

**THE FOUNDATION FOR LEE COUNTY  
PUBLIC SCHOOLS, INC.**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED JUNE 30, 2021**



WEALTH ADVISORY | OUTSOURCING  
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**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2021**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
<b>STATEMENT OF FINANCIAL POSITION</b>	<b>3</b>
<b>STATEMENT OF ACTIVITIES</b>	<b>4</b>
<b>STATEMENT OF FUNCTIONAL EXPENSES</b>	<b>5</b>
<b>STATEMENT OF CASH FLOWS</b>	<b>9</b>
<b>NOTES TO FINANCIAL STATEMENTS</b>	<b>10</b>
<b>SUPPLEMENTARY INFORMATION</b>	
<b>SCHEDULE OF ACTIVITY REVENUE</b>	<b>19</b>
<b>SCHEDULE OF CHANGES IN NET ASSETS</b>	<b>23</b>
<b>INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i></b>	<b>27</b>
<b>MANAGEMENT RESPONSE</b>	<b>30</b>



## INDEPENDENT AUDITORS' REPORT

Board of Directors  
The Foundation for Lee County Public Schools, Inc.  
Fort Myers, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of The Foundation for Lee County Public Schools, Inc. (the Foundation), a direct support organization and component unit of the School District of Lee County, Florida, which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Board of Directors  
The Foundation for Lee County Public Schools, Inc.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2021, 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.

**Other Matters**

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of activity revenue and schedule of changes in net assets are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated August 19, 2021 on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Fort Myers, Florida  
August 19, 2021

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2021**

**ASSETS**

Cash and Cash Equivalents	\$ 1,581,829
Certificates of Deposit	520,150
Accounts Receivable	54,294
Office Equipment and Furnishings, Net of Accumulated Depreciation of \$97,310	5,102
Florida Prepaid Scholarships	1,900,851
Donated Assets Held for Sale	32,150
Other Assets	5,000
	5,000
Total Assets	\$ 4,099,376

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts Payable and Accrued Expenses	\$ 53,211
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**NET ASSETS**

Without Donor Restrictions:	
Administration	176,279
Equipment and Furnishings	5,102
Total Without Donor Restrictions	181,381

With Donor Restrictions:

Bonita Springs High School	183,376
C <sup>3</sup> College and Career	177,059
Collegium	8,433
Classroom Grants	251
Education Resource Center	15,907
FutureMakers	148,565
Golden Apple	67,736
Other Programs	460,992
Sanibel School	151,155
Student Advocacy and Mentoring	167,263
Take Stock in Children	2,484,047
Total With Donor Restrictions	3,864,784

Total Net Assets	4,046,165
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Total Liabilities and Net Assets	\$ 4,099,376
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See accompanying Notes to Financial Statements.

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021**

**CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS**

Revenues:

Contributions	\$ 220,575
In-Kind Contributions	214,470
Interest Income	<u>6,629</u>
Total Revenue Without Restrictions	441,674

Net Assets Released from Restrictions

Satisfaction of Program Restrictions	<u>1,241,405</u>
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Total Revenue Without Restrictions and Other Support Without Restrictions	1,683,079
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**EXPENSES**

Program Services	1,420,236
Management and General	<u>173,064</u>
Total Expenses	<u>1,593,300</u>

<b>INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	89,779
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**CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS**

Contributions	1,359,716
Net Assets Released from Restrictions	<u>(1,241,405)</u>

<b>INCREASE IN NET ASSETS WITH DONOR RESTRICTIONS</b>	<u>118,311</u>
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<b>CHANGE IN NET ASSETS</b>	208,090
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Net Assets - Beginning of Year	<u>3,838,075</u>
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<b>NET ASSETS - END OF YEAR</b>	<u><u>\$ 4,046,165</u></u>
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See accompanying Notes to Financial Statements.

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2021**

	Programs			
	Golden Apple	Classroom Grants	A-Team	Collegium
<b>EXPENSES</b>				
Accounting and Tax Preparation	\$ -	\$ -	\$ -	\$ -
Administrative Expenses	-	-	-	-
Allegretti Scholarship	-	-	-	-
Artwork	1,241	-	-	-
Awards	27,000	-	-	-
Bank Charges	-	-	-	-
Bonita Springs High School	-	-	-	-
Conferences	-	-	-	-
Contract Temporary Services	-	-	-	-
Decorations and Flowers	6,186	-	-	-
Depreciation	-	-	-	-
Dues and Subscriptions	-	-	-	-
Employee Salaries and Benefits	77,901	60,602	3,222	41,429
Environmental Education	-	-	-	-
Estero Education Initiative	-	-	-	-
Fort Myers High School Fund Scholarship	-	-	-	-
Golden Futures Scholarship	15,241	-	-	-
Grants	-	83,032	-	-
Insurance	-	-	-	-
Jeff Sommer Scholarships	-	-	-	-
KTA Grant	-	-	-	-
Lead Like a Girl	-	-	-	-
Marketing	-	-	-	-
Meals and Lodging	33,432	-	-	16,000
Meetings	21	14	-	-
Mentor Background Checks	-	-	-	-
Mentor Events & Services	-	-	-	-
Miscellaneous	-	-	-	-
Music	500	-	-	-
Name Tags - Sponsor Boards	578	38	-	-
Office Supplies and Equipment	1,233	1,013	29	721
Photography and Video	650	-	-	-
Postage	67	45	-	2
Printing	6,346	-	-	367
Production and Set Design	18,000	-	-	-
Program Costs	55	4,450	-	464
Reception	-	934	-	-
Related Events - Golden Apple	3,081	-	-	-
Richard Hagy Scholarships	-	-	-	-
Rotary Golf	-	-	-	-
Sanibel School Fund	-	-	-	-
Shadow Wood Scholarship	-	-	-	-
Special Events	-	-	-	-
State of our Schools Breakfast	-	-	-	-
STEM Education	-	-	-	-
STAMP Scholarships	-	-	-	-
Suncoast C.U. Scholarships	-	-	-	-
Take Stock in Children 5 K Expenses	-	-	-	-
Take Stock in Children Auction	-	-	-	-
Take Stock in Children Scholarships	-	-	-	-
Telephone	511	423	12	296
Travel	30	13	-	139
Website	454	376	-	35
In-Kind Expenses	47,934	10,129	-	6,432
<b>Total Expenses</b>	<b>\$ 240,461</b>	<b>\$ 161,069</b>	<b>\$ 3,263</b>	<b>\$ 65,885</b>

See accompanying Notes to Financial Statements.

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)**  
**YEAR ENDED JUNE 30, 2021**

	Programs			
	Dancing Classroom	Take Stock in Children	C3 College and Career	Student Advocacy & Mentoring
<b>EXPENSES</b>				
Accounting and Tax Preparation	\$ -	\$ -	\$ -	\$ -
Administrative Expenses	-	-	-	-
Allegretti Scholarship	-	-	-	-
Artwork	-	-	-	-
Awards	-	-	-	-
Bank Charges	-	-	-	-
Bonita Springs High School	-	-	-	-
Conferences	-	-	275	-
Contract Temporary Services	(75)	-	-	-
Decorations and Flowers	-	-	-	-
Depreciation	-	-	-	-
Dues and Subscriptions	-	-	-	-
Employee Salaries and Benefits	-	199,277	67,000	59,745
Environmental Education	-	-	-	-
Estero Education Initiative	-	-	-	-
Fort Myers High School Fund Scholarship	-	-	-	-
Golden Futures Scholarship	-	-	-	-
Grants	-	-	-	-
Insurance	-	-	-	-
Jeff Sommer Scholarships	-	-	-	-
KTA Grant	-	-	-	-
Lead Like a Girl	-	-	-	810
Marketing	-	-	-	-
Meals and Lodging	-	213	846	-
Meetings	-	-	-	-
Mentor Background Checks	-	614	-	-
Mentor Events & Services	-	-	-	(11)
Miscellaneous	-	-	-	-
Music	-	-	-	-
Name Tags - Sponsor Boards	-	-	-	-
Office Supplies and Equipment	(11)	3,579	1,693	1,047
Photography and Video	-	-	-	-
Postage	-	1,271	13	157
Printing	-	-	-	-
Production and Set Design	-	-	-	-
Program Costs	-	600	-	560
Reception	-	-	-	-
Related Events - Golden Apple	-	-	-	-
Richard Hagy Scholarships	-	-	-	-
Rotary Golf	-	83	-	-
Sanibel School Fund	-	-	-	-
Shadow Wood Scholarship	-	-	-	-
Special Events	-	-	600	-
State of our Schools Breakfast	-	-	-	-
STEM Education	-	-	3,681	-
STAMP Scholarships	-	-	-	5,000
Suncoast C.U. Scholarships	-	-	-	-
Take Stock in Children 5 K Expenses	-	21,959	-	-
Take Stock in Children Auction	-	-	-	-
Take Stock in Children Scholarships	-	216,291	-	-
Telephone	-	1,252	739	412
Travel	-	343	61	-
Website	-	1,112	657	367
In-Kind Expenses	-	33,988	16,377	9,405
<b>Total Expenses</b>	<b>\$ (86)</b>	<b>\$ 480,582</b>	<b>\$ 91,942</b>	<b>\$ 77,492</b>

See accompanying Notes to Financial Statements.



**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)**  
**YEAR ENDED JUNE 30, 2021**

	Programs			
	Sanibel School	Bonita Springs High School	Education Resource Center	Future Makers
<b>EXPENSES</b>				
Accounting and Tax Preparation	\$ -	\$ -	\$ -	\$ -
Administrative Expenses	-	-	-	-
Allegretti Scholarship	-	-	-	-
Artwork	-	-	-	-
Awards	-	-	-	-
Bank Charges	44	-	-	-
Bonita Springs High School	-	3,686	-	-
Conferences	-	-	-	-
Contract Temporary Services	-	-	-	-
Decorations and Flowers	-	-	-	-
Depreciation	-	-	-	-
Dues and Subscriptions	-	-	-	-
Employee Salaries and Benefits	-	-	45,360	43,074
Environmental Education	-	-	-	-
Estero Education Initiative	-	-	-	-
Fort Myers High School Fund Scholarship	-	-	-	-
Golden Futures Scholarship	-	-	-	-
Grants	-	-	-	-
Insurance	-	-	-	-
Jeff Sommer Scholarships	-	-	-	-
KTA Grant	-	-	-	-
Lead Like a Girl	-	-	-	-
Marketing	-	-	-	-
Meals and Lodging	-	-	-	-
Meetings	-	-	-	-
Mentor Background Checks	-	-	-	-
Mentor Events & Services	-	-	-	-
Miscellaneous	-	-	-	-
Music	-	-	-	-
Name Tags - Sponsor Boards	-	-	-	-
Office Supplies and Equipment	-	-	1,830	700
Photography and Video	-	-	-	-
Postage	-	-	55	-
Printing	-	-	-	-
Production and Set Design	-	-	-	-
Program Costs	-	-	9	(789)
Reception	-	-	-	-
Related Events - Golden Apple	-	-	-	-
Richard Hagy Scholarships	-	-	-	-
Rotary Golf	-	-	-	-
Sanibel School Fund	94,129	-	-	-
Shadow Wood Scholarship	-	-	-	-
Special Events	-	-	-	-
State of our Schools Breakfast	-	-	-	-
STEM Education	-	-	-	-
STAMP Scholarships	-	-	-	-
Suncoast C.U. Scholarships	-	-	-	-
Take Stock in Children 5 K Expenses	-	-	-	-
Take Stock in Children Auction	-	-	-	-
Take Stock in Children Scholarships	-	-	-	-
Telephone	-	-	280	295
Travel	-	-	111	68
Website	-	-	478	263
In-Kind Expenses	-	-	33,914	6,813
<b>Total Expenses</b>	<b>\$ 94,173</b>	<b>\$ 3,686</b>	<b>\$ 82,037</b>	<b>\$ 50,424</b>

See accompanying Notes to Financial Statements.

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)**  
**YEAR ENDED JUNE 30, 2021**

	Programs		Support Services	
	Other Programs	Total	Management and General	Total
<b>EXPENSES</b>				
Accounting and Tax Preparation	\$ -	\$ -	\$ 19,765	\$ 19,765
Administrative Expenses	-	-	1,049	1,049
Allegretti Scholarship	5,003	5,003	-	5,003
Artwork	-	1,241	-	1,241
Awards	-	27,000	-	27,000
Bank Charges	-	44	1,136	1,180
Bonita Springs High School	-	3,686	-	3,686
Conferences	-	275	570	845
Contract Temporary Services	-	(75)	-	(75)
Decorations and Flowers	-	6,186	-	6,186
Depreciation	645	645	-	645
Dues and Subscriptions	-	-	5,289	5,289
Employee Salaries and Benefits	-	597,610	84,572	682,182
Environmental Education	11,988	11,988	-	11,988
Estero Education Initiative	3,535	3,535	-	3,535
Fort Myers High School Fund Scholarship	5,001	5,001	-	5,001
Golden Futures Scholarship	-	15,241	-	15,241
Grants	-	83,032	-	83,032
Insurance	3	3	4,125	4,128
Jeff Sommer Scholarships	5,000	5,000	-	5,000
KTA Grant	(800)	(800)	-	(800)
Lead Like a Girl	-	810	-	810
Marketing	-	-	74	74
Meals and Lodging	-	50,491	255	50,746
Meetings	-	35	79	114
Mentor Background Checks	-	614	-	614
Mentor Events & Services	-	(11)	-	(11)
Miscellaneous	7,552	7,552	-	7,552
Music	-	500	-	500
Name Tags - Sponsor Boards	-	616	57	673
Office Supplies and Equipment	-	11,834	1,729	13,563
Photography and Video	-	650	-	650
Postage	-	1,610	371	1,981
Printing	-	6,713	-	6,713
Production and Set Design	-	18,000	-	18,000
Program Costs	2	5,351	-	5,351
Reception	-	934	-	934
Related Events - Golden Apple	-	3,081	-	3,081
Richard Hagy Scholarships	14,000	14,000	-	14,000
Rotary Golf	70	153	-	153
Sanibel School Fund	-	94,129	-	94,129
Shadow Wood Scholarship	4,020	4,020	-	4,020
Special Events	-	600	-	600
State of our Schools Breakfast	-	-	3,219	3,219
STEM Education	-	3,681	-	3,681
STAMP Scholarships	-	5,000	-	5,000
Suncoast C.U. Scholarships	10,003	10,003	-	10,003
Take Stock in Children 5 K Expenses	-	21,959	-	21,959
Take Stock in Children Auction	2,686	2,686	-	2,686
Take Stock in Children Scholarships	-	216,291	-	216,291
Telephone	-	4,220	576	4,796
Travel	-	765	94	859
Website	-	3,742	1,226	4,968
In-Kind Expenses	600	165,592	48,878	214,470
<b>Total Expenses</b>	<b>\$ 69,308</b>	<b>\$ 1,420,236</b>	<b>\$ 173,064</b>	<b>\$ 1,593,300</b>

See accompanying Notes to Financial Statements.

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2021**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in Net Assets	\$ 208,090
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation Expense	645
Interest Income Rolled into Certificates of Deposit	(6,238)
Increase in Accounts Receivable	(17,146)
Decrease in Prepaid Scholarships	153,011
Increase in Accounts Payable and Accrued Expenses	31,599
Net Cash Provided by Operating Activities	<u>369,961</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Forgiveness of PPP Loan	<u>(135,756)</u>
Net Cash Provided by Investing Activities	(135,756)
Cash and Cash Equivalents - Beginning of Year	<u>1,347,624</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 1,581,829</u></u>

See accompanying Notes to Financial Statements.

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 1 NATURE AND PURPOSE OF THE FOUNDATION**

The Foundation for Lee County Public Schools, Inc. (the Foundation) is a nonprofit organization which affords community interaction and financial support for the enrichment of educational programs within the School District of Lee County (the District). The Foundation is organized and operates as a direct-support organization of the District and is a component unit of the District.

A brief description of the Foundation's activities that support its program is as follows:

Administration (AD) – Administration includes fund-raisers, Business Partners/State of our Schools, and other activities and special events not specifically identified in other programs.

A-Team (AT) – The A-Team Challenge is a televised academic competition created to honor academic excellence and achievement and to foster pride and spirit of competition among high school students, teachers, and coaches.

Bonita Springs High School Fund (BS) – The Bonita Springs High School reflects contributions received and related expenditures made specifically for the Bonita Springs High School.

College & Career Initiatives (CC) – In collaboration with local Lee County businesses, we offer various opportunities to educate students and educators in the district. Our programs give them the opportunity to learn about local career fields focused on STEM and educational requirements for those careers.

Our College and Career Center prepares Lee County public school students for post-secondary education, technical training, or entering the workforce. This is accomplished through scholarship search, ACT prep, financial literacy, and career exploration.

Classroom Grants (CG) – The Classroom Grants Program offers educators the ability to apply for and receive funds to offer unique learning opportunities and experiences for their students.

Collegium for the Advancement of Education (TR) – The Collegium for the Advancement of Education is the teacher development element of the Golden Apple program that offers opportunities for networking, as well as educational opportunities to a select group of educators.

Education Resource Center (RC) – The Center collects new and used donated items to benefit teachers, students, and schools at no cost to them.

Estero Education Initiative (OP) – The Estero Education Initiative reflects contributions received and related expenditures made specifically for the Estero Schools.

Fort Myers High School Fund (OP) – The Fort Myers High School Fund reflects contributions received and related expenditures made specifically for the Fort Myers High School.

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 1 NATURE AND PURPOSE OF THE FOUNDATION (CONTINUED)**

FutureMakers (FM) – The FutureMakers Program inspires more high school seniors to take the next step after graduation, whether it is a university, college, or technical/vocational training through presentations and financial aid workshops.

Golden Apple (GA) – The Golden Apple Teacher Recognition Program gives a high level of recognition to outstanding classroom teachers. This program presents many opportunities to Lee County educators. The Program also includes Academy of Teachers.

Kids Tag Art (OP) – Lee County Kids Tag Art is an educational fundraising project created in partnership with the Lee County Tax Collectors Office and designed to benefit the art classrooms in Lee County District Schools. This program has historically been offered annually to each elementary school's fifth-grade students. However, it was suspended during the fiscal year ended June 30, 2021.

Other Programs (OP) – At this time, Other Programs includes Discretionary Fund, Access Homeless Fund, Environmental Education (Edison Fairs), Rotary Golf Fundraiser, Erik Babatz Memorial Fishing Tournament, Rising Star Scholarship Fund, Fort Myers Technical College Revenue, Food for Thought, New Teachers Social, Healthy Me, Partners in Education Academy, Jeff Sommer Memorial Scholarships, Suncoast C. U. Scholarships, Allegretti Foundation Scholarships, Richard Hagy Memorial Scholarships, Shevach Scholarships, and Shadow Wood Scholarships.

S.O.S. Enrichment Program (OP) – Support Our Students (S.O.S.) Program provides a unique opportunity for students of low-income families. This community-based initiative offers high school students exceptional learning opportunities, cultural arts, and career enrichment activities that inspire them to discover, embrace, and appreciate their self-worth. It also includes six weeks of subsidized work experience. We have teamed with community partners who offer job/internship opportunities to qualified students.

Sanibel School (SS) – The Sanibel School reflects contributions received and related expenditures made specifically for the Sanibel School.

Student Advocacy & Mentoring (SA) – This program works with at-risk, low-income students in the District by offering resources and volunteer mentors to assist students completing their high school education and continuing post-secondary education.

Take Stock in Children (SC) – This scholarship program provides educational scholarships and mentoring to low income at-risk students.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Net Asset Classifications**

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

*Net Assets Without Donor Restrictions* – represents funds which are fully available to be utilized in any Foundation activity or for supporting services, and those resources invested in equipment and furnishings.

*Net Assets With Donor Restrictions* – represents funds which are restricted by donors for specific purposes. The restrictions are satisfied either by the passage of time or by actions of the Foundation.

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

**Contributions**

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. The discounts on those amounts are computed using an imputed interest rate applicable to the year in which the promise is to be received.

Donations of personal property are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use, or the use of proceeds derived from the sales of such assets, are reported as restricted contributions. At the time of sale, the Foundation records any gain or loss related to the sale of the donated asset.

**Donated Services**

Donated services are recognized only if services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically be purchased if not provided by donation. Donated services meeting the requirement for recognition in the financial statements are recorded at the fair market value of professional services rendered.

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cash and Cash Equivalents**

Cash and cash equivalents consist of cash held in checking, savings, and money market accounts and certificates of deposits with original maturities of three months or less. At times, cash balances with financial institutions exceed FDIC limits.

**Certificates of Deposits**

Certificates of deposit with original maturities greater than three months are shown at the original amount deposited plus accrued interest, which approximates fair value because of the short-term nature of these deposits (one-year or less).

**Concentration of Credit Risks**

The Foundation's policy is to place its cash with high credit quality financial institutions. Cash and cash equivalents consist of bank deposits which, at times, may exceed federally insured limits. The Foundation maintains its cash deposit accounts in institutions which are insured by either the Federal Deposit Insurance Corporation or the National Credit Union Administration, both of which provide coverage on balances up to \$250,000 per depositor per institution.

The uncollateralized combined bank balance comprised of demand deposits is subject to custodial credit risk as it exceeds the FDIC limits by \$1,375,623 for the year ended June 30, 2021. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash or cash equivalents.

**Office Equipment and Furnishings**

Office equipment and furnishings have been recorded at cost. The Foundation has a capitalization threshold of \$500. Depreciation is recorded using the straight line method over the estimated useful life of the asset.

**Donated Assets Held for Sale**

As of June 30, 2021, donated assets held for sale consists of four boats that were donated to the Organization for the use in the marine technology department of the Fort Myers Technical College, part of the Lee County Public School District. The boats are used for the purposes of student training until they are sold. Donor restrictions indicate that proceeds must be used to subsidize the marine technology program at the College.

**Income Taxes**

The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC). The Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as a foundation that is not a private foundation under Section 509(a)(2).

The Foundation follows the income tax standard for uncertain tax positions and has evaluated its tax positions and determined it has no uncertain tax positions as of June 30, 2021.

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Functional Allocation of Expenses**

The costs of providing the program and various other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the activities and supporting services benefited. Salaries and benefits are allocated based on the direct amount of time each person spends in each program. Other expenses, such as supplies, printing and copying, or services required for conducting the programs are charged based on the direct invoice cost of the items or services. Rent (Donated Facility Usage) is allocated to various programs and administration accounts based on the salary percentages of employees by location. Fundraising costs are considered immaterial and have been included in program services.

**Change in Accounting Principle**

In May 2014, the Financial Accounting Standard Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*. The guidance requires the Foundation to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the Foundation expects to be entitled in exchange for those goods or services. The guidance also requires expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. Additionally, qualitative and quantitative disclosures are required regarding customer contracts, significant judgments and changes in judgments, and assets recognized from the costs to obtain or fulfill a contract.

ASU 2014-09 requires organizations to exercise more judgment and recognize revenue using a five-step process. The Foundation adopted ASU 2014-09 using the modified retrospective method for all contracts effective July 1, 2020 and is using a portfolio approach to group contracts with similar characteristics and analyze historical cash collections trends. Modified retrospective adoption requires entities to apply the standard retrospectively to the most current period presented in the financial statements, requiring the cumulative effect of the retrospective application as an adjustment to the opening balance of net assets at the date of initial application.

The adoption of ASU 2014-09 has no impact on the Foundation's accounts receivable as it was historically recorded net of allowance for doubtful accounts. The adoption of ASU 2014-09 did not have a significant impact on the Foundation's statement of activities for the year ended June 30, 2021.

**Subsequent Events**

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through August 19, 2021, the date the financial statements were available to be issued.



**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 3 LIQUIDITY**

The Foundation receives significant contributions with donor restrictions to be used in accordance with the associated purpose restrictions. The Foundation considers contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include administrative and general expenses, fundraising expenses, and program expenses expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Foundation's fiscal year.

The Foundation routinely monitors liquidity to meet its operating needs. In addition to financial assets available to meet general expenditures, the Foundation operates with a balanced operating budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

The table below presents financial assets available for general expenditures within one year at June 30, 2021:

Financial Assets at Year-End:	
Cash and Cash Equivalents	\$ 1,581,829
Certificates of Deposit	520,150
Accounts Receivable	54,294
Total	<u>2,156,273</u>
Less: Net Assets With Donor Restrictions	(3,864,784)
Prepaid Expenses Included in Net Assets With Donor Restrictions	<u>1,900,851</u>
Financial Assets Available to Meet General Expenditures within One Year	<u><u>\$ 192,340</u></u>

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 4 FLORIDA PREPAID SCHOLARSHIPS**

The Foundation, through its donors, has purchased prepaid scholarships from the Florida Prepaid College Foundation, Inc. As of June 30, 2021, the Foundation owns prepaid scholarships worth \$9,071,586, which are reported on the statement of financial position at a cost of \$1,900,851. Of the prepaid scholarships owned at June 30, 2021, \$562,429 was purchased in the current fiscal year for \$59,678 plus \$223,286 of Florida Prepaid Credits for a total cost of \$281,215 from the Florida Prepaid College Foundation, Inc. The State of Florida matches, dollar for dollar, the Foundation's cost of prepaid scholarships purchased.

Upon graduation from a public high school, students are awarded prepaid scholarships. To date, 788 Lee County public school students have been awarded Florida Prepaid Scholarships. The remaining 242 prepaid scholarships have been designated for future Lee County public school graduates.

Scholarship activity for the year ended June 30, 2021 was as follows:

	Unawarded	Awarded	Total
Beginning Balance	\$ 567,765	\$ 1,486,096	\$ 2,053,861
Scholarship Reinvestment	-	-	-
Opportunity (SRO)	(219,684)	-	(219,684)
Scholarships Purchased	281,215	-	281,215
Scholarships Awarded	19,862	(19,862)	-
Value Used	-	(214,541)	(214,541)
Ending Balance	<u>\$ 649,158</u>	<u>\$ 1,251,693</u>	<u>\$ 1,900,851</u>

**NOTE 5 CONTRIBUTED GOODS, SERVICES, AND USE OF FACILITIES**

Contributed goods, services, and use of facilities reported are as follows for the year ended June 30, 2021:

**Administration**

Administration - Professional Services, Facilities, and Salaries	\$ 48,878
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**Programs**

Golden Apple - Advertising, Promotion, and Television Airtime	47,934
Classroom Grants - Printing and Donated Facilities	10,129
Collegium - Donated Facilities and Event Expenses	6,432
Take Stock in Children - Facilities, Event Expenses, and Advertising	33,988
C <sup>3</sup> College and Career - Printing and Donated Facilities	16,377
FutureMakers - Donated Facilities and Supplies	6,813
Student Advocacy & Mentoring - Donated Facilities	9,405
Education Resource Center - Donated Facilities and Supplies	33,914
Other Programs - Use of Facilities and Event Expenses	600
Total Programs	<u>165,592</u>
Total Contributed Goods, Services, and Use of Facilities	<u>\$ 214,470</u>

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 6 RETIREMENT PLAN**

The Foundation offers its employees a defined contribution plan. The plan covers substantially all employees subject to a minimum age and days of service requirement. The employer contributes a minimum of 5%, up to a maximum of 20% of each eligible participant's compensation minus the annual cost of medical insurance premiums, individual or family coverage, as applicable. Participants' interest in elective deferral contributions is vested at 100%. Total contributions to the plan for the year ended June 30, 2021 were \$82,242.

**NOTE 7 RELATED PARTY TRANSACTIONS**

The Foundation maintains, either directly or through a custodial relationship, a portion of its investments and bank depository balances with Edison National Bank and FineMark Bank. Board Members were officers of Edison National Bank and FineMark Bank during the year ended June 30, 2021. Bank depository account balances at Edison National Bank totaled approximately \$1,537,019 at June 30, 2021. Bank depository account balances at FineMark Bank totaled approximately \$130,053 at June 30, 2021.

**NOTE 8 CONCENTRATIONS**

The Foundation received contributions and in-kind contributions of \$381,721 and \$7,210, respectively, for the year ended June 30, 2021, from Board of Directors or entities affiliated with Board members.

**NOTE 9 PPP LOAN**

On May 1, 2020, the Foundation received a loan from a financial institution in the amount of \$135,756 to fund payroll, rent, and utilities through the Paycheck Protection Program Flexibility Act of 2020 (the "PPP Loan"). The PPP Loan could be forgiven by the U.S. Small Business Administration (SBA) subject to certain performance barriers as outlined in the loan agreement and the CARES Act. The SBA may review funding eligibility and usage of funds in compliance with the program based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on the Foundation's financial position. On November 2, 2020, the SBA has formally forgiven the entire portion of the Foundation's obligation under this PPP Loan. Therefore, the Foundation recognized \$135,756 of contributions revenue for the year ended June 30, 2021.

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 10 COVID-19**

The World Health Organization has declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the Foundation, COVID-19 may impact various parts of its 2022 operations and financial results, including, but not limited to, potential shortages of personnel, or potential loss of revenue due to reductions in certain revenue streams. Management believes the Foundation is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing.

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**SCHEDULE OF ACTIVITY REVENUE**  
**YEAR ENDED JUNE 30, 2021**

<b>REVENUE</b>	Golden Apple	Classroom Grants	Collegium
Contributions and Sponsors	\$ 25,550	\$ 130,401	\$ 37,766
Academy of Teachers	1,000	-	-
Access Homeless Fund	-	-	-
Allegretti Scholarships	-	-	-
Babatz Memorial Scholarship	-	-	-
Environmental Education	-	-	-
Estero Education Initiative	-	-	-
Facebook Donations	-	-	-
Fort Myers High School Fund Scholarship	-	-	-
Shadow Wood Scholarship (OP)	-	-	-
Shevach Scholarship (OP)	-	-	-
Golden Apple Dinner	4,720	-	-
Golden Future Scholarship	19,936	-	-
Golden Apple Table Sponsors	51,250	-	-
Kids Tag Art	-	-	-
License Plate	-	11,291	-
Loan Forgiveness	-	-	-
Major Sponsors	78,393	-	-
New Teacher Social Sponsor	-	-	-
Pandemic Relief Fund	-	-	-
Richard Hagy Memorial Scholarship	-	-	-
Rotary Golf Fundraiser	-	-	-
Restricted Donations	-	-	-
Sanibel School	-	-	-
State of Our Schools	-	-	-
State of Our Schools Breakfast	-	-	-
STAMP Scholarship	-	-	-
STEM Education	-	-	-
STEM Work	-	-	-
S.O.S. Internship Program	-	-	-
S.O.S. Enrichment Program	-	-	-
Suncoast C.U. Scholarships	-	-	-
Take Stock in Children	-	-	-
Take Stock in Children Receptions	-	-	-
Take Stock in Children Florida Prepaid Credit	-	-	-
Vision 2020	-	-	-
Interest	-	-	-
In-Kind Income	47,934	10,129	6,432
<b>Total Revenue</b>	<b>\$ 228,783</b>	<b>\$ 151,821</b>	<b>\$ 44,198</b>

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**SCHEDULE OF ACTIVITY REVENUE (CONTINUED)**  
**YEAR ENDED JUNE 30, 2021**

<b>REVENUE (Continued)</b>	<u>Take Stock in Children</u>	<u>C<sup>3</sup> College and Career</u>	<u>Student Advocacy &amp; Mentoring</u>
Contributions and Sponsors	\$ 116,251	\$ 125,500	\$ 89,509
Academy of Teachers	-	-	-
Access Homeless Fund	-	-	-
Allegretti Scholarships	-	-	-
Babatz Memorial Scholarship	3,095	-	-
Environmental Education	-	-	-
Estero Education Initiative	-	-	-
Facebook Donations	-	-	-
Fort Myers High School Fund Scholarship	-	-	-
Shadow Wood Scholarship (OP)	-	-	-
Shevach Scholarship (OP)	-	-	-
Golden Apple Dinner	-	-	-
Golden Future Scholarship	-	-	-
Golden Apple Table Sponsors	-	-	-
Kids Tag Art	-	-	-
License Plate	-	-	-
Loan Forgiveness	-	-	-
Major Sponsors	-	-	-
New Teacher Social Sponsor	-	-	-
Pandemic Relief Fund	-	-	-
Richard Hagy Memorial Scholarship	-	-	-
Rotary Golf Fundraiser	5,013	-	-
Restricted Donations	-	-	-
Sanibel School	-	-	-
State of Our Schools	-	-	-
State of Our Schools Breakfast	-	-	-
STAMP Scholarship	-	-	4,000
STEM Education	-	16,500	-
STEM Work	-	12,000	-
S.O.S. Internship Program	-	-	-
S.O.S. Enrichment Program	-	-	-
Suncoast C.U. Scholarships	-	-	-
Take Stock in Children	208,479	-	-
Take Stock in Children Receptions	2,500	-	-
Take Stock in Children Florida Prepaid Credit	3,602	-	-
Vision 2020	-	-	-
Interest	-	-	-
In-Kind Income	33,988	16,377	9,405
	<u>33,988</u>	<u>16,377</u>	<u>9,405</u>
Total Revenue	<u>\$ 372,928</u>	<u>\$ 170,377</u>	<u>\$ 102,914</u>

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**SCHEDULE OF ACTIVITY REVENUE (CONTINUED)**  
**YEAR ENDED JUNE 30, 2021**

<b>REVENUE (Continued)</b>	Sanibel School	Education Resource Center	Future Makers
Contributions and Sponsors	\$ -	\$ 25,631	\$ 75,150
Academy of Teachers	-	-	-
Access Homeless Fund	-	-	-
Allegretti Scholarships	-	-	-
Babatz Memorial Scholarship	-	-	-
Environmental Education	-	-	-
Estero Education Initiative	-	-	-
Facebook Donations	-	-	-
Fort Myers High School Fund Scholarship	-	-	-
Shadow Wood Scholarship (OP)	-	-	-
Shevach Scholarship (OP)	-	-	-
Golden Apple Dinner	-	-	-
Golden Future Scholarship	-	-	-
Golden Apple Table Sponsors	-	-	-
Kids Tag Art	-	-	-
License Plate	-	11,291	-
Loan Forgiveness	-	-	-
Major Sponsors	-	-	-
New Teacher Social Sponsor	-	-	-
Pandemic Relief Fund	-	9,298	-
Richard Hagy Memorial Scholarship	-	-	-
Rotary Golf Fundraiser	-	-	-
Restricted Donations	-	-	-
Sanibel School	120,582	-	-
State of Our Schools	-	-	-
State of Our Schools Breakfast	-	-	-
STAMP Scholarship	-	-	-
STEM Education	-	-	-
STEM Work	-	-	-
S.O.S. Internship Program	-	-	-
S.O.S. Enrichment Program	-	-	-
Suncoast C.U. Scholarships	-	-	-
Take Stock in Children	-	-	-
Take Stock in Children Receptions	-	-	-
Take Stock in Children Florida Prepaid Credit	-	-	-
Vision 2020	-	-	-
Interest	-	-	-
In-Kind Income	-	33,914	6,813
<b>Total Revenue</b>	<b>\$ 120,582</b>	<b>\$ 80,134</b>	<b>\$ 81,963</b>

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.**  
**SCHEDULE OF ACTIVITY REVENUE (CONTINUED)**  
**YEAR ENDED JUNE 30, 2021**

<b>REVENUE (Continued)</b>	Other Programs	Administration	Totals
Contributions and Sponsors	\$ -	\$ 53,364	\$ 679,122
Academy of Teachers	-	-	1,000
Access Homeless Fund	5,400	-	5,400
Allegretti Scholarships	5,000	-	5,000
Babatz Memorial Scholarship	-	-	3,095
Environmental Education	20,426	-	20,426
Estero Education Initiative	53	-	53
Facebook Donations	-	230	230
Fort Myers High School Fund Scholarship	5,000	-	5,000
Shadow Wood Scholarship (OP)	50,000	-	50,000
Shevach Scholarship (OP)	20,000	-	20,000
Golden Apple Dinner	-	-	4,720
Golden Future Scholarship	-	-	19,936
Golden Apple Table Sponsors	-	-	51,250
Kids Tag Art	19	-	19
License Plate	-	-	22,582
Loan Forgiveness	-	135,756	135,756
Major Sponsors	-	-	78,393
New Teacher Social Sponsor	2,495	-	2,495
Pandemic Relief Fund	-	-	9,298
Richard Hagy Memorial Scholarship	16,563	-	16,563
Rotary Golf Fundraiser	21,976	-	26,989
Restricted Donations	-	2,050	2,050
Sanibel School	-	-	120,582
State of Our Schools	-	24,350	24,350
State of Our Schools Breakfast	-	4,825	4,825
STAMP Scholarship	-	-	4,000
STEM Education	-	-	16,500
STEM Work	-	-	12,000
S.O.S. Internship Program	5,000	-	5,000
S.O.S. Enrichment Program	8,500	-	8,500
Suncoast C.U. Scholarships	10,000	-	10,000
Take Stock in Children	-	-	208,479
Take Stock in Children Receptions	-	-	2,500
Take Stock in Children Florida Prepaid Credit	-	-	3,602
Vision 2020	576	-	576
Interest	-	6,629	6,629
In-Kind Income	600	48,878	214,470
<b>Total Revenue</b>	<b>\$ 171,608</b>	<b>\$ 276,082</b>	<b>\$ 1,801,390</b>



**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.  
SCHEDULE OF CHANGES IN NET ASSETS  
YEAR ENDED JUNE 30, 2021**

	Golden Apple	Classroom Grants	A-Team	Collegium	Dancing Classroom
<b>SUPPORT AND REVENUE</b>	\$ 228,783	\$ 151,821	\$ -	\$ 44,198	\$ -
<b>EXPENSES</b>	(240,461)	(161,069)	(3,263)	(65,885)	86
<b>TRANSFERS</b>	<u>(10,000)</u>	<u>9,499</u>	<u>3,183</u>	<u>10,000</u>	<u>(86)</u>
<b>CHANGE IN NET ASSETS</b>	(21,678)	251	(80)	(11,687)	-
Net Assets - Beginning of Year	<u>89,414</u>	<u>-</u>	<u>80</u>	<u>20,120</u>	<u>-</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 67,736</u>	<u>\$ 251</u>	<u>\$ -</u>	<u>\$ 8,433</u>	<u>\$ -</u>

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.  
SCHEDULE OF CHANGES IN NET ASSETS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

	Take Stock in Children	C <sup>3</sup> College and Career	Student Advocacy & Mentoring	Sanibel School	Bonita Springs High School
<b>SUPPORT AND REVENUE</b>	\$ 372,928	\$ 170,377	\$ 102,914	\$ 120,582	\$ -
<b>EXPENSES</b>	(480,582)	(91,942)	(77,492)	(94,173)	(3,686)
<b>TRANSFERS</b>	-	-	-	-	-
<b>CHANGE IN NET ASSETS</b>	(107,654)	78,435	25,422	26,409	(3,686)
Net Assets - Beginning of Year	<u>2,591,701</u>	<u>98,624</u>	<u>141,841</u>	<u>124,746</u>	<u>187,062</u>
<b>NET ASSETS - END OF YEAR</b>	<u><u>\$ 2,484,047</u></u>	<u><u>\$ 177,059</u></u>	<u><u>\$ 167,263</u></u>	<u><u>\$ 151,155</u></u>	<u><u>\$ 183,376</u></u>

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.  
SCHEDULE OF CHANGES IN NET ASSETS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

	Education Resource Center	Future Makers	Other Programs	Administration	Furnishings and Equipment
<b>SUPPORT AND REVENUE</b>	\$ 80,134	\$ 81,963	\$ 171,608	\$ 276,082	\$ -
<b>EXPENSES</b>	(82,037)	(50,424)	(68,663)	(173,064)	(645)
<b>TRANSFERS</b>	-	-	(2)	(12,594)	-
<b>CHANGE IN NET ASSETS</b>	(1,903)	31,539	102,943	90,424	(645)
Net Assets - Beginning of Year	17,810	117,026	358,049	85,855	5,747
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 15,907</u>	<u>\$ 148,565</u>	<u>\$ 460,992</u>	<u>\$ 176,279</u>	<u>\$ 5,102</u>

**THE FOUNDATION FOR LEE COUNTY PUBLIC SCHOOLS, INC.  
SCHEDULE OF CHANGES IN NET ASSETS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

	<u>Totals</u>
<b>SUPPORT AND REVENUE</b>	\$ 1,801,390
<b>EXPENSES</b>	(1,593,300)
<b>TRANSFERS</b>	<u>-</u>
<b>CHANGE IN NET ASSETS</b>	208,090
Net Assets - Beginning of Year	<u>3,838,075</u>
<b>NET ASSETS - END OF YEAR</b>	<u><u>\$ 4,046,165</u></u>



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

Board of Directors  
The Foundation for Lee County Public Schools, Inc.  
Fort Myers, 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 The Foundation for Lee County Public Schools, Inc. (the Foundation), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 19, 2021.

**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 opinions 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 of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, as described below, that we consider to be material weaknesses. These material weaknesses were identified and communicated in a prior period.

## **2021-001 Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP)**

### **Criteria:**

Management is responsible for establishing and maintaining internal controls and for the fair presentation of the financial statements, including the related disclosures, in accordance with accounting principles generally accepted in the United States of America (GAAP).

### **Condition:**

The entity does not have an internal control policy in place over annual financial reporting that would enable management to prepare its annual financial statements and related footnote disclosures are complete and presented in accordance with GAAP.

### **Context:**

Management has informed us that they do not have an internal control policy in place over the annual financial reporting and that they do not have the necessary staff capacity to prepare the annual financial statements, including disclosures.

### **Cause:**

The entity relies on the audit firm to prepare the annual financial statements and related disclosures. However, management has reviewed and approved the annual financial statements and the related disclosures.

### **Effect:**

The potential exists that a material misstatement of the annual financial statements could occur and not be prevented or detected by the entity's internal controls.

### **Recommendation:**

Management should continue to evaluate their internal staff capacity to determine if an internal control policy over the annual financial reporting is beneficial.

## **2021-002 Audit Adjustment**

### **Criteria:**

Management is responsible for establishing and maintaining internal controls for the proper recording of all the Foundation's receipts and disbursements, year-end accruals, and in-kind contributions activity.

### **Condition:**

As part of the audit, we proposed an audit adjustment to revise the Foundation's books at year-end. The adjustment involved adjusting the recorded value of the Florida Prepaid Scholarships to the amount of tuition hours available to be awarded.

### **Cause:**

The entity relies on the audit firm to propose audit adjustment necessary for the preparation of the annual financial statements and related disclosures. However, management has reviewed and approved the proposed audit adjustment.

**2020-002 Audit Adjustment (Continued)**

**Effect:**

The potential exists that a material misstatement of the annual financial statements could occur and not be prevented or detected by the Foundation’s internal controls.

**Recommendation:**

We recommend management be consistently aware of all procedures involved in recording receipts and disbursements, and accruals, and develop internal control policies to ensure proper recording of these items.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Foundation’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*.

**The Foundation’s Response to Findings**

The Foundation’s responses to the findings identified in our audit are described in the accompanying schedule of management responses. The Foundation’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**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.



**CliftonLarsonAllen LLP**

Fort Myers, Florida  
August 19, 2021

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The Foundation for Lee County Schools, Inc., is a not for profit 501 (c)(3) organization established in 1986. Its mission is to enhance and enrich the quality of public education in Lee County for students and educators through programs, resources and experiences made possible through corporate, individual and educational partnerships.

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August 17, 2021

Amy C. Cooper, CPA  
Principal, Nonprofit  
CliftonLarsonAllen LLP  
4501 Tamiami Trail North, Suite 200  
Naples, FL 34103

Dear Ms. Cooper,

On behalf of The Foundation for Lee County Public Schools Inc., this letter will confirm that we have reviewed the final draft of the audited financial statements for the fiscal year ended June 30, 2021.

The deficiencies described in the audit are similar to past audit findings and are known to management and the Board of Directors. Due to cost and other considerations, we accept the degree of risk associated with these deficiencies.

I want to take this opportunity to thank you once again for your services with regard to this audit. We look forward to receiving the finalized audit.

Sincerely,

Marshall T. Bower, Esq.  
President & CEO

MTB:ml

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