BOARD MEETING DATE: November 2026

ITEM NO: XI. B.

RECOMMEND THAT the District Board of Trustees approves the NFC Foundation Audit Report for fiscal year 2025-2026 and completes the attached DSO checklist to be returned to the Director of Resource Development for submission to FLDOE.

THIS RECOMMENDATION will allow .

DIRECT-SUPPORT ORGANIZATIONS (DSO) AUDIT REVIEW CHECK LIST

DSO NAME North Florida College Foundation, Inc.

FOR THE YEAR ENDING: 2025-2026

COLLEGE PRESIDENT'S RESPONSE TO DSO AUDIT:

1. In accordance with Section 1004.70(2), Florida Statutes (F.S.), did the chair of the board of trustees appoint a representative to the board of directors and the executive committee of each direct-support organization established under section 1004.70, Florida Statutes?

   YES ✓ NO____

   NAME OF APPOINTEE Ricky Lyons, Board of Trustees Chair

2. In accordance with section 1004.70(2), F.S., did the president or the president's designee serve on the board of directors and the executive committee of the college's direct-support organization?

   YES ✓ NO____

   NAME OF APPOINTEE Jennifer H. Page, President

3. In accordance with section 1004.70(4)(c), F.S., did the board of trustees approve all transactions or agreements between one direct support organization and another direct support organization?

   YES____ NO____ N/A ✓

4. In accordance with section 1004.70(4)(e), F.S., did the board of trustees authorize all debt, including lease-purchase agreements, incurred by the direct-support organization? (Authorization for approval of short-term loans and lease-purchase agreements for a term of not more than five years, including renewals, extensions, and refundings, for goods, materials, equipment, and services may be delegated by the board of trustees to the board of directors of the direct-support organization. Trustees shall evaluate proposals for debt according to guidelines issued by the Division of Florida Colleges. Revenues of the Florida College System institution may not be pledged to debt issued by direct-support organizations.)

   YES____ NO____ N/A ✓

5. In accordance with section 1004.70(5), F.S., did this direct-support organization submit to the board of trustees a copy of its Internal Revenue Service (IRS) Application for Recognition of Exemption form (Form 1023) and its IRS Return of Organization Exempt from Income Tax form (Form 990)?

   YES ✓ NO ____

6. Did the board of trustees review the following issues and accept the annual audit?
   A. College support of direct-support organization's operating expenses.
   B. Annual change in the direct-support organization's net assets.
   C. Direct-support organization's ability to cover indebtedness (both current and projected).
   D. Direct-support organization's internal controls.
   E. Direct-support organization's compliance with Florida Statute.

   YES ✓ NO ___

7. If the direct-support organization expended $750,000 or more in federal awards during the fiscal year, was an independent federal single audit performed as required pursuant to the *Single Audit Act Amendments of 1996 (Section 7502 (a)(1)(A)); OMB Circular A-133 (Part 3, Section M)*; the *Florida Single Audit Act (F.S. 215.97 (2)(a));* or other applicable federal and state law?

   YES ___ NO ___ N/A ✓

8. Did the board of trustees approve for the addition or cancellation of a direct-support organization and notify the Florida College System Budget Office and Division?

   YES ___ NO ___ N/A ✓

NORTH FLORIDA COLLEGE
COLLEGE NAME

PRESIDENT (SIGNATURE) — November 17, 2026 (DATE)

Jennifer H. Page
(Print Name)

CHAIRMAN, BOARD OF TRUSTEES (SIGNATURE) — November 17, 2026 (DATE)

Ricky Lyons
(Print Name)

Please attach this checklist to the audit and return to:

Director, The Florida College System Budget Office
Florida Department of Education
325 West Gaines Street, Suite #1224
Tallahassee, FL 32399-0400
Collegereporting@fldoe.org

North Florida College Foundation, Inc.

FINANCIAL STATEMENTS

March 31, 2026

North Florida College Foundation, Inc.
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March 31, 2026

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REPORT

CARR, RIGGS & INGRAM, L.L.C.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
North Florida College Foundation, Inc.
Madison, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of North Florida College Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of March 31, 2026, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of North Florida College Foundation, Inc. as of March 31, 2026, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about North Florida College Foundation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of North Florida College Foundation, Inc.'s internal control. Accordingly, no such opinion is expressed.

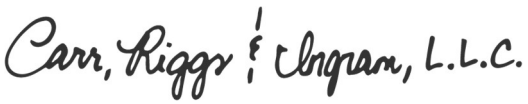
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about North Florida College Foundation, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2026, on our consideration of North Florida College Foundation, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of North Florida College Foundation, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering North Florida College Foundation, Inc.'s internal control over financial reporting and compliance.



CARR, RIGGS & INGRAM, L.L.C.

Tallahassee, FL
November 4, 2026

FINANCIAL STATEMENTS

North Florida College Foundation, Inc.
Statement of Financial Position

March 31,		**2026**
Assets		
Current assets		
Cash and cash equivalents	**$**	**200,065**
Promises to give		**50,000**
Prepaid expenses and other assets		**11,755**
Total current assets		**261,820**
Non-current assets		
Investments		**6,270,509**
Prepaid tuition plans		**174,452**
Promises to give, less current portion		**100,000**
Total non-current assets		**6,544,961**
Total assets	**$**	**6,806,781**
Liabilities		
Current liabilities		
Scholarships payable	**$**	**147,639**
Total current liabilities		**147,639**
Total liabilities		**147,639**
Net Assets		
Without donor restrictions		**1,140,671**
With donor restrictions		**5,518,471**
Total net assets		**6,659,142**
Total liabilities and net assets	**$**	**6,806,781**

The accompanying notes are an integral part of these financial statements.

North Florida College Foundation, Inc.
Statement of Activities

For the year ended March 31, 2026	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Contributions	$ 107,969	$ 135,099	**$ 243,068**
Contributions in-kind	159,303	-	**159,303**
Interest and dividends	109,574	(7,155)	**102,419**
Net assets released from donor restrictions	300,081	(300,081)	**-**
Total revenue and support	676,927	(172,137)	**504,790**
Expenses			
Program services			
Scholarships	290,303	-	**290,303**
Supporting services			
General and administrative	266,132	-	**266,132**
Total expenses	556,435	-	**556,435**
Change in net assets before other income (expense)	120,492	(172,137)	**(51,645)**
Other income (expense)			
Gain (loss) on investments	72,157	360,905	**433,062**
Total other income (expense)	72,157	360,905	**433,062**
Change in net assets	192,649	188,768	**381,417**
Net assets at beginning of year	948,022	5,329,703	**6,277,725**
Net assets at end of year	$ 1,140,671	$ 5,518,471	**$ 6,659,142**

The accompanying notes are an integral part of these financial statements.

North Florida College Foundation, Inc.
Statement of Functional Expenses

For the year ended March 31, 2026	Program Services Scholarships	Supporting Services General and Administrative	**Total**
Scholarships and awards	$ 290,303	$ -	**$ 290,303**
Personnel services	-	149,250	**149,250**
Miscellaneous	-	49,171	**49,171**
Legislative services	-	27,500	**27,500**
Professional fees	-	25,040	**25,040**
Facilities	-	12,000	**12,000**
Office expense	-	1,387	**1,387**
Insurance	-	812	**812**
Postage	-	796	**796**
Bank fees	-	176	**176**
Total expenses	$ 290,303	$ 266,132	**$ 556,435**

The accompanying notes are an integral part of these financial statements.

North Florida College Foundation, Inc.
Statement of Cash Flows

For the year ended March 31,		**2026**
Operating activities		
Change in net assets	**$**	**381,417**
Adjustment to reconcile change in net assets to net cash provided by (used in) operating activities		
(Gain) loss on investments		**(433,062)**
Changes in operating assets and liabilities		
Promises to give		**50,000**
Prepaid expenses and other assets		**16,261**
Scholarships payable		**(1,490)**
Net cash provided by (used in) operating activities		**13,126**
Investing activities		
Purchase of investments		**(7,713,449)**
Proceeds from sale of investments		**7,586,080**
Net cash provided by (used in) investing activities		**(127,369)**
Net change in cash and cash equivalents		**(114,243)**
Cash and cash equivalents, beginning of year		**314,308**
Cash and cash equivalents, end of year	**$**	**200,065**

The accompanying notes are an integral part of these financial statements.

Note 1: NATURE OF OPERATIONS

The North Florida College Foundation, Inc. (the Foundation) was established November 4, 1966. The Foundation is a not-for-profit organization which is associated with North Florida College in Madison, Florida. The purpose of the Foundation is to provide direct financial support for the students and programs of North Florida College.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly liquid investments with a maturity when acquired of 90 days or less.

Promises to Give

The Foundation records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. Allowance for uncollectible promises to give is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectible. At March 31, 2026, management believes all promises to give are collectible and no allowance is recorded.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

The Foundation reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time-period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Investments in real estate partnership are recorded at fair market value, which has been determined by an independent appraiser by reference to market transactions for similar properties. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

Other Assets

The Foundation owns Florida Prepaid Tuition plans for future use by its scholarship participants. The plans are held by the Florida Prepaid College Board and recorded as an other asset at its cancellation value. The plans are considered non-current assets and expensed when utilized by the scholarship recipient.

Net Assets

The Foundation reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Foundation, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

Donated Assets

Donated assets and other noncash donations are recorded as contributions at their fair values at the date of donation.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. Volunteers also provided fund-raising services throughout the year that are not recognized as contributions as the recognition criteria were not met.

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services.

Advertising

The Foundation uses advertising to promote its programs among the audiences it serves. The costs of advertising are expensed as incurred. During the year ended March 31, 2026, the Foundation incurred no advertising costs.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Foundation is exempt from Federal and State income tax under section 501(c)(3) of the Internal Revenue Code.

The Foundation utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of March 31, 2026, the Foundation has no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 4, 2026. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recent and Future Accounting Pronouncements

In July 2025, the FASB issued ASU 2025-05, entitled *Measurement of Credit Losses for Accounts Receivable and Contract Assets.* The amendments are effective for annual periods beginning after December 15, 2025. Early adoption is permitted. The amendments in this Update provide (1) all entities with a practical expedient and (2) entities other than public business entities with an accounting policy election when estimating expected credit losses for current accounts receivable and current contract assets arising from transactions accounted for under Topic 606, as follows:

1. Practical expedient – In developing reasonable and supportable forecasts as part of estimating expected credit losses, all entities may elect a practical expedient that assumes that current conditions as of the statement of financial position date do not change for the remaining life of the asset.

2. Accounting policy election – An entity other than a public business entity that elects the practical expedient is permitted to make an accounting policy election to consider collection activity after the statement of financial position date when estimating expected credit losses.

The Foundation is currently evaluating the impact of this guidance on its financial statements.

Note 3: FINANCIAL ASSET AVAILABILITY

The Foundation maintains its financial assets primarily in cash, cash equivalents, and investments to provide liquidity to ensure funds are available as the Foundation's expenditures come due. The following reflects the Foundation's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions.

March 31,		**2026**
Total assets at year-end	**$**	**6,806,781**
Less assets not easily converted to cash		
Prepaid expenses		**11,755**
Prepaid tuition plans		**174,452**
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions		**5,518,471**
Financial assets available to meet cash needs for general expenditures within one year	**$**	**1,102,103**

Note 4: PROMISES TO GIVE

At March 31, 2026, the Foundation had the following unconditional promises to give:

Due at March 31,		
2027	$	50,000
2028		50,000
2029		50,000
Total	$	150,000

No discount was applied for the present value of estimated future cash flows as the amount was considered by management to be insignificant.

Note 5: INVESTMENTS

Investments consist of the following:

March 31, 2026	Cost	**Fair Value**
Stocks and ETFs	$ 2,763,758	**$ 4,008,332**
Corporate bonds	676,445	**691,987**
Government bonds	699,048	**690,602**
Certificates of deposit	100,000	**100,705**
Taxable municipal bonds	261,591	**235,631**
Government asset backed/CMO securities	350,650	**325,341**
Open end mutual funds	142,956	**132,873**
Investments in real estate partnership	50,000	**85,038**
Total investments	$ 5,044,448	**$ 6,270,509**

Note 6: FLORIDA PREPAID TUITION PLANS

Prepaid tuition plans consist of active Florida Prepaid College plans with a balance of $174,452 at March 31, 2026. There was no activity associated with these plans for the year ended March 31, 2026.

Note 7: NET ASSETS

A summary of net assets with donor restrictions follows:

March 31,	**2026**
Net assets with donor restrictions	
Time or purpose restricted	**$ 666,418**
Endowments	**4,852,053**
Total net assets with donor restrictions	**$ 5,518,471**

Note 8: REVENUE AND CONTRIBUTIONS IN-KIND

The Foundation's revenue is generated primarily through earnings on its investments and private contributions. No contracts have been identified that would represent any performance obligations to be satisfied. As such, no contract balances have been identified for the year ended March 31, 2026.

All donated services and space were utilized by the Foundation's supporting services. There were no donor-imposed restrictions associated with the contributed services or space.

The components of donated services and space contributed to the Foundation consist of the following:

For the year ended March 31, 2026	Donated Services	Donated Space	**Total**
Supporting services - general and administrative	$ 147,303	$ 12,000	**$ 159,303**

Note 9: ENDOWMENTS

The Foundation's endowment consists of permanently restricted individual funds established for a variety of purposes included as a component of investments on the statement of financial position. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation is governed by Florida Statute Chapter 617.2104 - Florida Uniform Prudent Management of Institutional Funds Act. The Uniform Prudent Management of Institutional Funds Act (UPMIFA) was enacted in the State of Florida during the 2011 legislative session and had an effective date of July 1, 2012. Unless a donor imposes a restriction to the contrary, all endowment funds at the Foundation adhere to the spending policy adopted by the Board of Directors. Florida Statutes do not require preservation of the fair value of the original gift, but rather specifically state that spending may include investment appreciation as well as principal.

Investment Return Objectives, Risk Parameters and Strategies – The Foundation has adopted investment and spending policies, approved by the Board of Directors, for endowment assets. Those policies attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk.

Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities. The Foundation expects its endowment assets, over time, to produce an average rate of return which, at a minimum, approximate standard benchmarks. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to prevent exposing the fund to unacceptable levels of risk.

Note 9: ENDOWMENTS (Continued)

The Foundation's Board of Directors adopted a spending policy for endowed scholarship accounts. Dividends and interest are posted to the scholarship accounts and made available for spending. The Foundation's policies state that earnings on endowed funds will be spent at a rate not greater than 5% per year with any unused portion being returned to the fund. Each named endowment is maintained as a separate account and receives a pro-rata share of investment earnings. These earnings are professionally managed through an investment firm chosen by the Investment Committee of the Board of Directors and approved by the Board of Directors. Earnings are paid out annually for scholarships with any unused portion being returned to the fund to help ensure continued growth.

Activity for endowment assets during the year is as follows:

Endowment at March 31, 2025	**$**	**4,573,343**
Change in investment value		**344,839**
Interest and dividends		**7,155**
Contributions and special events		**93,737**
Appropriations		**(167,021)**
Endowment at March 31, 2026	**$**	**4,852,053**

Note 10: FAIR VALUE MEASUREMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
  - observable; or
  - can be corroborated by observable market data.

Note 10: FAIR VALUE MEASUREMENTS (Continued)

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at March 31, 2025.

Common stocks, ETFs and open-end mutual funds: Valued at the closing price reported on the active market on which the individual securities are traded.

Fixed income securities (corporate bonds, government bonds, government asset backed/CMO securities, taxable municipal bonds, and certificates of deposit): Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

Real estate partnership: Valued using external pricing sources of comparable real estate assets at least annually by a third party.

Assets measured at fair value on a recurring basis are as follows:

March 31, 2026	Level 1	Level 2	Level 3	**Total**
Stocks and ETFs	$ 4,008,332	$ -	$ -	**$ 4,008,332**
Corporate bonds	691,987	-	-	**691,987**
Government bonds	690,602	-	-	**690,602**
Certificates of deposit	-	100,705	-	**100,705**
Taxable municipal bonds	-	235,631	-	**235,631**
Govt asset backed/CMO securities	-	325,341	-	**325,341**
Open end mutual funds	132,873	-	-	**132,873**
Investments in real estate partnership	-	-	85,038	**85,038**
Total investments at fair value	$ 5,523,794	$ 661,677	$ 85,038	**$ 6,270,509**

For investments in real estate partnership, fair value is estimated based on an independent appraiser's value of the investment. Significant changes within the real estate market would result in a lower or higher fair value measurement. During the year ended March 31, 2026, the investment in real estate partnership incurred no significant activity or change in fair value.

Note 11: CONCENTRATIONS OF CREDIT RISK

Cash and cash equivalents

The Foundation maintains cash balances in two banking institutions. The bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. As of March 31, 2026, the Foundation had no uninsured bank balances. The Foundation also maintains cash equivalents in its investment portfolio, which is not insured by FDIC, which totaled $33,197 at March 31, 2026.

Investment Earnings

The Foundation's operations are funded primarily through proceeds from investments. The value of the Foundation's investments is subject to volatility in the stock market. Operations could be negatively impacted by significant declines in the stock market or changes in interest rates.

Note 12: RELATED PARTY TRANSACTIONS

The North Florida College provides support to the Foundation in the form of contributed personnel and occupancy costs. For the year ended March 31, 2026, the Foundation received $159,303 of contributions in-kind from the North Florida College.

COMPLIANCE SECTION

CARR, RIGGS & INGRAM, L.L.C.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
North Florida College Foundation, Inc.
Madison, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of North Florida College Foundation, Inc. (the Foundation), which comprise the statement of financial position as of March 31, 2026, and the statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 4, 2026.

Report on Internal Control Over Financial Reporting

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

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

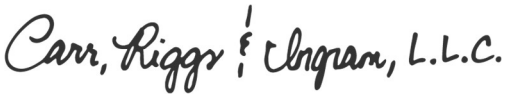
Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether North Florida College Foundation, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



CARR, RIGGS & INGRAM, L.L.C.

Tallahassee, FL
November 4, 2026