

Clay County Education Foundation, Inc.
FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
For the year ended June 30, 2014

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Clay County Education Foundation, Inc.
Green Cove Springs, FL

We have audited the accompanying statement of financial position of the Clay County Education Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

The prior year summarized comparative information has been derived from the Foundation's 2013 financial statements and, in our report dated November 18, 2014, we expressed an unqualified opinion on those 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 managements as well as evaluating the overall presentation of the financial statements.

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 Clay County Education Foundation as of June 30, 2014, 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.

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Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 11 is presented for purposes of additional analysis and is 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. The 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.



William G. Haeberle, CPA, LLC

Jacksonville, FL

November 18, 2014

Clay County Education Foundation, Inc.
 STATEMENT OF FINANCIAL POSITION
 For the year ended June 30, 2014
 (With comparative totals for 2013)

ASSETS	June 30, 2014	June 30, 2013
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 2,482	\$ 31,247
Accounts Receivable	2,232	
Funds Held by Others	1,063	4,681
TOTAL CURRENT ASSETS	5,777	35,928
Property & Equipment	1,840	1,840
Less: Accumulated Depreciation	(1,840)	(1,840)
Property & Equipment, Net	-	-
TOTAL ASSETS	\$ 5,777	\$ 35,928
LIABILITIES AND NET ASSETS		
LIABILITIES		
Scholarships Payable	\$ 1,063	\$ 4,681
NET ASSETS		
Unrestricted	2,411	27,929
Restricted	2,303	3,318
TOTAL NET ASSETS	4,714	31,247
TOTAL LIABILITIES AND NET ASSETS	\$ 5,777	\$ 35,928

See accompanying notes and independent auditor's report.

Clay County Education Foundation, Inc.
STATEMENT OF ACTIVITIES
For the year ended June 30, 2014
(With comparative totals for 2013)

	<u>UNRESTRICTED</u>	<u>RESTRICTED</u>	<u>TOTAL (2014)</u>	<u>2013</u>
PUBLIC SUPPORT AND REVENUE				
Contributions and Support	\$ 43,589		\$ 43,589	\$ 25,616
Grants	55,151	-	55,151	33,835
Fundraising	20,418	-	20,418	2,713
Interest and Dividends	34	10	44	171
TOTAL PUBLIC SUPPORT AND REVENUE	<u>119,192</u>	<u>10</u>	<u>119,202</u>	<u>62,335</u>
NET ASSETS RELEASED FROM RESTRICTIONS				
Restrictions satisfied by offering scholarships	1,025	(1,025)	-	(500)
TOTAL SUPPORT AND RECLASSIFICATIONS	<u>120,217</u>	<u>(1,015)</u>	<u>119,202</u>	<u>61,835</u>
EXPENSES				
Program Services				
Education Grants and Funding	143,365	-	143,365	89,018
Total Program Services	<u>143,365</u>	<u>-</u>	<u>143,365</u>	<u>89,018</u>
Supporting Services				
General and Administrative	1,620		1,620	2,502
Fundraising	750		750	80
Total Supporting Services	<u>2,370</u>	<u>-</u>	<u>2,370</u>	<u>2,582</u>
TOTAL EXPENSES	<u>145,735</u>	<u>-</u>	<u>145,735</u>	<u>91,600</u>
CHANGE (DECREASE) IN NET ASSETS	<u>(25,518)</u>	<u>(1,015)</u>	<u>(26,533)</u>	<u>(29,765)</u>
NET ASSETS, BEGINNING OF PERIOD	<u>27,929</u>	<u>3,318</u>	<u>31,247</u>	<u>61,012</u>
NET ASSETS, END OF PERIOD	<u>\$ 2,411</u>	<u>\$ 2,303</u>	<u>\$ 4,714</u>	<u>\$ 31,247</u>

See accompanying notes and independent auditor's report.

Clay County Education Foundation, Inc.
STATEMENT OF CASH FLOWS
For the year ended June 30, 2014
(With comparative totals for 2013)

	June 30, 2014	June 30, 2013
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:		
Change in Net Assets	\$ (26,533)	\$ (29,765)
Depreciation		
Changes in Asset and Liability Accounts:		
Pledges Receivable (Increase) Decrease		
Accounts Receivable (Increase) Decrease	(2,232)	
Funds held by Others (Increase) Decrease	3,618	(2,000)
Accounts Payable Increase (Decrease)	(3,618)	2,000
NET CASH USED BY OPERATING ACTIVITIES	(28,765)	(29,765)
CASH FLOWS FROM INVESTMENT ACTIVITIES:		
Purchase of Investments	\$ -	\$ -
Proceeds from Sale of Investments	-	-
CASH FLOWS PROVIDED (USED) BY INVESTMENT ACTIVITIES	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	(28,765)	(29,765)
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	31,247	61,012
CASH AND CASH EQUIVALENTS - END OF PERIOD	\$ 2,482	\$ 31,247

See accompanying notes and independent auditor's report.

CLAY COUNTY EDUCATION FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

The purpose of Clay County Education Foundation, Inc., (the Foundation) is to recognize student achievement, reward teacher development and promote the Clay County Public School System.

The Foundation receives donations and conducts fund-raising activities in order to provide mini-grants to teachers and to serve a complementary role to the Clay County Public School System, at the discretion of the Foundation Board. Teachers submit to the Foundation project ideas along with funding needs for the school year. The Foundation then approves projects based on their merits and funding limitations.

Basis of Accounting

The financial statements of the Foundation are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Basis of Presentation

Financial statement presentation follows the recommendation of the Financial Accounting Standards Board in its Statement of Financial Accounting standards (SFAS) No. 117, *Financial Statements for Not-for-Profit Organizations*. Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets:

1. Unrestricted net assets include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by contract or by Board designation.
2. Temporarily restricted net assets are those net assets whose use by the Foundation has been limited by donors to later periods of time or after specified dates or to specified purposes.
3. Permanently restricted net assets are those net assets whose use by the Foundation has donor-imposed restrictions that stipulate resources be maintained permanently but permits the Foundation to use up or to expend part or all of the income (or economic benefits) derived from the donated assets. As of June 30, 2014, the Foundation had no permanently restricted net assets.

CLAY COUNTY EDUCATION FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

Comparative Data

The amounts shown for the year ended June 30, 2013 in the accompanying financial statements are included to provide a basis for comparison with 2014 and present summarized totals only. Accordingly, the 2013 totals are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States of America. Such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2013, from which the summarized information was derived.

Support & Revenue

Contributions are generally available for unrestricted use unless specifically restricted by the donor. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Contributions of donated non-cash assets are recorded at fair market value in the period received.

The major sources of revenue for the Foundation are the State of Florida Consortium Grant, License 4 Learning Program, O2BKids Fundraising event and automatic payroll deduction donations from the school district employees.

Use of Estimates

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

Functional Expense Allocation

The cost of providing the various programs and other activities are summarized on a functional basis in the statement of functional expenses. The Foundation assigns most expenses directly to benefited function.

CLAY COUNTY EDUCATION FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

Income Taxes

The Company is exempt from federal and state income taxes under Section 501 (a) of the Internal Revenue Service as an organization described in section 501 (c) (3).

Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, the Foundation considers cash on hand, deposits in banks, savings accounts, certificates of deposit and highly liquid investments with maturities of three months or less to be cash equivalents.

Concentration of Fund-Raising Activities

The Foundation receives funds from the sale of entertainment coupon books. The Fundraising events accounted for 17% of total revenues for 2014.

Property and Equipment

Property and equipment are stated at cost. Depreciation is recorded on the straight-line basis over the estimated useful lives of the assets. The Foundation's Fixed Assets have been fully depreciated and the current depreciation is zero.

NOTE 2 FUNDS HELD BY OTHERS

The Foundation has money in separate Foundation accounts at St. Johns River Community College (SJRCC). Money has accumulated over the past several years in each account as a result of money being submitted and accumulating over time. The account balances for 2014 for SJRCC was \$1,063.

NOTE 3 INVESTMENTS

The Foundation invests excess cash in certificates of deposits or money market accounts based upon the greater return available at the time of maturity. These are insured up to \$250,000 by the Federal Deposit Insurance Corporation.

CLAY COUNTY EDUCATION FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 4 DONOR RESTRICTED NET ASSETS

The Foundation received funds for college scholarships in the previous years that are restricted as to certain majors as defined by the donor. The Scholarship awards are made at the discretion of the Foundation's board and reflected as restricted funds in the financial statements.

NOTE 5 SIGNIFICANT CHANGES IN THE FOUNDATIONS ACTIVITIES

The Foundation decided to award more in Mini-Grant's to the local schools instead of a large number of Student Scholarships. The Foundation felt that awarding more mini-grant money would keep the money local and would benefit a broad-spectrum of children – instead of just high school seniors.

NOTE 6 SUBSEQUENT EVENTS

As of November 18, 2014, the date the financial statements were available to be issued, the Foundation did not have any subsequent events affecting the amounts reported in the financial statement for the year ended June 30, 2014 or which required to be disclosed on the notes to the financial statements for the year then ended.

SUPPLEMENTAL INFORMATION

Clay County Education Foundation, Inc.
SCHEDULE OF FUNCTIONAL EXPENSES
For the year ended June 30, 2014

	EDUCATION GRANTS/FUNDING	GENERAL AND ADMINISTRATIVE	FUNDRAISING	TOTAL
OPERATING EXPENSES				
Mini-Grants to School Teachers	\$ 110,801	\$ -	\$ -	\$ 110,801
Scholarships to Students	12,643	-	-	12,643
Enrichment Programs	13,065	-	-	13,065
Teacher of the Year	2,000	-	-	2,000
Project Reach	4,542	-	-	4,542
Student Medical Assistance	314	-	-	314
Professional Fees	-	600	-	600
Miscellaneous Expense	-	130	-	130
Printing & Postage	-	312	-	312
Fundraising	-	-	750	750
Supplies	-	517	-	517
Dues	-	61	-	61
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENSES	\$ 143,365	\$ 1,620	\$ 750	\$ 145,735

See accompanying notes and independent auditor's report.