprofit Committee

**Community Affiliations**

Niagara Aquarium Foundation, *former Board Member and Treasurer*  
Niagara County SPCA, *former Board Member and Treasurer*  
Alzheimer's Association of WNY, *former Board Member and Treasurer*  
Community Services for the Developmentally Disabled, *former Finance Committee Member*



**PRACTICE AREAS**

Nonprofit  
Construction and Real Estate

**EDUCATION**

Niagara University – B.S.,  
Accounting  
Niagara University - MBA,  
Finance

**CONTACT**

**PHONE** (716) 204-5722

**FAX** (716) 634-0764

**E-MAIL**

[urban@efprgroup.com](mailto:urban@efprgroup.com)



## **Jennifer Kiblin, CPA**

### **Partner**

Jennifer has over 30 years of public accounting experience. She currently functions as a Partner of the Firm and has responsibility for providing audit, accounting and consulting services for numerous nonprofit organizations.

Jennifer received a Bachelor of Science degree in Accounting from D'Youville College in 1992. She was licensed in New York State as a Certified Public Accountant in 1995.

### **Professional Affiliations**

American Institute of Certified Public Accountants (AICPA)



#### **PRACTICE AREAS**

Nonprofit  
Construction and Real Estate  
Employee Benefit Plans

#### **EDUCATION**

D'Youville College – B.S.,  
Accounting, 1992

#### **CONTACT**

**PHONE** (716) 204-5752

**FAX** (716) 634-0764

**E-MAIL**

[jkiblin@efprgroup.com](mailto:jkiblin@efprgroup.com)



**Timothy D. Hagen, CPA**  
**Director**

Tim has over 27 years of public accounting experience. He currently functions as a Director of the Firm and has responsibility for providing audit, accounting and consulting services for numerous nonprofit organizations.

Tim received a Bachelor of Science degree in Business Administration from State University of New York College at Buffalo in 1995. He was licensed in New York State as a Certified Public Accountant in 2013.

**Professional Affiliations**

American Institute of Certified Public Accountants (AICPA)



**PRACTICE AREAS**

Nonprofit  
Governmental Accounting  
Employee Benefit Plans

**EDUCATION**

SUNY Buffalo – B.S., Business  
Administration, 1995

**CONTACT**

**PHONE** (716) 204-5703

**FAX** (716) 634-0764

**E-MAIL**

[thagen@efprgroup.com](mailto:thagen@efprgroup.com)



**Debra M. Zevetchin, CPA, MA**  
**Director**

Deb has over 24 years of public accounting experience. She currently functions as a Director of the Firm and has responsibility for providing audit, accounting and consulting services for numerous nonprofit organizations.

Deb received a Bachelor of Arts degree in Management Accounting from Tusculum College in 1998 and a Master of Accountancy degree from East Tennessee State University in 2000. She was licensed in New York State as a Certified Public Accountant in 2004.

**Professional Affiliations**

American Institute of Certified Public Accountants (AICPA)



**PRACTICE AREAS**

Nonprofit  
Construction and Real Estate

**EDUCATION**

Tusculum College – B.A.,  
Management Accounting, 1998  
East Tennessee State University -  
M.A., 2000

**CONTACT**

**PHONE** (716) 204-5762

**FAX** (716) 634-0764

**E-MAIL**

[dzevetchin@efprgroup.com](mailto:dzevetchin@efprgroup.com)



**Sara G. Menth**  
**Supervisor**

Sara has over nine years of public accounting experience. She currently functions as a Supervisor of the Firm and has responsibility for providing audit, accounting and consulting services for numerous nonprofit organizations.

Sara received a Bachelor of Science degree in Business Administration from State University of New York College at Buffalo in 2013.



**PRACTICE AREAS**

Nonprofit  
Governmental Accounting

**EDUCATION**

SUNY Buffalo – B.S., Business  
Administration, 2013

**CONTACT**

**PHONE** (716) 204-5744

**FAX** (716) 634-0764

**E-MAIL**

[smenth@efprgroup.com](mailto:smenth@efprgroup.com)



**Jonathon Gemerek, CPA**  
**Supervisor**

Jon has over five years of public accounting experience. He currently functions as a Supervisor of the Firm and has responsibility for providing audit, accounting and consulting services for numerous nonprofit organizations.

Jon received a Bachelor of Science degree and a Master of Science degree in Accounting from D'Youville College in 2017. He was licensed as a Certified Public Accountant in New York State in 2022.



**PRACTICE AREAS**

Nonprofit  
Governmental Accounting

**EDUCATION**

D'Youville College – B.S.,  
Accounting  
D'Youville College - M.S.,  
Accounting, 2017

**CONTACT**

**PHONE** (716) 204-5711

**FAX** (716) 634-0764

**E-MAIL**

[jgemerek@efprgroup.com](mailto:jgemerek@efprgroup.com)



**Ryan Angie**  
**Supervisor**

Ryan has over four years of public accounting experience. He currently functions as a Supervisor of the Firm and has responsibility for providing audit, accounting and consulting services for numerous nonprofit organizations.

Ryan received a Bachelor of Science degree in Accounting and a Master of Science degree in Accounting from the University at Buffalo in 2018.



**PRACTICE AREAS**

Nonprofit  
Governmental Accounting

**EDUCATION**

University at Buffalo – B.S.,  
Accounting, 2017  
University at Buffalo - M.S.,  
Accounting, 2018

**CONTACT**

**PHONE** (716) 204-5743

**FAX** (716) 634-0764

**E-MAIL**

[rangie@efprgroup.com](mailto:rangie@efprgroup.com)



**Emma (Yizhi) Lu**  
**Senior Accountant**

Emma has over two years of public accounting experience. She currently functions as a Senior Accountant in the Firm and has responsibility for providing audit, accounting and consulting services for numerous nonprofit organizations.

Emma received a Master of Science degree in Accounting in 2021 from University at Buffalo.



**PRACTICE AREAS**

Nonprofit  
Governmental Accounting

**EDUCATION**

University at Buffalo – M.S.,  
Accounting, 2021

**CONTACT**

**PHONE** (716) 204-5771

**FAX** (716) 634-0764

**E-MAIL**

[ylu@efprgroup.com](mailto:ylu@efprgroup.com)



**Julie Dowd**  
**Senior Accountant**

Julie has over two years of public accounting experience. She currently functions as a Senior Accountant of the Firm and has responsibility for providing audit, accounting and consulting services for numerous nonprofit organizations.

Julie received a Bachelor of Arts degree in Accounting and a Bachelor of Science degree in Professional Accountancy from Daemen College in 2021.



**PRACTICE AREAS**

Nonprofit  
Governmental Accounting

**EDUCATION**

Daemen College – B.A.,  
Accounting,  
Daemen College - M.S.,  
Professional Accountancy, 2021

**CONTACT**

**PHONE** (716) 204-5718

**FAX** (716) 634-0764

**E-MAIL**

[jdowd@efprgroup.com](mailto:jdowd@efprgroup.com)



## **Appendix B**

### **Partial Nonprofit Client List**



PARTIAL LISTING OF NONPROFIT  
ORGANIZATIONS WHICH ARE OUR CLIENTS

- \* 1490 Estates Housing Development Fund Company, Inc.
- \* 158 Chenango Street Housing Development Fund Company, Inc.
- \* 272 to 280 Linwood Avenue, Inc.
- \* 314 Hudson Street Corporation
- \* 50-60 Kosciuszko Street Housing Development Fund Company, Inc.
- \* A.C. Ware Housing Development Fund Company, Inc.
- \* ACCORD Corporation
- \* Action for a Better Community, Inc.
- \* Adirondack Community Action Programs, Inc.
  - Albany Leadership Charter High School for Girls
  - Aldersgate United Methodist Church
  - Alexandria and Akeas Playhouse, Inc.
  - All Our Kin, Inc.
  - Alumni Association of the City College of New York
  - American Friends of Centrepont, Inc.
  - American Student Dental Association of the State University of New York at Buffalo
  - Amherst Chamber of Commerce, Inc.
- \* Amsterdam Housing I, Inc.
- \* Arbor Development
  - AspireHope NY
  - Associated NYS Food Processors
  - The Auxiliary Enterprise Board of New York City College of Technology, Inc.
  - Auxiliary Enterprises Corporation of Hunter College of the City University of New York
  - Auxiliary Enterprises of the City University of New York - Graduate School and University Center
  - Fiduciary Accounts
  - Auxiliary Service Corporation of the College at Old Westbury, Inc.
  - Baruch College Early Learning Center, Inc.
- \* Beekmantown Senior Housing
  - Bernard M. Baruch College Association, Inc.
  - Bernard M. Baruch College Auxiliary Enterprises Corporation
  - BioBAT, Inc.
  - BLaST Intermediate Unit 17 Educational Enhancement
  - Borough of Manhattan Community College Association, Inc.
  - Borough of Manhattan Community College Auxiliary Enterprises Corporation
  - Borough of Manhattan Community College Early Childhood Center
  - Bridges Development
  - Brockport Child Day Care Center, Inc.
  - Bronx Community College Association, Inc.

\* Audit conducted in compliance with the provisions of Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.



PARTIAL LISTING OF NONPROFIT  
ORGANIZATIONS WHICH ARE OUR CLIENTS

Bronx Community College Auxiliary Enterprises Corporation  
Bronx Community College Foundation  
Brooklyn College Auxiliary Enterprise Corporation  
Brooklyn College Child Care Services, Inc.  
Brooklyn College Student Services Corporation  
Broome County Land Bank  
BRRAlliance, Inc.  
BT, Inc.  
Buffalo Academy of Science Charter School  
Buffalo District Council 35 of AFSCME, AFL-CIO  
Buffalo Fine Arts Academy, Inc. (Albright-Knox Art Gallery)  
Buffalo Institute for Medical Research, Inc.  
Buffalo Philharmonic Orchestra Society, Inc.  
Buffalo Philharmonic Orchestra Society Foundation, Inc.  
Buffalo Place, Inc.  
Buffalo Suzuki Strings  
Buffalo Transportation Museum  
Burchfield Penney Arts Center (Buffalo State College)  
Burnt Hills-Ballston Lake Housing Development Fund Company, Inc.  
Calvary Chapel of Rochester  
Calvary Episcopal Church  
Campus Pre-School and Early Childhood Center, Inc.  
Canandaigua Country Club  
Canandaigua Emergency Squad  
Canandaigua Local Development Corporation  
Carousel Society of the Niagara Frontier, Inc.  
\* Castorland Housing Development Fund Company, Inc.  
Catherine Violet Hubbard Foundation, Inc.  
\* Cattaraugus Community Action, Inc.  
\* Center City Neighborhood Development Corporation  
Chautauqua Blind Association, Inc.  
\* Cheektowaga Economic Development Corporation  
Chemung County Child Care Council, Inc.  
Chemung County Land Bank  
Chemung County Performing Arts, Inc.  
Chenango Valley Home, Inc.  
Chief Administrative Office Agency Fund (SUNY Downstate)  
Child and Family Resources, Inc.

\* Audit conducted in compliance with the provisions of Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.



PARTIAL LISTING OF NONPROFIT  
ORGANIZATIONS WHICH ARE OUR CLIENTS

Child Development Center at Queens College, Inc.  
Children Awaiting Parents  
Children's Center at Brooklyn, Inc.  
Children's Center at SUNY Farmingdale  
Children's Center at SUNY Oswego, Inc.  
Children's Center of John Jay College of Criminal Justice  
Children's Guild Foundation, Inc.  
Children's Learning Center at Hunter College  
Children's Place at the Plaza  
Children's Rehabilitation Foundation of the Variety Club of Buffalo, Inc.  
\* Chittenden Housing Corporation  
City College 21<sup>st</sup> Century Foundation, Inc.  
City College Auxiliary Enterprise Corporation  
City College Child Development Center, Inc.  
City College for the Arts, Inc.  
City College Student Services Corporation  
City University of New York Graduate School of Public Health  
City University of New York School of Law Student Association, Inc.  
City University of New York School of Law Foundation, Inc.  
City University of New York Professional Studies Foundation  
City University of New York Student Senate  
Clark Manor House  
College Association of New York City College of Technology, Inc.  
College of Staten Island Association, Inc.  
College of Staten Island Auxiliary Services Corporation, Inc.  
College of Staten Island Foundation, Inc.  
Collaborative Family Health Care Coalition, Inc.  
Communication Workers AFL-CIO Local #51025  
Communication Workers of America 51211 CWA NABET Local  
Communication Workers of America Local 1122  
Communication Workers of America (CWA) Local No. 1168  
\* Community Action Partnership of Dutchess County, Inc.  
Community Hope Builders CDC, Inc.  
Community Missions of the Niagara Frontier  
Community Services Programs, Inc.  
Compeer West, Inc.  
Comprehensive Interdisciplinary Developmental Services  
Corn Hill Waterfront & Navigation Foundation

\* Audit conducted in compliance with the provisions of Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.



PARTIAL LISTING OF NONPROFIT  
ORGANIZATIONS WHICH ARE OUR CLIENTS

Cornell Cooperative Extension Steuben  
Corning Community College Development  
Corning Day Programs Inc.  
Corning Elmira Musical Arts, Inc.  
Cracker Box Palace, Inc.  
Cradle Beach, Inc.  
CUNY Graduate School of Journalism Foundation, Inc.  
CUNY School of Labor and Urban Studies Foundation, Inc.  
CUNY TV Foundation, Inc.  
CWA Staff Union  
\* Dawnwood Senior Apartments  
Delaware County Chamber of Commerce, Inc.  
\* Delaware Opportunities, Inc.  
\* Delta Development of Western New York, Inc.  
Doctoral and Graduate Students' Council of the City University of New York - Graduate School and  
University Center Fiduciary Accounts  
Downstate Mental Hygiene Associates, Inc.  
Downstate Technology Center, Inc.  
Downtown Canandaigua Business Management Association, Inc.  
\* Drake Manor Housing Development Fund Corporation  
Dunkirk Local Development Corporation  
Dutchess County-Poughkeepsie Land Bank  
\* Economic Opportunity Council of Suffolk, Inc.  
Eleanor Roosevelt Center at Val-Kill, Inc.  
Ella Baker/Charles Romain Child Development Center of Medgar Evers College  
Ellicott Community Association, Inc.  
Emerald Corporate Center Economic Development Corporation  
Empire Justice Center  
Empire State College Foundation, Inc.  
Empire State College Student Activity Fee Fund  
\* Ennio Cerquetti Memorial Development Corporation  
Epilepsy Association of Western New York, Inc.  
Epilepsy Fund of Western New York, Inc.  
Epilepsy Institute of Metro New York  
Erie County Association of School Board Officials  
Erie County Bar Association Aid to Indigent Prisoners Society, Inc.  
Erie-Niagara Health Education Center, Inc.  
Eugenio Maria De Hostos Community College Association, Inc.

\* Audit conducted in compliance with the provisions of Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.



PARTIAL LISTING OF NONPROFIT  
ORGANIZATIONS WHICH ARE OUR CLIENTS

Eugenio Maria De Hostos Community College Auxiliary Enterprises Corporation, Inc.  
Faculty Student Association of Downstate Medical Center, Inc.  
Faculty Student Association of the State College of Optometry, Inc.  
Faculty Student Association of SUNY College at Fredonia, New York, Inc.  
Faculty Student Association of SUNY Stony Brook, Inc.  
Faculty Student Association of Westchester Community College, Inc.  
Faculty-Student Association of State University College at Buffalo, Inc.  
Fairport Educators Association  
Family Help Center, Inc.  
Family of Woodstock, Inc.  
\* Family Planning of South Central New York  
Family Promise of Western New York, Inc.  
Family Service Resources of the Finger Lakes, Inc.  
Families' Child Advocacy Network, Inc.  
Family Life Ministries, Inc.  
Family Services Society, Inc.  
Finger Lakes Area Community Endowment  
Finger Lakes Boating Museum  
Finger Lakes Community Development Corporation  
Fiorello H. Laguardia Community College Association, Inc.  
Fiorello H. Laguardia Community College Auxiliary Enterprises Corporation  
First Shiloh 202 Housing Corporation  
First Shiloh 211 Housing Development Fund Corporation  
Foundation 214  
Friendly Senior, Inc.  
Friends of the Night People, Inc.  
\* Friendship Manor Housing Development Fund Corporation  
\* Fulmont Community Action Agency, Inc.  
\* Fulton County Community Heritage Corporation  
Genesee Community College Foundation, Inc.  
Genesee Community College Foundation Housing Services, Inc.  
\* Genesee Council on Alcoholism and Substance Abuse, Inc.  
Genesee Valley Improvement Corporation  
\* Genesee Valley Rural Preservation Council, Inc.  
Geneseo Foundation  
Gerard Place Housing Development Fund Co., Inc.  
Gillam Grant Community Center, Inc.  
Getzville Fire Company, Inc.

\* Audit conducted in compliance with the provisions of Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.



PARTIAL LISTING OF NONPROFIT  
ORGANIZATIONS WHICH ARE OUR CLIENTS

Girl Scouts of Western New York, Inc.  
GLOW Young Men's Christian Association, Inc.  
\* God City Housing Development Fund Company, Inc.  
Gracie Mansion Conservancy  
Graduate Center Foundation, Inc.  
Graduate Management Association of the State University of New York at Buffalo  
Graduate Student Organization at SUNY Stony Brook, Inc.  
Grand Chapter of the State of New York Royal Arch Masons  
Greater Canandaigua Family YMCA, Inc.  
\* Greater Opportunities for Broome and Chenango, Inc.  
Greater Rochester Regional Health Information Organization, Inc.  
Greece Chamber of Commerce, Inc.  
Groove With Me, Inc.  
GSUC Child Development and Learning Center  
Hallwalls, Inc.  
Harvest Court  
Health Science Center of Brooklyn Foundation, Inc.  
Heart of the City Neighborhoods  
Herbert H. Lehman College Association for Campus Activities, Inc.  
Herbert H. Lehman College Auxiliary Enterprise Corporation, Inc.  
Heritage at the Plains at Parish Homestead  
Holy Trinity Lutheran Church  
Home of the Good Shepherd - Moreau  
Hostos Community College Children's Center, Inc.  
Hostos Community College Foundation, Inc.  
Hunter College Foundation, Inc.  
Hunter's Hope Foundation, Inc.  
Huntington Study Group  
I.B.E.W. Local Union No. 237  
Ibero-American Action League, Inc.  
Ibero-American Development Corporation  
\* Idlewild Terrace Housing Development Fund Corporation  
International Union of Operating Engineers  
Italian Charities, Inc.  
\* JCEO of Clinton and Franklin Counties, Inc.  
John Jay College Foundation, Inc.  
John Jay College of Criminal Justice Auxiliary Services Corporation, Inc.  
John Jay College of Criminal Justice Student Activities Association, Inc.

\* Audit conducted in compliance with the provisions of Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.



PARTIAL LISTING OF NONPROFIT  
ORGANIZATIONS WHICH ARE OUR CLIENTS

Just Buffalo Literary Center, Inc.  
Kelly for Kids Foundation, Inc.  
Keuka Housing Council, Inc.  
Kevin Guest House, Inc.  
\* Kime Apartments Corporation  
King Center Charter School  
King Urban Life Center  
Kingston City Land Bank  
Kingsborough Community College Association, Inc.  
Kingsborough Community College Auxiliary Enterprises Corporation  
Kingsborough Community College Foundation, Inc.  
Kleinhans Music Hall Management, Inc.  
\* La Casa de Los Tainos Housing Development Fund Co., Inc.  
LaGuardia Community College Early Childhood Learning Center Programs  
LaGuardia Community College Foundation, Inc.  
Labor Management Healthcare Fund  
\* Lake Area Development Corporation  
Lake Champlain-Lake George Regional Development Corporation  
Lancaster New York Opera House, Inc.  
Lancaster-Depew Baseball League, Inc.  
Land Reutilization Corporation of the Capital Region  
Legal Aid Bureau of Buffalo, Inc.  
\* Legal Aid Society of Northeastern New York, Inc.  
\* Legal Assistance of Western New York, Inc.  
Lehman College Center for the Performing Arts, Inc.  
Lehman College Foundation, Inc.  
Lehman College Student Child Care Center  
Let's Work for Good, Inc.  
Livingston County Chamber of Commerce  
Livingston County Education Alliance, Inc.  
Lord of Life Adult and Child Services, Inc.  
Lumber City Development Corporation  
Lutheran Service Society of New York  
\* Mac Housing Development Fund Co., Inc.  
Macaulay Honors College Foundation, Inc.  
\* Main-Best Housing Development Fund Company, Inc.  
Manhattan Community College Foundation, Inc.  
Manor Crest Foundation

\* Audit conducted in compliance with the provisions of Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.



PARTIAL LISTING OF NONPROFIT  
ORGANIZATIONS WHICH ARE OUR CLIENTS

Marcellus Volunteer Fire Department  
\* Margert Community Corporation  
\* Marion Apartments  
Mayor's Fund to Advance New York City  
Medgar Evers College Auxiliary Enterprises Corporation  
Medgar Evers College Educational Foundation, Inc.  
Medgar Evers College Student Faculty Association, Inc.  
Medical Student Polity of the State University of New York at Buffalo  
Mental Health Association of Erie County, Inc.  
Mental Health Association of Genesee and Orleans County, Inc.  
Mental Health Association of Niagara County, Inc.  
Mental Health Association of Rochester/Monroe, Inc.  
Mercy Flight Central, Inc.  
Millgrove Volunteer Fire Department, Inc.  
Missionary Childhood Association  
Monroe County Sheriff Police Benevolent Association  
\* Mohawk Valley Community Action Agency, Inc.  
Monroe Community College Association  
Monroe Community Sports Centre Corporation  
\* Monsignor Kirby Apartments Housing Development Fund Company, Inc  
\* Mount St. Mary's Housing Development Fund Company, Inc.  
Naples Ambulance, Inc.  
Nassau Senior Housing Development Fund Corporation  
National Association of Broadcast Employees & Technicians Local No. 57411  
National Postal Mail Handlers Union Local No. 309  
Neighborhood Legal Services, Inc.  
New York City College of Technology Foundation  
New York State Community Action Association, Inc.  
New York State Head Start Association, Inc.  
New York State Recreation and Park Society, Inc.  
New York State Rural Housing Coalition, Inc.  
New York State Tourism Industry Association, Inc.  
Niagara Charter School  
Niagara County Electrical Construction Joint Apprenticeship  
\* Niagara Community Action Program, Inc.  
Niagara Frontier Radio Reading Service, Inc.  
Niagara-Orleans Regional Land Improvement Corporation  
Nonnie Hood Parent Resource Center, Inc.

\* Audit conducted in compliance with the provisions of Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.



PARTIAL LISTING OF NONPROFIT  
ORGANIZATIONS WHICH ARE OUR CLIENTS

Northern Tier Career Center  
Northern Tier Insurance Consortium  
\* Northwest Buffalo Community Center, Inc.  
\* Northpointe Council, Inc.  
\* Oak-Michigan Housing Development Fund Company, Inc.  
\* Oneonta Small Family Housing Development Fund Company, Inc.  
\* Opportunities for Otsego, Inc.  
\* Our Mother of Good Counsel Housing Development Fund Company, Inc.  
Park School of Buffalo  
Partnership for Ontario County, Inc.  
Pine Harbour, Inc.  
Pioneer Network in Culture Change  
Plasterers and Cement Masons No. 111 Apprentice Training Fund  
Preservation Buffalo Niagara  
Protestant Episcopal Diocese of Western New York, Inc.  
Purchase College Association, Inc.  
Purchase Student Senate Association, Inc.  
Queens College Association  
Queens College Auxiliary Enterprises Association  
Queens College Intercollegiate Athletics Program  
Queens College Special Project Fund, Inc.  
Queensborough Community College Auxiliary Enterprise Corporation, Inc.  
Queensborough Community College Student Activity Association  
R.O.U.S.E., Rural Preservation Corporation  
Rapids Volunteer Fire Company, Inc.  
Refugee & Immigrant Self-Empowerment, Inc.  
Rensselaer County Housing Resources  
Research and Recognition Project  
Response to Love Center  
\* Riverside Episcopal Housing Development Fund Company, Inc.  
Robert H. Jackson Center, Inc.  
Rochester Economic Development Corporation  
Rochester Philharmonic Orchestra, Inc.  
Rochester Philharmonic Orchestra Fund, Inc.  
Rochester Rotary Charitable Trusts, Inc.  
ROCovery Fitness, Inc.  
Rowboat Family Foundation  
Royal Arch Medical Research Foundation

\* Audit conducted in compliance with the provisions of Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.



PARTIAL LISTING OF NONPROFIT  
ORGANIZATIONS WHICH ARE OUR CLIENTS

Rural Law Center of New York, Inc.  
S2AY Rural Health Network, Inc.  
The Salvation Army Elmira, NY Corps  
\* Santa Maria Towers Housing Development Fund Company, Inc.  
\* Schenectady Community Action Program, Inc.  
Schoharie County Child Development Council, Inc.  
Schoharie County Housing Development Fund Company, Inc.  
School of Pharmacy Student Association of University at Buffalo  
Schussmeisters Ski Club, Inc. (SUNY at Buffalo)  
\* SEPP Housing Development Fund Corporation  
SEPP Management Company, Inc.  
SEPP Rural Elderly Housing  
Shaarey Zedek Apartments Housing Development Fund Company, Inc.  
Shiloh 4 & 7 Housing Development Fund Corporation  
Snow Belt Housing Company  
Society for Propagation of Faith  
South St. Lawrence Planning Corporation  
Southern Tier Economic Growth, Inc.  
Southern Tier Network  
Specialized Early Childhood Center of Western New York, Inc. d/b/a Bornhava  
Spectrum Student Periodical, Inc. (SUNY at Buffalo)  
\* St. Clare Apartments Housing Development Fund Company, Inc.  
\* St. Lawrence County Community Development Program, Inc.  
St. Mark's Terrace Dundee Housing Development Fund Corporation  
St. Mark's Terrace Housing Development Fund Corporation  
St. Paul's Episcopal Church  
\* St. Regis Housing Development Fund Co., Inc.  
\* St. Timothy's Park Villa Housing Development Fund Company, Inc.  
Stella and Charles Guttman Community College Association, Inc.  
Stella and Charles Guttman Community College Auxiliary Enterprise Corporation  
Stella and Charles Guttman Community College Foundation, Inc.  
Steuben County Conference & Visitors Bureau, Inc.  
Student Association of the State University College at Fredonia  
Student Bar Association (SUNY at Buffalo)  
Student Government Association SUNY at Old Westbury  
Student Government Association of SUNY Maritime College  
SUB Board Inc. (University at Buffalo)  
Suburban Adult Services, Inc.

\* Audit conducted in compliance with the provisions of Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.



PARTIAL LISTING OF NONPROFIT  
ORGANIZATIONS WHICH ARE OUR CLIENTS

Suburban Adult Services Foundation, Inc.  
Suicide Prevention and Crisis Service, Inc.  
SUNY College at Old Westbury Auxiliary Service Corporation, Inc.  
SUNY College at Oneonta Alumni Association, Inc.  
SUNY College at Oneonta Foundation, Inc.  
SUNY Plattsburgh Child Care Center, Inc.  
\* Supportive Services Corporation  
Swormville Fire Company, Inc.  
TeamLift, Inc.  
Teamsters Joint Council No. 46  
\* Timon Towers Housing Development Fund Company, Inc.  
Tioga County Local Development Corporation  
\* Tompkins Community Action Agency, Inc.  
Town of Hancock Volunteer Ambulance Corp., Inc.  
\* Town of Plattsburgh Housing Development Fund Company, Inc.  
Town of Plattsburgh Local Development Corporation  
Town of Tonawanda Development Corporation  
Trinity Park Housing Development Fund Company, Inc.  
Troy Rehabilitation and Improvement Program, Inc.  
Truck Drivers Union Local 449  
\* Turning Point Brooklyn, Inc.  
Twin Tiers Christian Academy  
UB Alumni Association  
Ulster County Community College Association, Inc.  
Ulster County Community College Foundation, Inc.  
Undergraduate and Graduate Student Government of Hunter College of the City University of New York  
Undergraduate Student Association of the State University of New York at Buffalo  
Undergraduate Student Government at Stony Brook University, Inc.  
United Students' Government Service Group (Buffalo State College)  
United Way of the Southern Tier, Inc.  
Universal School  
University at Buffalo Student Association, Inc.  
Unshackle Upstate, Inc.  
Upper Mountain Fire Company of Lewiston  
Upstate New York PBA, Inc.  
Venture Jobs Foundation  
Victory Highway Wesleyan Church

\* Audit conducted in compliance with the provisions of Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.



PARTIAL LISTING OF NONPROFIT  
ORGANIZATIONS WHICH ARE OUR CLIENTS

- Village of Lowville Housing Authority - Valley View Courts  
Village of Sackets Harbor Housing Authority  
Volunteers of America of Western New York, Inc.  
Walk the Walk America
- \* Warren-Hamilton Counties Action Committee for Economic Development  
Warren County Local Development Corporation
  - \* Washington County Economic Opportunity Program d/b/a L.E.A.P.  
Washington County Local Development Corporation  
Wayne County Civic Facility Development Corporation  
Wee Care at Labor, Inc.  
West Elmira Volunteer Fire Company  
Western New York Heritage, Inc.
  - \* Western New York Independent Living, Inc.  
Western New York Veteran's Housing Coalition, Inc.
  - \* Wheatfield Housing Development Fund Company, Inc.  
White-Skipworth Residences Corporation  
WNY Rural Area Health Education Center  
Yates County Genealogical and Historical Center  
York College Association, Inc.  
York College Auxiliary Enterprise Corporation  
York College Child and Family Center  
York College Foundation, Inc.
  - \* Young Women's Christian Association of Schenectady, Inc.  
Youth FX, Inc.
  - \* YWCA of Western New York, Inc.
  - \* YW-WNY Housing Development Fund Company, Inc.

\* Audit conducted in compliance with the provisions of Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.



## **Appendix C**

### **Peer Review Letter**





Lisa M. Altschaffl, CPA  
 Jeffrey P. Anzovino, CPA, MSA  
 Cole F. Beehner, CPA  
 Charles A. Deluzio, CPA

Joseph E. Petrillo, CPA  
 Stacey A. Sanders, CPA, CSEP  
 Daniel W. Wilkins, CPA

## Report on the Firm's System of Quality Control

June 8, 2020

To the Partners of EFPR Group LLP  
 and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of EFPR Group LLP (the firm) in effect for the year ended November 30, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

### Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act and audits of employee benefit plans. As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of EFPR Group LLP, in effect for the year ended November 30, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*; *pass with deficiency(ies)* or *fail*. EFPR Group LLP has received a peer review rating of *pass*.

*Deluzio & Company LLP*

Deluzio & Company LLP





**NORTHWEST FLORIDA  
STATE COLLEGE  
FOUNDATION**

**NORTHWEST FLORIDA STATE COLLEGE  
FOUNDATION, INC.**

**PROPOSAL TO PROVIDE**

**Professional Auditing and Tax Services  
For the Year Ending  
June 30, 2023**

Firm Contact  
Brian T. Carter, CPA, Partner  
[bcarter@micpa.com](mailto:bcarter@micpa.com)



**Mauldin & Jenkins, LLC**  
1401 Manatee Avenue West, Suite 1200  
Bradenton, Florida 34205  
941-747-4483  
(Fax) 941-747-6035



## Transmittal Letter

March 9, 2023

Board of Directors  
Northwest Florida State College Foundation, Inc.  
100 College Boulevard  
Niceville, Florida 32578

Ladies and Gentlemen:

On behalf of Mauldin & Jenkins, we are excited about this opportunity to serve Northwest Florida State College Foundation, Inc. (the "Organization") in order to help meet the continuing challenges you face. We appreciate the opportunity to propose on providing professional services to the Organization, and we are pleased to submit our qualifications package to provide annual financial auditing and tax services for the year ending June 30, 2023 and the opportunity for two additional years.

Mauldin & Jenkins is committed to client service. We are committed to building relationships with our clients, obtaining a thorough understanding of our client's organization and needs, working with clients as trusted advisors, and delivering a high quality final product on time. There are many factors necessary to achieve quality client service. The following are some features we would like to highlight which differentiate us from other firms:

- **Specific not-for-profit experience:** Our Firm has made the not-for-profit sector a primary industry focus. We have served the audit and compliance needs of numerous not-for-profit organizations over the years, and remain committed to serving this sector. **Mauldin & Jenkins presently provides over 34,000 hours of service to over 400 not-for-profit organizations in the Southeast on an annual basis.** Consequently, our Mauldin & Jenkins professionals are thoroughly versed in the Organization's unique and complex functions, and we consistently provide the highest quality of service to our clients.
- **Experienced personnel:** Personnel proposed for this engagement have numerous years of professional experience in the not-for-profit sector and are dedicated to serving this industry. We make every effort to retain experienced and qualified staff that will assist in providing staff continuity. The quality of the proposed engagement team is the clearest evidence of our commitment to serve you.
- **Quality client service:** We pride ourselves in responding to the needs of our clients and meeting established deadlines. This responsiveness is not only the ability to meet specified audit deadlines, but also the ability to respond to other requests. These requests could be in the form of accounting advice throughout the year or in providing other professional services. Our ability to be responsive is enhanced by the open communications and good working relationships we have with our clients. We emphasize continuous open communication during the audit and throughout the year in order to have a complete understanding of your operations, risks, needs, and concerns.
- **Organized specifically to meet your needs:** Our partners, managers and seniors in the Firm's Not-for-Profit Division spend a majority of their time serving these entities. By structuring the Firm's Not-for-Profit Division in such a manner, we are able to create efficiencies in the audit process which typically result in our total hours being significantly less than other firms.



- **Education:** Presently, Mauldin & Jenkins clients have the opportunity to receive **complimentary** continuing education on an annual basis. We take our experience in serving not-for-profit organizations, and choose timely and relevant topics to provide ongoing education to our clients. We believe education and training to be a key element of serving our clientele. Our last session was held on February 15, 2023 and focused on, among other things, functional expense allocations and roles of the board and staff in the accounting function.
- **Community involvement:** In addition to teaching complimentary continuing education classes for not-for-profit leaders and board members, the Firm is involved in our community in a number of ways. Many of our employees serve as board members for not-for-profit organizations, the office conducts a quarterly community service project, and we sponsor annual fundraising events for approximately 25 not-for-profit organizations throughout Southwest Florida.
- **Professional leadership:** Along with being consistently ranked in the Top 100 by *Accounting Today* as well as *Inside Public Accounting* trade associations and magazines as one of the largest certified public accounting firms in the country, Firm personnel have held numerous professional leadership positions. This includes Chair of the Board of Directors of the American Institute of Certified Public Accountants (AICPA); members of the AICPA Government Quality Institute; Chairman of the AICPA Single Audit Task Force; and President of the Florida Institute of Certified Public Accountants. We use this experience to perform more effective and efficient audits for our clients.

We realize the difficulty in selecting an audit firm. By selecting Mauldin & Jenkins, you will receive excellent client service and operational best practices stemming from our service to hundreds of entities similar to the Organization. We understand the work requested and are committed to meeting your deadlines.

Thank you very much for considering our Firm and allowing us to present our proposal.

Sincerely,  
MAULDIN & JENKINS, LLC



Brian T. Carter, CPA  
Partner  
941-741-2229  
[bcarter@mjcpa.com](mailto:bcarter@mjcpa.com)



## Table of Contents

<b>Transmittal Letter .....</b>	<b>1</b>
<b>Table of Contents .....</b>	<b>3</b>
<b>Executive Summary .....</b>	<b>4</b>
<b>Quote</b>	
- <b>Understanding of the Work to be Performed .....</b>	<b>6</b>
- <b>Authorized Individual.....</b>	<b>6</b>
- <b>Fees .....</b>	<b>6</b>
- <b>Cost Overruns .....</b>	<b>7</b>
- <b>Advice and Counsel.....</b>	<b>7</b>
<b>Profile of the Firm</b>	
- <b>Firm Background.....</b>	<b>8</b>
- <b>Firm Experience .....</b>	<b>9</b>
- <b>990 Experience.....</b>	<b>10</b>
- <b>Technology .....</b>	<b>11</b>
<b>Mandatory Qualifications</b>	
- <b>License to Practice in the State of Florida.....</b>	<b>12</b>
- <b>Independence .....</b>	<b>12</b>
- <b>Substandard Audit Work.....</b>	<b>13</b>
- <b>What sets Mauldin &amp; Jenkins Apart .....</b>	<b>13</b>
<b>Summary of Qualifications</b>	
- <b>Engagement Team.....</b>	<b>14</b>
- <b>Staff Continuity.....</b>	<b>18</b>
- <b>Timeline and Completion .....</b>	<b>18</b>
- <b>Assistance Required by Organization Staff.....</b>	<b>18</b>
- <b>Recent Auditing Experience .....</b>	<b>19</b>
<b>References .....</b>	<b>21</b>
<b>Other Proposal Information</b>	
- <b>Engagement Approach .....</b>	<b>22</b>
- <b>Peer Review .....</b>	<b>29</b>
- <b>Technology .....</b>	<b>30</b>
- <b>Other Information.....</b>	<b>32</b>
- <b>Other Staff Resources .....</b>	<b>32</b>
- <b>Insurance Certificates .....</b>	<b>33</b>



## Executive Summary

*With extensive partner involvement and a team of dedicated specialists, Mauldin & Jenkins will provide Northwest Florida State College Foundation, Inc. with the service and insight needed to achieve your goals.*

### Our Understanding of the Organization's Requirements/Needs

The Organization desires our Firm to express an audit opinion on the fair presentation of its financial statements in conformity with accounting principles generally accepted in the United States of America as well as provide a management letter to management and governance.

To effectively address these issues and meet your key short- and long-term objectives, the Organization needs dependable, objective information. Therefore, as shown in *Figure 1*, you are seeking a proven firm to:

With one of the largest non-profit practices in the Southeast, our team will ensure efficiency and insight for Northwest Florida State College Foundation, Inc. management and Board Members.

#### Not Only

- Perform an annual audit and report on the financial statements of the Organization

#### But Also

- Candidly communicate with management regarding results and industry and regulatory updates, allowing for greater efficiency and better decision making
- Actively involve senior team members in all phases of the engagement, ensuring reliable, responsive service and quick issue resolution
- Provide value-added recommendations to strengthen the Organization's operations and internal controls

**Figure 1.** *Our Understanding of the Organization's True Service Needs*

### An Efficient, Value-Added Approach to Achieving Your Objectives

Our approach will be rooted in continuous communication with the Organization's management and the Board of Directors. From day one, our team will take the time to understand your issues and keep you abreast of changing financial demands.

This knowledge will allow us to maximize efficiency, minimize disruptions, and tailor our approach to your operations. Further, Partner Brian Carter will personally oversee each engagement step, ensuring dependable service and guidance.

Ultimately, our team will deliver reliable, insightful information, as well as valuable recommendations to improve the Organization's controls and strengthen your operations.



## Why Mauldin & Jenkins Is Best Suited to Serve the Organization

As shown in *Figure 2*, our team’s expertise, dedication, and proactive approach are ideally suited to serve the Organization.

Our team’s depth of experience, training, and industry involvement will yield valuable intelligence, allowing Northwest Florida State College Foundation, Inc. to leverage best practices and advance operational performance.

Mauldin & Jenkins Differentiator	Benefit to Northwest Florida State College Foundation, Inc.
<b>Maximizing Efficiency with Deep Not-for-Profit Experience</b>	
In addition to serving more than 400 not-for-profit organizations throughout the Southeast, from small to large, our professionals serve in leadership and instructor roles for various state associations and industry organizations including the AICPA.	Our team’s depth of expertise, combined with their professional and industry involvement, gives them up-to-date knowledge of the trends, regulations, and standards affecting the Organization—allowing them to quickly address technical and operational issues.
<b>Strengthening Operations with Frequent, Value-Added Communication</b>	
Our team members and Firm publications, such as our email blasts and free continuing professional education classes, will provide the Organization with regular updates and guidance on regulatory, industry, and accounting developments.	Instead of just resolving your financial statement and grant compliance issues, our specialists will also help prevent them—empowering the Organization with the knowledge and best practices to strengthen your operations.
<b>Ensuring Dependability with Continuity and Active Leader Involvement</b>	
Our team will feature ongoing partner involvement throughout every audit phase—including fieldwork—as well as a dedication to staff continuity. With an annual turnover rate well below the industry average, we can deliver.	With dependable oversight and a long-term commitment to team staffing, the Organization will enjoy reliable, responsive, and timesaving service from professionals with a deep understanding of your structure and challenges.
<b>Fulfilling Long-Term Service Needs with a Depth of Firm Resources</b>	
In addition to being one of the oldest and largest regional accounting firms in the Southeast, Mauldin & Jenkins has over 100 years of providing high-quality service to organizations like the Northwest Florida State College Foundation, Inc.	With not-for-profit specialists and more than 400 professionals across several specialties, we have the resources, capability, and expertise to meet your long-term service needs as the Organization grows and changes.



## Quote

### Understanding of the Work to be Performed

Mauldin & Jenkins, LLC hereby confirms we understand the work to be performed and all required time frames. We are willing and capable to perform the work and have done so for the last ten years meeting all required deadlines.

### Authorized Individual

Brian T. Carter, CPA is authorized to make representations on behalf of Mauldin & Jenkins, LLC as well as bind the Firm. Full contact information is included on the cover page.

### Fees

As requested by the Organization, we have provided an **all-inclusive maximum fixed fee** proposal for the annual financial statement audit, meetings with the governing body and all applicable 990 tax returns for Northwest Florida State College Foundation, Inc. This proposal contains all pricing information relative to the performance of the engagement.

Our fees include provisions for the conduct and performance of the financial statement audit, preparation of the 990 tax return as well as all out of pocket expenses, and all meetings with the governing body.

Below is a table summarizing the three-year **all-inclusive maximum fixed fees** for the years ending June 30, 2023, 2024, and 2025:

	June 30, 2023	June 30, 2024	June 30, 2025
Audit Services	\$ 17,250	\$ 18,200	\$ 19,150
Tax Services, 990	1,750	1,800	1,850
	<u>\$ 19,000</u>	<u>\$ 20,000</u>	<u>\$ 21,000</u>

Below is a table summarizing the first year **all-inclusive maximum fixed fees** by staff level and billing rate:

	Hours	Rate	Fee
Partners	15	330	\$ 4,950
Manager	36	215	7,740
Staff	36	160	5,760
Administrative	5	110	550
			<u>\$ 19,000</u>



## Cost Overruns

Our fee quote is a fixed fee. However, it is impossible to forecast what, if any, new standards will be passed by regulatory bodies that may affect the Organization in the future. If any new standards are passed that cause us to perform a significant amount of additional audit work, any additional fees will be discussed and approved by management prior to billing. **At this time, we do not anticipate any new standards that will impact future costs.** In no case will additional fees be billed to your Organization before discussing the matter with management.

## Advice and Counsel

Our fee quote includes appropriate time for responding to basic periodic technical questions throughout the year. **Separate billings will not be generated for these hours.** Questions that require significant research will be billed according to agreed-upon amounts once we have appropriately communicated the estimated fee and obtained appropriate approval from management. Our fees are based on the time and resources that are required plus direct expenses. Our rates range from \$100 to \$360 per hour depending on the level of staff involved in the work. We typically discount our rates between 10% and 20% when working with not-for-profit organizations. When there is a request for significant additional services that do not conflict with audit independence standards, we notify the client of the estimated cost for that service.



## Profile of the Firm

### Firm Background

Established in 1918, Mauldin & Jenkins is a regional firm and has been serving not-for-profit organizations since its inception. Mauldin & Jenkins is one of the largest certified public accounting firms in the Southeast. As of January 1, 2023, we have 71 partners and approximately 285 professionals for a total of 356 professional staff (453 total personnel) in fourteen different offices. Our offices are located in Atlanta, Sandy Springs, Macon, Savannah, and Albany, Georgia; Birmingham, Athens, Florence and Huntsville, Alabama; Chattanooga, Tennessee; Columbia, South Carolina; Raleigh, North Carolina; **Bradenton and Sarasota, Florida.**



Mauldin & Jenkins is unique among CPA firms in that we have the characteristics of both a large and small firm. This sets us apart from our competitors. As a large, regional accounting firm, we have a vast array of resources to assist with almost any problem or challenge. However, we also embrace the values and practices of a small firm by encouraging significant partner involvement in each engagement. We place a premium on client relationships, building a high level of trust and commitment with each client. Our existing client relationships speak to our consistency and high level of service.

Firm-wide we currently provide audit, accounting and tax services to over 400 not-for-profit organizations throughout the Southeast. **The Bradenton/Sarasota office of the Firm has eight partners and approximately 40 total employees and provides audit, accounting and tax services to approximately 60 not-for-profit organizations in the State of Florida.**

For the audit of the Organization, we propose to assign two partners (one engagement partner, Brian Carter, and one quality review partner, Dianne Kopczynski), one manager and one staff to work on this engagement.

Several features of our Firm that reflect our commitment to delivering high quality service include:

**Responsiveness:** We will devote the necessary time and attention to meet your needs. We are committed to providing prompt and timely service.

**Personal Attention:** Our favorable ratio of audit partners to staff ensures that you will receive personal attention from an experienced Mauldin & Jenkins professional. Your problems will not be “downward delegated” to inexperienced staff.

**Accountability:** A “small firm” orientation means that our staff is more directly accountable for our work and for your ultimate satisfaction. From partner to staff, we are empowered to take action as necessary to help you meet your objectives and provide quality service. Our clients deserve only the best, and our goal is to deliver nothing less. Our unique capabilities allow us to anticipate opportunities and/or issues and then work with you to develop a balanced approach to business and financial planning.



## Firm Experience

Our industry clients have indicated they want professionals who understand their business and **as noted in the Transmittal Letter, the Firm currently provides professional services to over 400 not-for-profit organizations**. The not-for-profit sector is the third largest niche in the Firm. Partners, managers and many staff in this sector spend a majority of their time serving these clients. Our experience includes expertise and knowledge of FASB, the AICPA, Uniform Guidance (Single Audit Act), Yellow Book, not-for-profit exempt taxation, and ERISA. By structuring the practice in such a manner, we are able to create efficiencies in the audit process by leveraging work and utilization of the right people.

However, size and resources are not the most meaningful measure of success; in the end, our clients remain the best judges of Mauldin & Jenkins' value.

Other key information relative to the size and experience of Mauldin & Jenkins is as follows:

- **410,000** - approximate total hours of service provided annually to clients of the Firm
- **34,000** - approximate total hours of service provided annually to not-for-profit clients of the Firm
- **453** - total number of Firm personnel
- **71** - total number of Firm partners
- **100** - approximate number of professionals with current not-for-profit experience

### **Serving Not-for-Profit Organizations for Over 100 Years**

Mauldin & Jenkins' commitment to the not-for-profit sector began when our Firm was established in 1918. Since then, we have viewed service to these entities as significant to the overall success of the Firm. Today this sector is an industry that has been specifically identified for our continued growth in professional services. Accordingly, all professionals, from entry level accountants to partners (who select the not-for-profit sector as their focus), are trained to understand the issues and meet the needs of our not-for-profit clients.

**Mauldin & Jenkins employs approximately 20 partners, directors and managers who dedicate virtually 100% of their time serving not-for-profit clients.** We also have numerous additional professionals with current experience in providing services to these clients. Mauldin & Jenkins' dedicated professionals can bring a comprehensive understanding of the issues that the Organization faces as well as "bench strength" at all levels, allowing us to respond swiftly and effectively to your evolving needs.

The Firm is also a part of the AICPA Single Audit Quality Improvement Task Force whereby individuals from the Firm are part of this committee. This committee's sole purpose is to help the profession as a whole do a better job overall in the performance and documentation of Single Audits.

The Firm itself is a member of the American Institute of Certified Public Accountants.



## 990 Experience

A broad range of tax issues face exempt not-for-profit organizations, including unrelated business income tax, compensation, and employment taxes and fringe benefits. We will assist the Organization in identifying potential tax risks. The exempt tax practice includes the following services:

- 990 planning and return preparation.
- 5500 planning and return preparation.
- Unrelated business income tax (UBIT).

A data gathering form will be provided to the Organization in advance of the filing deadline for the 990. We will also consult with you at no additional charge regarding new 990 compliance and governance requirements and help you evaluate potential unrelated business income issues.

Our expertise in tax and business matters combined with our non-profit niche allows us to cater to all your tax needs.

- The tax practice of the Firm consists of two general areas:
  - A. Tax Planning - This function includes a broad range of services such as advising clients of alternative solutions in the tax law relative to their situation. Tax planning requires a high level of competence developed through a broad knowledge of tax law and tax accounting.
  - B. Preparation of Tax Returns - Tax return preparation consists of two functions:
    - (1) Data gathering and return preparation.
    - (2) Tax return compliance and technical reviews.

The review function for tax returns is to insure that a quality product is prepared and all planning opportunities to minimize taxes when applicable are recognized and considered. The compliance review is a detailed review of the workpapers and tax return. It will be performed by the partner. The technical review is performed by a partner independent of the engagement to ensure compliance with all IRS and Firm requirements.



## Technology

As a large regional firm, we have the means to invest in the latest technology and training for our staff. Mauldin & Jenkins is committed to using current audit technologies. Mauldin & Jenkins employees are involved in the audits of computerized systems daily and our professionals receive continuing professional education related to auditing computerized systems. Electronic deliverable formats are available to our clients.

Mauldin & Jenkins has implemented a paperless approach to auditing. As part of our audit, we work with each client to receive as much of the audit documentation as possible in electronic format. This helps keep the disruptions to your staff to a minimum.

We utilize data mining software to allow us to dig beneath the surface of the general ledger account activity to enhance the quality of our audit. Our use of technology allows us to increase our efficiency and add value to the audit.

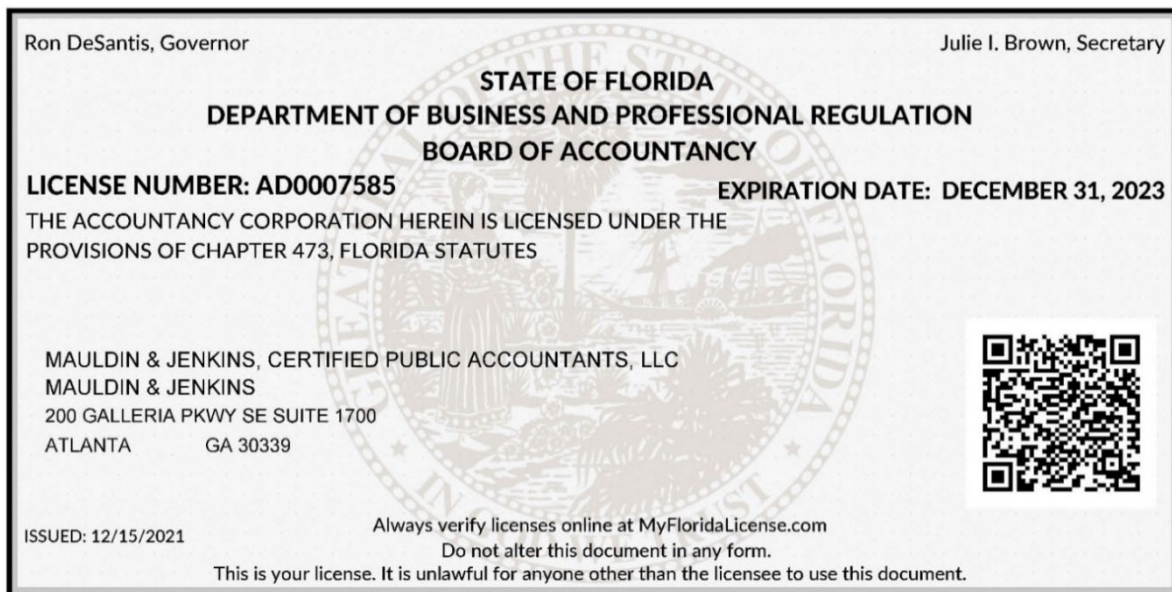
We use CCH products for our paperless audit software, tax return preparation and depreciation computations. We also utilize IDEA as our data mining software. Microsoft Office products are utilized for workpaper preparation.



## Mandatory Qualifications

### License to Practice in the State of Florida

Mauldin & Jenkins is licensed to practice public accounting within the State of Florida. Our Firm's Florida license number is AD0007585. Additionally, all assigned key professional staff are properly licensed and registered to practice public accounting within the State of Florida. We have included a copy of the Firm's state licensure below which we have had since the mid-1980s. All other individual licenses are available upon request and can be independently verified at [www.myfloridalicense.com](http://www.myfloridalicense.com).



### Independence

We hereby affirm that Mauldin & Jenkins, LLC is independent with respect to the Organization as defined by Generally Accepted Auditing Standards.

We meet the independence standards of Generally Accepted Auditing Standards. We are also independent with respect to the Organization within the meaning of Rule 101 of the Code of Professional Ethics of the American Institute of Certified Public Accountants and the applicable published rules and interpretation thereunder.

We will conduct our audits objectively and will report findings, opinions and conclusions objectively. As noted above, we are free from personal and external impairments to independence, are organizationally independent, and will maintain an independent attitude and appearance so that opinions, conclusions, judgments, and recommendations are impartial and will be viewed as impartial by knowledgeable parties. There are no situations that might lead others to question our independence. We will give the Organization written notice of any professional relationships entered into during the period of this agreement.



## Substandard Audit Work

We hereby affirm that Mauldin & Jenkins, LLC does not have a record of substandard audit work. No member of the engagement team nor has the Firm had any disciplinary actions taken (nor are any pending) against them during the past three years with any state or federal regulatory bodies or professional organizations.

## What Sets Mauldin & Jenkins Apart

Mauldin & Jenkins is uniquely qualified to serve the Organization for the following reasons:

### Experience

Mauldin & Jenkins has served not-for-profit organizations since our inception. For the year ended June 30, 2022, Mauldin & Jenkins provided audit, accounting and tax services to over 400 not-for-profit organizations. The Firm and all partners and staff serving the Organization are currently licensed and practice in Florida, and have experience with not-for-profit organizations. Additionally, the Firm and its employees are members of both the AICPA and the FICPA.

The partner and concurring/quality review partner assigned to this engagement have more than 40 combined years of experience serving not-for-profit entities. Our volume of work in this industry (over 34,000 hours provided during our last fiscal year) allows us to have experienced staff to help serve our clients.

### Continuity

Our people are our most important resource and enable us to provide quality client service. Our Firm staff retention rates are above average. We empower our people to make decisions to provide a positive work environment and offer upward mobility. All of these help our retention rates. We are then able to maintain continuity on client engagements. Our staff knows the client's business and personnel. This understanding allows us to be more proactive in making suggestions to improve the business.

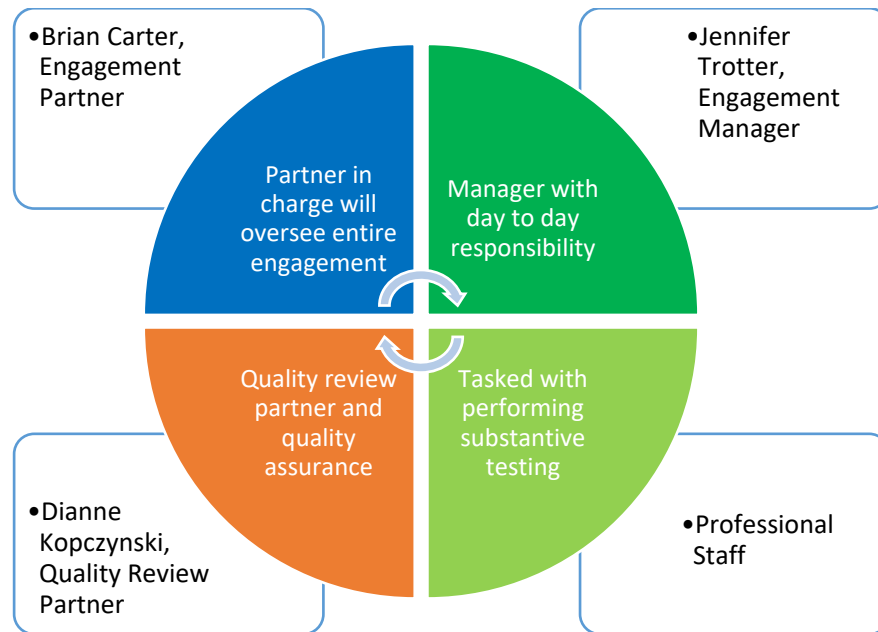


## Summary of Qualifications

### Engagement Team

In order to provide the highest quality service in the most cost efficient manner, Mauldin & Jenkins has formed a client service team that will function as a cohesive unit, and would represent a superb assortment of talent and experience for the audit of the Organization.

The below team dedicated to audit the Organization will include (at a minimum): two partners, one manager and one staff. The manager and staff professional will be substantially on-site full-time throughout the conduct of their role in the audit. The audit partner in-charge of fieldwork will correspond with the Organization's management on financial reporting, audit and related issues on an ongoing basis, and this individual will be dedicated to serve the Organization throughout fieldwork, reporting and conclusion in all respective fiscal years. Mauldin & Jenkins has the depth of resources that allows us to provide you with significant resources of knowledgeable professionals to meet your deadlines.



We realize that, regardless of our Firm's qualifications, the quality of service the Organization receives will correlate directly to the skill level, dedication and resourcefulness of your audit engagement team. The individuals listed have been selected to serve the Organization based on their years of hands-on experience working with not-for-profit organizations, and for their commitment to exceeding client expectations. Your team members are dedicated and resourceful, and among the most talented in their field. We encourage you to contact us whenever you have questions and to view us not just as auditors, but also as true advisors. All members of the engagement team receive approximately 30 hours per year of continuing education dedicated specifically to audit, accounting and taxation for not-for-profit organizations. No member of the engagement team, nor has the Firm, had any disciplinary actions taken (nor are any pending) against them during the past three years with any state or federal regulatory bodies or professional organizations.



## **Brian Carter, CPA**

Partner  
Bradenton, Florida

941-741-2229  
[bcarter@mjcpa.com](mailto:bcarter@mjcpa.com)

Brian Carter is a partner and a Certified Public Accountant with Mauldin & Jenkins. He is registered and licensed to practice in Florida and Georgia. Brian is a partner who works almost exclusively in the not-for-profit sector of the Firm's audit practice. Brian has over 26 years of experience serving not-for-profit clients. Brian will have the overall engagement responsibility for the Organization including planning, developing the overall audit approach, supervision of staff, and will be a main contact point for the Organization.



### **Technical Experience**

During his career, Brian has served numerous not-for-profit clients on behalf of the Firm including currently serving as engagement partner on over 40 such entities in Florida.

### **Professional Associations and Education**

- Bachelor of Business Administration in Accounting from Mercer University
- Certified Public Accountant licensed by the States of Florida and Georgia
- Member of the American Institute of Certified Public Accountants (AICPA)
- Member of the Florida Institute of Certified Public Accountants (FICPA)

### **Civic Affiliations**

- Board member and Past Chair for PACE Center for Girls Manatee
- Former Board member, Past Treasurer and Past President for Bishop Museum of Science and Nature
- Former Board member Manatee Chamber of Commerce
- Leadership Manatee Class of 2013/2014
- Leadership Florida Cornerstone Class 38
- Active in several trade organizations serving the not-for-profit community

### **Audit Training**

Brian annually exceeds the professional standards requirements requiring 80 hours of CPE every two year period and GAGAS standards requiring at least 24 hours of CPE that directly relates to government auditing. Listed below are just some of the training courses Brian has attended over the last few years:

- 2022 National AICPA Not-for-Profit Conference
- 2022 M&J Entrepreneurial Services Conference
- 2021 National AICPA Not-for-Profit Conference
- 2021 M&J Entrepreneurial Services Conference
- 2020 National AICPA Not-for-Profit Conference
- 2019 National AICPA Not-for-Profit Conference



## **Dianne K. Kopczynski, CPA, CIA**

Partner  
Bradenton, Florida

941-747-4483

[dkopczynski@mjcpa.com](mailto:dkopczynski@mjcpa.com)

Ms. Kopczynski, CPA, CIA, is a partner in the audit department and has over 30 years of auditing experience. Ms. Kopczynski has provided services to numerous organizations, including not-for-profit, retirement plans, governmental, charter schools, financial institutions, construction companies, and other public and private entities. Dianne will act as the quality control review partner for the Organization.



Ms. Kopczynski is also a Certified Internal Auditor and has extensive experience in internal auditing, developing risk assessments, internal controls and company processes and procedures. She has been responsible for planning, executing and reporting on operational, financial and regulatory compliance audits throughout her whole career.

### **Technical Experience**

Dianne works mainly in the not-for-profit and retirement plan sector and has over 15 years of experience auditing these entities.

### **Professional Associations and Education**

- Bachelor of Science in Business Administration in Accounting from Slippery Rock University
- Bachelor of Science in Business Administration in Management from Slippery Rock University
- Certified Public Accountant licensed by the States of Florida and Pennsylvania
- Certified Internal Auditor
- Member of the American Institute of Certified Public Accountants (AICPA)
- Member of the Florida Institute of Certified Public Accountants (FICPA)
- Member of the Institute of Internal Auditors (IIA)
- Florida West Coast Chapter of the Institute of Internal Auditors

### **Civic Affiliations**

- Board member and Treasurer for the Cradle to College Foundation
- Board of Director, Executive Committee and Treasurer for the Lakewood Ranch business Alliance
- Past Board of Director, Executive Committee and Finance Committee Chair for the Early Learning Coalition of Manatee County
- Leadership Manatee Class of 2010/2011
- Leadership Manatee Alumni Association
- Active in several trade organizations serving the not-for-profit and business community

### **Audit Training**

Dianne annually exceeds the professional standards requirements requiring 80 hours of CPE every two year period and GAGAS standards requiring at least 24 hours of CPE that directly relates to government auditing, the government environment, or the specific or unique environment in which the audited entity operates. She attends annual Firm sponsored not-for-profit and governmental accounting and auditing updates, as well as Single Audit updates, AICPA sponsored courses, and various other courses. Dianne has been a speaker at various training events throughout her career.



## **Jennifer Trotter, CPA**

Senior Associate  
Bradenton, Florida

941-747-4483  
[jtrotter@mjcpa.com](mailto:jtrotter@mjcpa.com)

Jennifer Trotter is a Senior Associate with Mauldin & Jenkins. Jennifer works in both the Audit and Tax Department providing services to numerous organizations. Her experience covers not-for-profit, governmental, financial institutions, construction companies, and other public and private entities. Jennifer emphasizes on providing quality client services, open communication, and being deadline orientated to meet client's needs.



### **Technical Experience**

Jennifer works in the not-for-profit sector approximately 65% of her time and has five years' experience in the not-for-profit sector.

### **Professional Associations and Education**

- Bachelors in Accounting with a minor in Marketing from University of South Florida
- Certified Public Accountant licensed by the States of Georgia and Florida
- Member of the American Institute of Certified Public Accountants (AICPA)
- Member of the Florida Institute of Certified Public Accountants (FICPA)

### **Audit Training**

*Jennifer* annually exceeds the professional standards requirements requiring 80 hours of CPE every two year period and GAGAS standards requiring at least 24 hours of CPE that directly relates to government auditing. Listed below are just some of the training courses Jennifer has attended over the last few years:

- 2022 Advancing Advisory: Business Valuation Services – Online
- 2022 Governmental Conference – Pension & OPEB – Online
- 2022 ES-NFP Conference: Assurance – Online
- 2022 ES-NFP Conference: Tax – Online
- 2022 Thomson Reuters Audit Watch Level 5 – Online
- 2022 Advancing Advisory: Financial Institution Services
- 2022 Ethics and Profession Conduct for CPAs in Florida – Online
- 2022 Surgent Best Federal Tax Update – Online
- 2022 Coronavirus State & Local Fiscal Recovery Fund – Online
- 2021 A&A Update – Online
- 2021 Governmental In-Charge Training – Online
- 2021 Governmental Conference – Online
- 2021 Thomson Reuters Audit Watch Level 4 – Online
- 2021 ES-NFP Conference: Assurance – Online
- 2021 ES-NFP Conference: Tax – Online
- 2021 Single Audit Training – Online
- 2021 Tax Watch Level 4 – Online
- 2020 General Tax Update – Bradenton, FL



## Staff Continuity

We place a high level of importance on the continuity of our engagement team members, as we feel that continuity of the engagement team allows us to be more effective auditors and consultants. We recognize that this can also be an important factor for the Organization, as it limits the amount of retraining that needs to be performed each year. It is our intention to maintain continuity of the engagement team from year-to-year. We are able to do this because of the depth of staff that we have developed through our not-for-profit work. Changes in personnel will be discussed with the Organization's management in a timely fashion and the qualifications of the replacement personnel provided. Rest assured that with the depth of Mauldin & Jenkins' resources in serving not-for-profit organizations, the Organization's engagement will be staffed with capable and effective professionals.

Our staff retention rates compare favorably to published national averages. The Firm currently employs approximately 450 total personnel. The AICPA estimates that turnover rates for CPA firms nationwide range between 11% to 20%. Our staff attrition rate has been approximately 16% over the last three years. This allows us to not only provide consistency with the partner on our engagement teams, but with staff as well. Many of our clients will tell you that they routinely have staff return to serve them year after year. To ensure continuity of service, the same partner and staff would be assigned to you on a year-to-year basis.

## Timeline and Completion

We recognize the timely filing of each of the deliverables is important to management and the Board of Directors. We share this view and will plan our work accordingly. Each step of the audit and information gathering process flows toward meeting this goal. We will provide management with drafts of the deliverables to allow for the proper review and comments before the reports are finalized.

As previously noted, in the section heading "Engagement Segmentation", we are prepared to start the audit whenever your Organization is ready, and anticipate beginning final fieldwork in July each year. We expect the fieldwork portion of the audit to take approximately one week. Barring unforeseen circumstances, drafts of the financial statements will be delivered to management approximately one month after fieldwork has been completed. Final copies will be issued once appropriate approvals from management and the Board of Directors are received. We will meet with the audit committee, or equivalent, to review the draft financial statements prior to their issuance. We would anticipate issuing the audit in final form in accordance with your requirements.

## Assistance Required by Organization Staff

As previously noted, we make every effort to minimize the disruptions to your staff during the audit. We will send a detailed "PBC" request that lists the schedules and analysis we will need from your staff in order to complete audit fieldwork. We will discuss with you upon hire, and after review of prior year workpapers, the items your staff will be able to prepare in advance for us. We will also require as much access to staff during the week of fieldwork in order for the audit to run efficient for both you and us and to meet the required deadlines.



## Recent Auditing Experience

Listed below are not-for-profit organizations for which the Bradenton office of the Firm has performed attest work in the last two years (education related entities are bolded):

- American Accounting Association
- Animal Rescue Coalition, Inc.
- Boys and Girls Club of Sarasota, Inc. 403b Plan
- Boys and Girls Club of Sarasota Foundation, Inc.
- Bradenton Area Economic Development Corporation
- Bradenton Yacht Club, Inc.
- Christ Church of Longboat Key
- Community Coalition on Homelessness Corporation d/b/a Turning Points
- Desoto Towers, Inc.
- Economic Development Corporation of Sarasota County
- Everglades Wonder Gardens
- Everyday Blessings, Inc.
- Florida Alliance of Boys and Girls Clubs, Inc.
- Florida Bankers Association
- Florida Bankers Association Political Action Committee
- Florida Bankers Education Foundation
- Florida Cultural Group, Inc.
- Florida Goodwill Association, Inc.
- Florida West Coast Symphony, Inc. d/b/a Sarasota Orchestra
- **Forty Carrots of Sarasota, Inc.**
- Foundation for Dreams, Inc.
- Goodwill Industries–Manasota, Inc.
- Greater Sarasota Chamber of Commerce
- Gulf Coast Partnership
- Habitat for Humanity of Lee and Hendry Counties, Inc.
- Holland & Knight Charitable Foundation, Inc.
- Honor Sanctuary, Inc.
- Hope Family Services, Inc.
- Jewish Family and Children’s Service of the Suncoast, Inc.
- Manasota-Solve, Inc.
- Manatee Children's Services, Inc.
- Manatee County Girls Club, Inc.
- Manatee County Girls Club Foundation, Inc.
- Manatee Family YMCA, Inc.
- Manatee River Fair Association, Inc.
- **Manatee School of Arts & Sciences, Inc.**
- Meals on Wheels PLUS of Manatee, Inc.
- Micah’s Place
- **New College of Florida (internal audit services)**
- **New College of Florida Development Corporation**
- **New College Foundation, Inc.**



- **Northwest Florida State College Collegiate High School**
- **Northwest Florida State College Foundation, Inc.**
- Resilient Retreat
- **Ringling College Library Association, Inc.**
- Safe Place and Rape Crisis Center, Inc.
- Sarasota Ballet of Florida, Inc.
- Sarasota Opera Association, Inc.
- Shelterbox USA, Inc.
- Shy Wolf Sanctuary Education and Experience Center, Inc.
- Southeastern Guide Dogs, Inc. Retirement Plan
- **State College of Florida Foundation, Inc.**
- **St Petersburg Collegiate High School North Pinellas**
- Suncoast Partnership to End Homelessness, Inc.
- The Roskamp Institute, Inc.
- Women's Resource Center of Manatee, Inc.

The proposed partner also provides bookkeeping, consulting and tax services to the following not-for-profit organizations:

- Bishop Museum of Science and Nature
- Carenet Manasota
- **Friends of the East Manatee Library at Lakewood Ranch, Inc.**
- Humane Society of Lakewood Ranch
- Manatee County Gun Club
- Nathan Benderson Park Foundation
- Service Club of Manatee County
- Sixteen Hands Horse Sanctuary
- South Florida Museum Endowment Trust

In addition to the above education related entities served by the Bradenton Office of the Firm, other offices of the Firm provide audit, accounting and tax services to approximately 50 education related organizations across the Southeast, including approximately 25 college or university foundations.



## References

Below are three current clients of the Firm with the requested information that Northwest Florida State College Foundation, Inc. can contact for reference purposes:

Contact Name and Title: Ron McDonough, CFO  
Contact Vendor Name: New College Foundation, Inc.  
Contact Phone Number: (941) 487-4672  
Industry of Client: Not-for-Profit  
Service Description: Audited financial statements and 990 return preparation

Contact Name and Title: Deborah Green, CFO  
Contact Vendor Name: State College of Florida Foundation, Inc.  
Contact Phone Number: (941) 752-5397  
Industry of Client: Not-for-Profit  
Service Description: Audited financial statements and 990 return preparation

Contact Name and Title: Diane O'Driscoll, CFO  
Contact Vendor Name: Forty Carrots of Sarasota, Inc.  
Contact Phone Number: (941) 365-7716  
Industry of Client: Not-for-Profit  
Service Description: Audited financial statements and 990 return preparation



## Other Proposal Information

### Engagement Approach

Our audit will include such tests of the accounting records and other auditing procedures as we consider necessary. After obtaining an understanding of your internal controls and the accounting system, we will develop an audit program tailored to the Organization. We anticipate that these procedures will enable us to express that, in our professional opinion, the financial statements present fairly, in all material respects, the financial position and results of operations in accordance with the basis of accounting mentioned above. Should we find any significant irregularity; the irregularity will be discussed with management and/or the Board of Directors, as appropriate. We will send a detailed requested items letter outlining the schedules and analysis needed for the audit prior to the start of fieldwork. We will work so that disruptions to the normal work flow for all staff will be minimized.

**High Percentage of Partner and Manager Involvement** – Partner and manager involvement varies with different firms. At Mauldin & Jenkins, we believe it is important for our partners and managers to be highly involved in the audit process, including fieldwork. This is a value-added concept most firms do not employ. That being said, we believe it is important to note that our proposal includes:

- Substantial Partner Hours as Compared to Total Hours.
- Substantial Manager Hours as Compared to Total Hours.
- Approximately 55% of all anticipated hours of service are partner and manager hours, which means we bring our experience to the field and not just the front end and back end of the audits.

Based on our experience with similar type entities, we recognize that there are several areas that require additional attention. The areas that will receive primary emphasis in the audit are: (1) the revenue cycle, which includes contributions, (2) investments, and (3) restrictions on net assets.

All proposed audit adjustments will be discussed with and approved by management before being posted to the financial statements.

Through our quarterly not-for-profit newsletters and regular communications with management we will ensure that management stays up to date on all significant developments that affect the Organization.

### Internal Control Review

We have extensive experience in performing internal control reviews, where we evaluate your processes and procedures and make recommendations to strengthen internal controls to safeguard assets and improve financial reporting, as well as gain efficiencies. Some of the control activities reviewed include: the proper segregation of duties, the approval and authorization of various transactions, the performance of reconciliations, physical controls over assets, and controls over information technology. Our experience, insight and vision as auditors enable us to augment internal control environments for our clients.

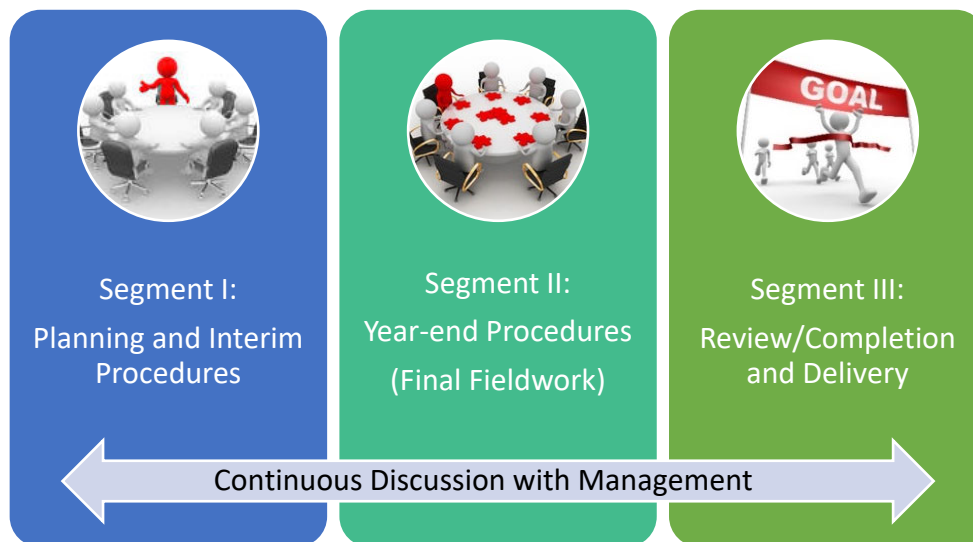


The nature, timing and extent of procedures the engagement team chooses to perform to obtain an understanding of internal controls varies depending on the size and complexity of the Organization, the nature of specific controls and use of information technology used by the Organization, the nature and extent of changes in systems and operations, and the nature of the Organization's documentation of specific controls. The engagement team's assessments of inherent risk and determination of materiality for various account balances and classes of transactions will also affect the nature and extent of procedures performed to obtain an understanding of internal control.

Procedures the engagement team uses to obtain an understanding of internal control sufficient to plan the audit include: inquiries of appropriate management, supervisory and staff personnel; inspections of Organization documents and records; and observations of the Organization's activities and operations. This understanding of the Organization's internal controls will include knowledge about how internal controls are designed and whether they are designed effectively to prevent or detect material misstatements on a timely basis and whether internal controls have been placed in operation. In order to determine whether the Organization's controls have been designed effectively and placed in operation, the engagement team will perform and document "walkthroughs" of the controls for significant account balances and classes of transactions. Based on these "walkthroughs" and our understanding of the controls, tests of controls will be performed to determine if the controls are operating effectively and as intended.

### Engagement Segmentation

Our professionals, who are knowledgeable with respect to audit requirements, will be assigned based on their expertise with respect to each segment. Our audit procedures, related documentation and quality review will be segregated by each segment as follows based on our review of the Organization's prior financial statements, budgets, request for proposal, past experience, and other information available:





## Segment I: Planning and Interim Procedures



This segment (typically performed in June each year) includes:

- Obtaining a signed engagement letter for the financial audit;
- Meeting with management to discuss the scope of the audit, timing of our work, preparation of client schedules, and to address any concerns;
- Reviewing previously issued and interim financial reports, comment letters, monitoring reports, and other supporting workpapers;
- Reading minutes of Board meetings;
- Reviewing the Organization's current year budget;
- Reviewing new agreements, and other various documentation;
- Obtaining an understanding of the Organization's accounting policies and procedures, including the financial and other management information systems utilized by the Organization.

## Segment II: Final Audit Fieldwork Procedures

This segment (expected to be performed in July/August each year) includes:

- Conducting an analytical review of account balances based on closing balances;
- Testing the valuation, restrictions and cut-offs of cash balances, as applicable;
- Testing the existence of any accounts receivable balances;
- Testing the valuation of investments;
- Testing compliance with applicable laws and regulations;
- Testing the existence of all liabilities;
- Testing the classification of net assets (with restrictions and without restrictions);
- Performing analytical procedures and substantive testing of revenues and expenditures/expenses;
- End of fieldwork exit conference.



## Segment III: Review, Completion and Delivery Procedures



This segment (expected to be performed in September each year) includes:

- Reviewing workpapers to ensure quality and thoroughness of audit procedures;
- Summarizing the results of audit procedures;
- Evaluating commitments, contingencies and subsequent events;
- Proposing audit adjustments;
- Summarizing and evaluating passed audit adjustments;
- Reviewing draft financial statements and related note disclosures;
- Preparing drafts of audit reports and management letter;
- Delivering drafts of audit reports and letters to appropriate client officials;
- Finalizing all reports and management letter;
- Obtaining signed representation letter and the Organization's approval of the final financial statements;
- Preparing and providing the Organization a PDF document and "camera ready" copy of the audited financial statements;



- Acknowledgement and communication surrounding Statement of Auditing Standards (SAS) No. 114, *The Auditor's Communication with Those Charged with Governance*. We will provide, as required, communications to management on each of the following:
  - Our responsibility, as your auditors, under auditing standards generally accepted in the United States of America.
  - Accounting policies.
  - Management's judgments and accounting estimates.
  - Financial statement disclosures.
  - Related accounting matters.
  - Significant difficulties encountered in performing the audit.
  - Audit adjustments.
  - Disagreements with management.
  - Representations from management.
  - Management consultation with other accountants.
  - Significant issues discussed with management.

### Affiliate Member Firm

In addition to our own internal resources, Mauldin & Jenkins is a member of the RSM US Alliance. RSM is the fifth largest professional service accounting and consulting organization in the world. We do not anticipate utilizing RSM for this audit.

### Quality Control

Our client acceptance procedures are the most important aspect of our quality control process. We utilize multiple review processes including partner pre-reviews and concurring reviews of audit work. We also perform internal inspections on audit work. Mauldin & Jenkins utilizes PPC audit programs and procedures.

### Management Letters and Communication

Our client service philosophy is to identify opportunities for the client to improve their operations. We believe that good management advice is a value-added service to the audit. Our approach to develop management letter comments is as follows:

- The client service team meets to discuss and plan what opportunities there are to provide business advice prior to performing the audit.
- During fieldwork the staff will document possible opportunities for enhancement of internal controls, accounting systems and operational effectiveness. The audit team members understand that they have a responsibility to generate constructive ideas that may be used as management letter comments or verbal recommendations.
- The audit team will obtain an understanding of the Organization beyond the general ledger through inquiry and documentation of system walkthroughs. This understanding will facilitate the creation of meaningful management suggestions.
- The audit team will utilize their experience to recommend best practices.
- Once the recommendations are developed, emphasis is placed on effectively communicating the suggestions both verbally and in writing. Management letter comments are client focused. As stated above, these may be communicated either through a formal management letter or as a component of the management agenda discussed with the Board at the conclusion of the audit.



## Depth of Resources

Mauldin & Jenkins employs over 450 total personnel. Our concentration in the not-for-profit area has allowed us to develop a strong array of resources.

## Publications and Other Value-Added Services

Mauldin & Jenkins' clients are given the opportunity to receive complimentary continuing education. We have developed an education and training program for our not-for-profit client base that is given two to three times throughout the year. We take our experience in serving not-for-profit organizations and choose timely and relevant topics to provide ongoing education to our clients. We believe education and training to be a key element of serving our clientele.

In addition to our education and training program for our not-for-profit client base, we also have periodic complimentary internal training classes, such as an annual tax update, to which we invite our clients.

We also have an email and social media blast format for communicating new and emerging topics in the not-for-profit industry through emails to our clients and our Facebook page.

We can also provide the Organization with benchmarking analysis. The Organization can be compared to other similar organizations of your choosing. The analysis will identify standards and best practices to apply in measuring and improving performance.

## Client Service Philosophy

Mauldin & Jenkins is a regional firm with small-firm values. We provide each client with a meaningful partner presence on each engagement. The partner is in regular communication with management throughout the year. While we encourage our staff to develop strong relationships with client personnel, we also want client personnel to know that they can call on our partners at any time.

We encourage client conversation with our policy of not billing for routine advice and counsel. This policy encourages our clients to call on us with ideas and questions and allows us to be a trusted advisor to our clients.

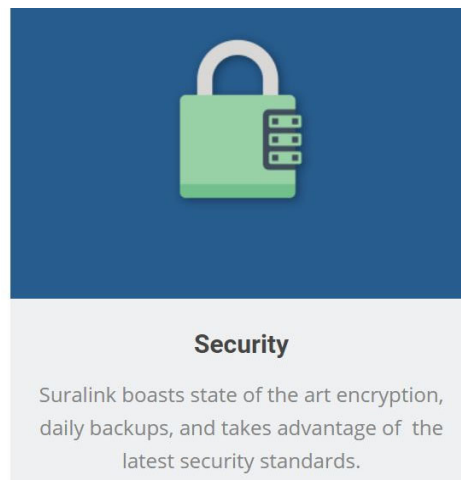
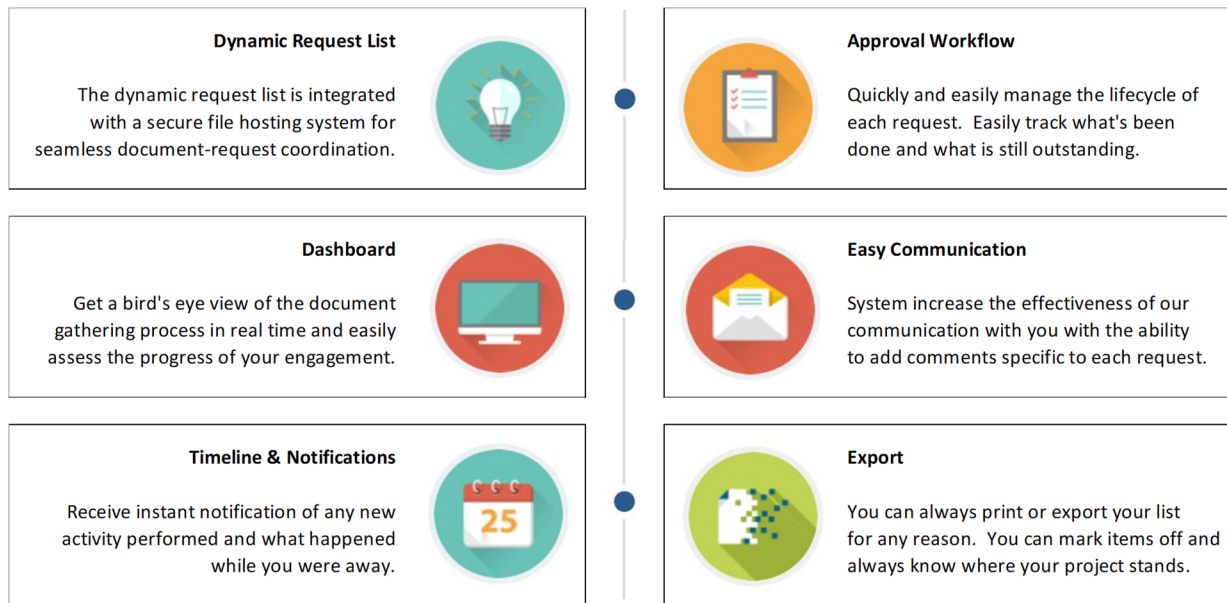
## Extent of the Use of EDP Software

Mauldin & Jenkins utilizes a 100% paperless audit approach to the performance of all of our audits via the utilization of ProSystems Engagement. This software has been used by our Firm for many years and allows us to streamline the overall audit process. Additionally, standard Microsoft applications are utilized in conjunction with ProSystems. These include Word and Excel. All of our audit team members are equipped with laptop computers and are extensively trained in the use of our computer applications.



### **Workflow Software and Ability to Work in Remote Environment**

In addition to the usage of technology previously stated, our Firm uses the workflow management tool called Suralink. This platform combines a dynamic and digital client assistance list, assignment workflow, and secure file hosting to deliver a more efficient and organized engagement for our clients and audit team. For the first time, everyone involved in the engagement will have a real time view of the document collection process. Suralink features include:

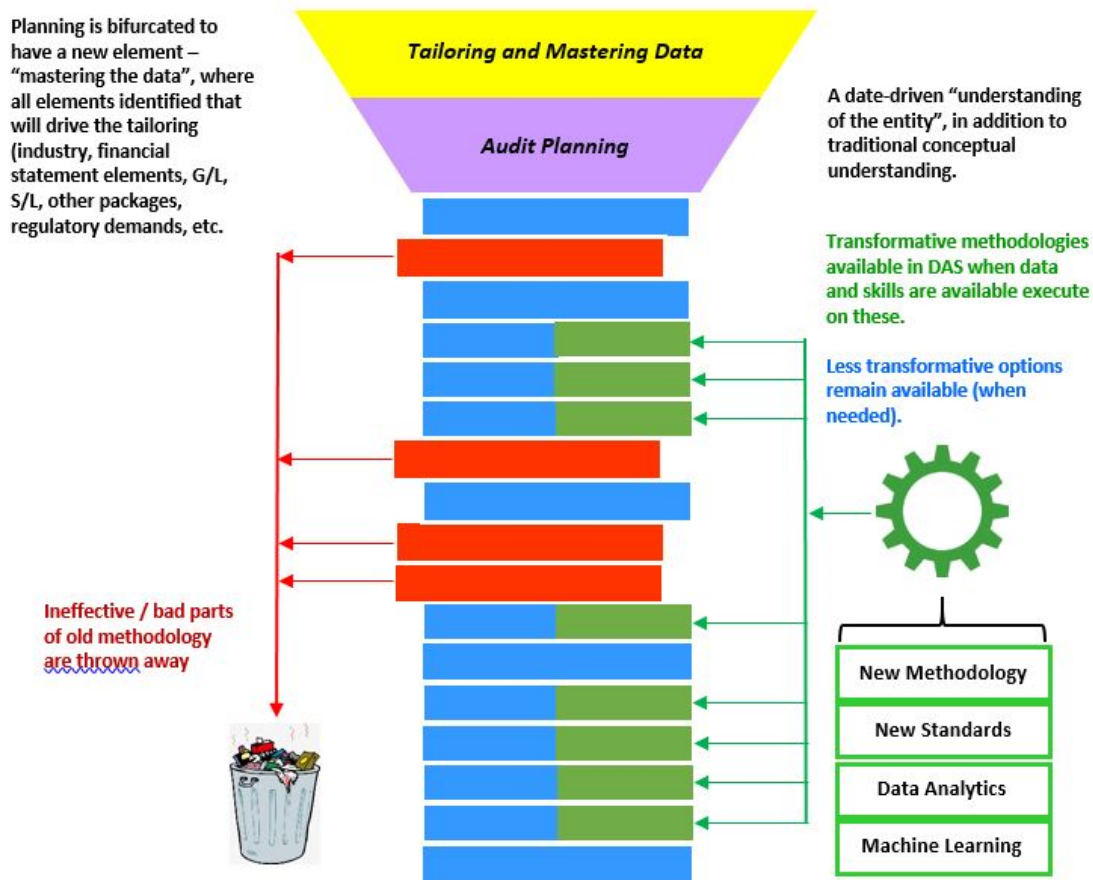


In addition to the above accumulation of information electronically via the use of Suralink, Mauldin & Jenkins is very effective in working from a remote environment if requested or necessary. In prior audits, some clients have allowed us read-only access to their systems and we are able to run reports, view purchase orders, invoices, reconciliations, etc. with this access. Our staff are very accustomed to working in this manner to reduce the overall disruption the annual audit otherwise would create for our clients. This has become even more important since the pandemic situation to continue to be able to serve our clients while not being able to physically be with our clients.



### Dynamic Audit Solution in Development

Mauldin & Jenkins is one of 38 of the top 100 CPA firms in the nation who have invested in the AICPA's new revolutionary audit tool and methodology – the Dynamic Audit Solution (DAS). The DAS is a transformational audit methodology brought to life through an innovative, cloud-based technology solution. It includes the AICPA evolving the auditing standards and creating new innovative audit methodologies to advance the financial statement audit using evolving technologies. This project is ongoing and was started in 2018. It is estimated to be completed in the next two to three years. Below is a picture of how the audit methodology will involve: the addition of a step prior to or during the planning phase of the audit in which we will “tailor and master” the auditee’s data, remove old outdated audit procedures, and add transformational audit procedures (data analytics, AI, and Machine Learning).



The DAS will be an interactive tool with a “guided audit engagement process”. The auditee and auditor will both have access to the tool with requests for information being made through the tool along with responses and uploaded data. The confirmation process, including the use of confirmation.com, will be integrated with the DAS tool. Both auditee and auditor would be able to see progress and status updates using the tool creating a collaborative environment for bringing the audit to conclusion. Many functions, forms, and even financial statements within the tool will be “smart” forms, with data being input only once and populating in many places throughout the audit documentation – making for an efficient and effective audit. Given the timeframe of the request for proposal, it is expected that this transformational new audit tool will be utilized on the audit of the Organization in later years of the initial contract period.



## Peer Review

In the mid-70s, the Private Companies Practice Section (PCPS) was founded by the American Institute of CPAs (AICPA) to establish a voluntary quality assurance program for CPA firms. There are requirements for membership in the section, which include mandatory continuing education for each member of the professional staff and a key element is a tri-annual independent review of a firm's quality control system in its practice of public accounting. Mauldin & Jenkins, LLC has been a member of the section from its inception.

The peer review aspect has evolved from being voluntary to mandatory and Mauldin & Jenkins is in full compliance with the requirements of having a tri-annual review. In the peer reviewer's latest report dated November 12, 2020, our reviewing firm gave a rating of "pass" which is the highest form of assurance a reviewing firm can render on the system of quality control for our accounting and audit practice.

A copy of the report on our most recent external quality control review is provided on the next two pages. **The quality control review included a review of specific not-for-profit engagements.** No letter of comment was received as a result of this review. We are quite proud to be one of the few Southeast based firms to have undergone this review and to have received such an excellent opinion from a large reputable national firm. Our public company practice is also reviewed in accordance with CAQ requirements as administered through the Public Company Oversight Board (PCAOB).

Also note, that as part of our quality control system, we perform internal peer reviews by office to ensure compliance with these standards during the two-year break period between external peer reviews.





## REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

November 12, 2020

To the Shareholders of Mauldin & Jenkins, LLC  
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Mauldin & Jenkins, LLC (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

### Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act, audits of employee benefit plans, audits performed under FDICIA, an audit of a broker-dealer and an examination of service organization's SOC 1 engagement.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

---

PBMares, LLP | 725 Jackson Street, Suite 210 | Fredericksburg, VA 22401 | P 540.371.3566 | 1.800.296.3710 | F 540.371.3598



### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Mauldin & Jenkins, LLC applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Mauldin & Jenkins, LLC has received a peer review rating of *pass*.

*PBMares, LLP*

PBMares, LLP



## Other Information

Mauldin & Jenkins' employees are very active in volunteer roles in our community. Our employees serve as Board Members for local non-profit organizations and the Firm sponsors various community fundraising events throughout the year. Additionally, as an office, we select one not-for-profit organization a quarter and our employees volunteer at this organization on a selected day.

We have additional employees who are available on an as needed basis to assist the Organization.

Below is information on an additional key individual who is available to serve the Organization.

## Other Staff Resources

We have individuals with extensive experience and certifications relative to Information Systems Technology as well Fraud Examinations. The following individual is available to be of service to the Organization should the need arise:

**Mary Jo Alexander, CPA**  
**Not-for-Profit Tax Expert**

Mary Jo (MJ) is a director with Mauldin & Jenkins and has worked in the area of taxation for over 30 years. Her area of expertise is non-profit taxation, having worked with hundreds of non-profit organizations. She is the Firm-wide non-profit technical tax expert and training leader in this area.

MJ oversees the production of individual, non-profit, for-profit and partnership tax returns. She also consults on non-profit issues such as applications for exempt status, excess benefits, unrelated business income tax, political activities, status revocation and more.



MJ began her career in the audit division of the Detroit office of Arthur Andersen, LLP. MJ graduated magna cum laude from Michigan State University. She also spent five years teaching financial and cost accounting at Ohio University. MJ is a member of the American Institute of Certified Public Accountants (AICPA) and the Georgia Society of Certified Public Accountants.



# Insurance Certificates



## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
07/26/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> PointeNorth Insurance Group, LLC PO Box 724728  Atlanta GA 31139		<b>CONTACT NAME:</b> Brenda Durham <b>PHONE (A/C, No, Ext):</b> (770) 858-7540 <b>FAX (A/C, No):</b> (770) 858-7545 <b>E-MAIL ADDRESS:</b> bdurham@pointenorthins.com	
<b>INSURED</b> Mauldin & Jenkins, LLC 200 Galleria Parkway SE Suite 1700 Atlanta GA 30339-5946		<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Cincinnati Insurance Company <b>INSURER B:</b> Chubb Indemnity Ins Co <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>	
		<b>NAIC #</b> 10677 12777	

COVERAGES		CERTIFICATE NUMBER: 2022/2023 Master		REVISION NUMBER:			
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.							
INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Host Liquor Included  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			ECP0258054	07/01/2022	07/01/2023	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 2,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000 Employee Benefits \$ 2,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			ECP0258054	07/01/2022	07/01/2023	COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 0			EXS 0262115	07/01/2022	07/01/2023	EACH OCCURRENCE \$ AGGREGATE \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	7176-4674	07/01/2022	07/01/2023	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

<b>CERTIFICATE HOLDER</b>  FOR INFORMATION ONLY	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
---	--

© 1988-2015 ACORD CORPORATION. All rights reserved.

ACORD 25 (2016/03)

The ACORD name and logo are registered marks of ACORD





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
01/24/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Edgewood Partners Insurance Center Lemme, a division of EPIC 111 West Campbell 4th Floor Arlington Heights, IL 60005  <b>INSURED</b> Mauldin & Jenkins, LLC  200 Galleria Parkway Suite 1700 Atlanta, GA 30339-5918	1-847-385-6800  <b>CONTACT NAME:</b> Nadine Friedman Daniels <b>PHONE (A/C, No. Ext):</b> 847-385-6800 <b>E-MAIL:</b> PSGCerts@lemme.com <b>ADDRESS:</b> PSGCerts@lemme.com <b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Lloyd's London and various Insurers <b>INSURER B:</b> <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>	<b>FAX (A/C, No.):</b> <b>NAIC #</b>
---	--	---

## COVERAGES

CERTIFICATE NUMBER: 67700803

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO JECT <input type="checkbox"/> LOC OTHER:					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input type="checkbox"/> N/A					PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	<b>Professional Liability</b>		HAPL22-0007	01/23/23	01/23/24	Each Claim 1,000,000 Aggregate 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

## CERTIFICATE HOLDER

Parties at Interest	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
---------------------	--

ACORD 25 (2016/03)  
Nancy.Duval@lemme.com\_LEM  
67700803

The ACORD name and logo are registered marks of ACORD

© 1988-2015 ACORD CORPORATION. All rights reserved.





The logo features the letters 'MJ' in a teal, serif font. A thick, black, curved line arches over the 'J', resembling a stylized road or a bridge. Below this graphic, the full name 'MAULDIN & JENKINS' is written in a large, black, serif font.

# MAULDIN & JENKINS



The background of the banner is an aerial photograph of a complex highway interchange with multiple lanes and overpasses. The image is partially covered by a teal overlay on the right side, which contains the text.

## Going Further.

No matter what road you're on, we are here to help you navigate through your unique circumstance to reach your financial goals.

### INTEGRITY.

100+ year history of  
quality & expertise

### INNOVATION.

Continued advancements,  
opportunities & solutions to  
drive us into the future

### INSPIRATION.

A culture guided by our  
vision of service and  
community



## **M E M O R A N D U M**

TO: NWF State College Foundation Finance Committee  
FROM: Chris Stowers  
DATE: April 25, 2023  
SUBJECT: Underwriting of Mattie Kelly Arts Center Series 2023-24

---

The college is prohibited from undertaking debt for events; therefore, the Foundation is annually asked to underwrite the upcoming Mattie Kelly Arts Center season. Attached is a request for the Foundation Board to underwrite the Broadway Series, Artist Series, and Family Series for the 2023-24 Arts Center season at a cost of approximately \$550,500.

### **RECOMMENDATION:**

The NWFSC Foundation Finance Committee approves underwriting the 2023-24 Arts Center season at a cost not to exceed \$550,500.



## MEMORANDUM

TO: Chris Stowers

FROM: Jeanette Shires

DATE: April 25, 2023

SUBJECT: Request of Funds for the Arts Center 2023-2024 Season

The Arts Center tentative schedule has been established for the 2023-2024 Season. The cost of the season is as follows:

Broadway Series	\$ 228,000.00
Artist Series	\$ 137,000.00
Family Series	\$ 26,000.00
Marketing	\$ 59,500.00
Estimated Load in/out	\$ 74,000.00
Estimated Hospitality	\$ 26,000.00
 TOTAL COST	 \$ 550,500.00

At this time, I am requesting that the Foundation Board of Directors underwrite the expenditure of \$550,500.00 for the Arts Center 2023-2024 Season. The tentative schedule of events is attached for information purposes.

Thank you.



## **M E M O R A N D U M**

TO: NWF State College Foundation Finance & Investment Committee

FROM: Chris Stowers

DATE: April 25, 2023

SUBJECT: Review FY2024 NWFSC/Foundation MOU

---

A written memorandum of understanding (MOU) between the Foundation and the College outlining the mutual commitments between the two entities is required. The MOU is to be reviewed by the finance and governance committees and then approved by the Foundation Board.

Expenses associated with the Foundation's FY 2024 operating budget will be updated in accordance with the final, board-approved budget.

### **RECOMMENDATION:**

The Foundation Finance Committee approves the Northwest Florida State College and NWFSC Foundation MOU.



**Memorandum of Understanding  
between Northwest Florida State College  
and the Northwest Florida State College Foundation  
Fiscal Year 2024**

This Memorandum of Understanding is between Northwest Florida State College and Northwest Florida State College Foundation, Inc., (d.b.a. NWFSC Foundation). The NWFSC Foundation (henceforth referred to as “Foundation”) was organized and incorporated in 1988 as a direct support organization, as defined by Florida Statute 1004.70, of Northwest Florida State College (henceforth referred to as the “College”).

The purpose of the Foundation is to assist in the achievement of the College’s mission by soliciting, administering, and optimizing private gifts, bequests, and donations to support the College’s students and to enhance teaching and learning at the College. The Foundation exists to raise and manage private resources supporting the mission and priorities of the College, provide opportunities for students, and to enhance institutional excellence. The Foundation is dedicated to assisting the College by fostering a culture of philanthropy, growing the endowment, and providing financial and other support for long-term academic and other College priorities.

In consideration of the mutual commitments herein contained, the parties agree as follows:

**GOVERNANCE**

The College’s Board of Trustees (henceforth referred to as “Trustees”) is responsible for overseeing the mission, leadership and operations of the College and for setting priorities and long-term plans for the College.

The Foundation’s Board of Directors (henceforth referred to as the “Board”) is responsible for the control and management of all assets of the Foundation, including the prudent management of all gifts consistent with donor intent.

**FOUNDATION NAME AND LOGOTYPE**

Consistent with its mission to help to advance the plans and objectives of the College, the Foundation is granted the use of the name, Northwest Florida State College Foundation; the Foundation has the authority to use the College’s name and logotype and other identifying marks in the promotion of its business and activities.

**COLLEGE RESPONSIBILITIES**

The President of the College is responsible for communicating the College’s strategic priorities and long-term philanthropic plans, as approved by the Trustees, to the Foundation.

The College recognizes that the Foundation is a separately incorporated 501(c)(3) organization with the authority to keep all records and data confidential consistent with both state and federal law and regulations.



At present, the Executive Director of the Foundation, reports directly to the Senior Vice President of the College and is responsible for all activities related to soliciting private support, establishing productive relationships with external groups, reporting of gifts, and Foundation development.

The President of the College, or his/her designee, shall serve as an ex-officio member of the Foundation Board, with no voting rights, and shall assume a prominent role in fundraising activities.

The Chair of the College's Board of Trustees, or his/her designee, shall serve as a member of the Foundation Board, with voting rights.

The College shall make available to the Foundation records and information concerning students or alumni of the College in accordance with requirements of the Family Educational Rights and Privacy Act (FERPA) of 1974, and any amendments and regulations adopted under the Act.

The College recognizes that the Foundation bears the major responsibility for private sector fundraising. College representatives and affiliated program, such as the Choctawhatchee Basin Alliance (CBA), and Northwest Florida Symphony Orchestra (NFSO), will coordinate fundraising initiatives, including major gift solicitations, with the Foundation.

The College President and senior administrators will work in conjunction with the leadership of the Foundation Board and the Foundation Executive Director to identify, cultivate and solicit prospects for private gifts.

#### **FOUNDATION RESPONSIBILITIES**

The Foundation shall maintain its status as a separately incorporated 501(c)(3) nonprofit, direct-support organization, created to raise, manage, distribute, and steward private resources to support the various priorities of the College.

The Foundation is responsible for the performance and oversight of all aspects of its operations based on its comprehensive set of bylaws and policies that clearly address the Board's fiduciary responsibilities, including expectations of individual Board members based upon ethical guidelines.

The Foundation shall obtain Board of Trustee approval on all Foundation policies.

The Foundation will seek Board of Trustee approval on all endowments and all facility/classroom namings that name property of the College in perpetuity. The Foundation shall not financially obligate or encumber the College in any manner without the prior written consent of the Board of Trustees. Capital construction funds on College property supported in whole or in part by Foundation funds shall comply with all applicable College and State of Florida procedures and requirements governing such projects.

The Foundation is responsible for establishing an annual operating budget.

#### **Fundraising**

The Foundation Executive Director, in consultation with the College President and Foundation Board, is responsible for planning and executing comprehensive fundraising and donor-acquisition programs in



support of the College's mission. These programs include but are not limited to annual giving, major gifts, planned gifts, special projects, private foundation solicitations and campaigns as appropriate.

The Foundation will establish, adhere to, and periodically assess its gift-management and acceptance policies. It will promptly acknowledge and issue receipts for all gifts on behalf of the Foundation and the College and provide appropriate recognition and stewardship of such gifts.

The Foundation shall ensure the protection of donor/student confidentiality and rights.

### **Asset Management**

The Foundation will establish prudent asset allocation, disbursement and spending policies that adhere to applicable federal and state laws, including the Uniform Prudent Management of Institutional Funds Act (UPMIFA).

The Foundation will receive, hold, manage, invest and disburse contributions of cash, securities, patents, copyrights and other forms of property, including immediately vesting gifts and deferred gifts that are contributed in the form of planned and deferred gift instruments.

The Foundation will engage an independent accounting firm annually to conduct an audit of the Foundation's financial and operational records. The Foundation will comply with all requirements mandated by law and present to the Board of Trustees financial reports approved by the Foundation Board and the annual audited financial statements of the Foundation, including management letters and IRS Form 990. The Foundation will supply audited financial statements in conformity with generally accepted accounting principles (GAAP) to be included with the College's annual financial report submitted to the State of Florida.

## **FINANCES AND ADMINISTRATION**

### **Transfer of Funds**

The Foundation is the primary depository of private gifts and will transfer funds and/or physical assets to the College in compliance with applicable state and federal laws or regulations, College policies and gift agreements.

Foundation funds are acknowledged by the College and the Foundation to be supplementary to state appropriated, county appropriated, and tuition funds, and are not a substitute thereof.

When distributing gift funds to the College, the Foundation will disclose any terms, conditions, or limitations imposed by the donor or any legal determination on the gift. The College will abide by such restrictions and provide appropriate documentation.

The Foundation's disbursements to and or on behalf of the College must be reasonable, support the College, be consistent with donor intent, and not in conflict with Board of Trustee policy or applicable state and federal laws or regulations.

The Foundation will continue to operate with no employees. The College will provide services to the Foundation, as needed, and any employees who provide such services will remain College employees and be compensated, supervised, and evaluated in accordance with College policies and procedures.



**Personal Services (as noted in Florida Statute 1004.28 (3b))**

The Foundation will compensate the College for seventy-five percent of the College's Foundation personnel cost in the amount of \$299,520 for fiscal year 2024, as approved by the Foundation Board and set forth in the Foundation's annual operating budget.

**Operational and In-Kind Support**

In consideration of the Foundation's services to the College the institution may, as approved by the President, provide operational support as allowed under §1004.70. This may include support for expenses such as travel and printing.

In consideration of the Foundation's services to the College and to ensure adherence to state policy and procedure, the College will, as approved by the President, provide in-kind support such as staff, office space, technology, utilities, payroll processing, purchasing and procurement, marketing and public relations, and other support services as the President may deem appropriate.

A review of Foundation personnel duties, based on time and effort, shall occur annually. This review will outline percentage of work attributable to Foundation duties vs. non-Foundation duties. For fiscal year 2024, personnel in-kind support will be prorated according to the chart below.

Position/Employee	% of Duties Specific to Foundation	% of Duties Non-Foundation	FY 2024 Anticipated Non-Foundation Duties
Executive Director, Foundation	90%	10%	-representation at Chamber and other community meetings
Director of Development	90%	10%	-representation at Chamber and other community meetings
Coordinator, Donor Relations & Communications	90%	10%	-special event planning for non-fundraising functions -manage scholarships to assist the college in awarding aid to students
Foundation Accountant/Operations Manager	90%	10%	-provides support to college personnel on how to access Foundation funds held by college -extensive preparation in preparing college information for academic affairs on program support funds -scholarship detail/reconciliation
Office Specialist II- College Advancement	90%	10%	-college requisitions for college advancement -staff assistant duties for non-Foundation departments



The Board of Trustees authorizes the Foundation to use College property and facilities. In-kind calculations for facility utilization shall be based on the following rates provided by the College. The final reportable figure for the value of services and facilities furnished by the College shall be prorated based on the time and effort percentages listed above.

Facilities/Overhead Cost	Bldg 400
Foundation Facility Use in Square Feet	1,890
Maintenance Facility Use in Square Feet	90
Total Facility Square Feet	1,980
Facility multiplier (.14 per square foot x 12 months)	\$1.68
Facility Cost	\$3,326
Furniture/Equipment (annual amount)	\$600
Technology (\$80/month)	\$960
Utilities (\$1.35/sf annual * (237/365 days) * 1,890 sf)	\$1,657
Total Furniture/Tech/Utilities	\$3,217
Total Annual Cost	\$6,537

#### **MISCELLANEOUS TERMS**

To ensure effective achievement of this Memorandum of Understanding, the College and the Foundation representatives shall work to maintain productive relationships and to ensure open and continuing communications and alignment of priorities.

The foregoing is in compliance with Florida Statutes governing State Colleges, their Trustees, Presidents, and direct support organizations including, but not limited to §1004.70.

This Memorandum of Understanding shall be updated and approved annually by the Foundation Board and the Board of Trustees.

IN WITNESS WHEREOF, the parties have caused this Memorandum of Understanding to be executed by their duly authorized officers.

Signature page attached.



Authorized by:

---

William "Bo" Arnold  
Chair, NWFSC Foundation Board  
Date: \_\_\_\_\_

---

Dr. Devin Stephenson  
President, Northwest Florida State College  
Date: \_\_\_\_\_

---

Lori Kelley  
Chair, Northwest Florida State College Board of Trustees  
Date: \_\_\_\_\_

---

Chris Stowers  
Executive Director  
Northwest Florida State College Foundation  
Date: \_\_\_\_\_



## **M E M O R A N D U M**

TO: NWFSC Foundation Finance Committee

FROM: Mr. Chris Stowers

DATE: April 25, 2023

SUBJECT: Checks over \$5,000

---

Following is a listing of checks over \$5,000 from January 1, 2023 to March 31, 2023.

### **RECOMMENDATION:**

The NWFSC Foundation Finance Committee approves the checks over \$5,000 as presented.



**Northwest Florida State College Foundation, Inc.**  
**Checks \$5,000 and Above: Jan 1, 2023 to Mar 31, 2023**

Check Number	Check Date	Vendor	Invoice Number	Invoice Commodity Description	Fund Number	Fund Description	Account Description	Approved Amount
00013295	11-Jan-23	Northwest Florida State College	I0090402	Spendable program enhancement transfer	201000	NFSO Support	Support to College	22,993.16
					202000	Student Emergency Fund	Support to College	289.41
					238000	Veterans Success Center	Support to College	29,943.75
					252000	Raider Athletics Support	Support to College	41,719.29
					391000	AF - Feed the Fish	Support to College	193.80
					521000	Performance Groups	Gifts	1,718.59
					566000	CBA	Support to College	17,996.15
00013295 - Total								114,854.15
00013298	1-Feb-23	Capital City Consulting LLC	I0090897	January 2023 Florida Legislative & Executive Branc	100000	Foundation Operating	Consultants	5,000.00
00013298 - Total								5,000.00
00013299	8-Feb-23	Capital City Consulting LLC	I0091234	02/2023 Florida Legislative/ Executive Consulting	100000	Foundation Operating	Consultants	5,135.00
00013299 - Total								5,135.00
00013305	8-Mar-23	Capital City Consulting LLC	I0092296	March 2023 Florida Legislative& Executive branch	100000	Foundation Operating	Consultants	5,000.00
00013305 - Total								5,000.00
00013309	15-Mar-23	Northwest Florida State College	I0092656	Fund Transfers	236000	Workforce Development	Support to College	60,000.00
					505000	AF - Humanities, Fine & Perf. Arts	Support to College	5,000.00
					521000	Performance Groups	Support to College	2,553.00
					569000	AF - ASN	Support to College	65,000.00
00013309 - Total								132,553.00