

**UNIVERSITY OF FLORIDA COLLEGE OF  
PHARMACY FACULTY PRACTICE  
ASSOCIATION, INC.**

**FINANCIAL STATEMENTS**

**JUNE 30, 2022 AND 2021**

**UNIVERSITY OF FLORIDA COLLEGE OF  
PHARMACY FACULTY PRACTICE ASSOCIATION, INC.  
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JUNE 30, 2022 AND 2021**

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## INDEPENDENT AUDITORS' REPORT

Board of Directors,  
University of Florida College of Pharmacy  
Faculty Practice Association, Inc.:

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

#### ***Opinion***

We have audited the financial statements of the University of Florida College of Pharmacy Faculty Practice Association, Inc. (the Association), a component unit of the University of Florida, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Association's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as of June 30, 2022 and 2021, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 the Association 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***

The Association's 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 the Association's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibility 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

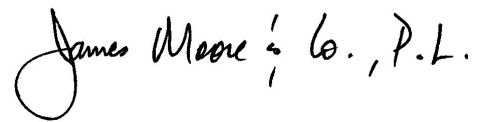
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages noted in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2022 on our consideration of the Association'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 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 Association's internal control over financial reporting and compliance.

James Moore & Co., P.L.

Gainesville, Florida  
August 31, 2022

**UNIVERSITY OF FLORIDA COLLEGE OF PHARMACY  
FACULTY PRACTICE ASSOCIATION, INC.  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
JUNE 30, 2022 AND 2021**

This section of the University of Florida, College of Pharmacy Faculty Practice Association, Inc.’s (the “Association”) Annual Report presents management’s discussion and analysis of the Association’s financial performance during the fiscal year ended June 30, 2022. This discussion has been prepared by management and should be read in conjunction with the financial statements and footnotes. The financial statements, footnotes and this discussion and analysis are the responsibility of management.

While maintaining financial health is crucial to the long-term viability of the Association, the primary mission of the Association is to bill and collect fees for the clinical practice activities of the College of Pharmacy’s faculty. These fees support the educational, clinical and research mission of the College of Pharmacy of the University of Florida. Therefore, net assets are accumulated only as required to ensure that there are sufficient reserve funds for future operations and implementation of new programs of the College of Pharmacy.

**FINANCIAL HIGHLIGHTS**

- The overall financial condition of the Association saw a significant decrease in net position from operations. This was the result from an overall increase in operating expenses recognized over the prior fiscal year as the Association made minimal transfers to the University of Florida for professional services in the prior year, resulting in current year operations showing both years of transfers.
- Net position declined by \$(6,392,877), or a decrease of 91.03% over the prior fiscal year.

**USING THIS ANNUAL REPORT**

This annual report consists of financial statements prepared in accordance with the Governmental Accounting Standards Board Statement 35, *Basic Financial Statements—and Management’s Discussion and Analysis for Public Colleges and Universities*. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year’s revenues and expenses are taken into account regardless of when cash is received or paid.

**NET POSITION**

	2022	2021	2020	2022 vs. 2021	
				Increase (Decrease)	Percent Change
<b>Assets</b>					
Cash and cash equivalents	\$ 223,687	\$ 6,547,242	\$ 1,497,580	\$ (6,323,555)	-96.58%
Accounts receivable	407,022	478,298	1,409,275	(71,276)	-14.90%
Total Assets	<u>\$ 630,709</u>	<u>\$ 7,025,540</u>	<u>\$ 2,906,855</u>	<u>\$ (6,394,831)</u>	<u>-91.02%</u>
<b>Liabilities</b>					
Accounts payable and other accrued expenses	\$ 546	\$ 2,500	\$ -	\$ (1,954)	-78.16%
<b>Net Position</b>					
Unrestricted	\$ 630,163	\$ 7,023,040	\$ 2,906,855	\$ (6,392,877)	-91.03%

**UNIVERSITY OF FLORIDA COLLEGE OF PHARMACY  
FACULTY PRACTICE ASSOCIATION, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022 AND 2021  
(Continued)**

At June 30, 2022, total assets were \$630,709, which consists of cash and accounts receivable. Assets decreased by \$6,394,831 from 2021 due primarily to an increase in professional services transfers to University of Florida in the current year. At June 30, 2021, total assets were \$7,025,540, which consists of cash and accounts receivable. Assets increased by \$4,118,685 from 2020 due primarily to a decrease in professional services transfers to University of Florida.

Minimal liabilities relative to assets are held by the Association at year end June 30, 2022, 2021, and 2020. Liabilities consist of accounts payable associated with payments made on behalf of University of Florida for general support.

***Net Position***

Total net position of \$630,163 at June 30, 2022 represents a change of \$(6,392,877) or decrease of 91.03%, from \$7,023,040 at June 30, 2021. Total net position of \$7,023,040 at June 30, 2021 represents an increase of \$4,116,185 or 41.60%, from \$2,800,619 at June 30, 2020. Factors that contributed to these changes were the increase or decrease in operating expenses, respectively for 2022 and 2021.

**CHANGES IN NET POSITION**

	2022	2021	2020	2022 vs. 2021	
				Increase (Decrease)	Percent Change
<b>Operating revenues</b>					
Program revenues	\$ 3,140,190	\$ 4,461,430	\$ 6,878,757	\$ (1,321,240)	-29.61%
<b>Operating expenses</b>					
Professional services	9,522,967	341,545	4,067,474	9,181,422	2688.20%
<b>Operating income</b>	<u>(6,382,777)</u>	<u>4,119,885</u>	<u>2,811,283</u>	<u>(10,502,662)</u>	<u>-254.93%</u>
<b>Nonoperating expenses</b>					
Transfers to University of Florida for general support	(10,100)	(3,700)	(10,664)	(6,400)	-100.00%
Change in net position	<u><u>\$(6,392,877)</u></u>	<u><u>\$ 4,116,185</u></u>	<u><u>\$ 2,800,619</u></u>	<u><u>\$(10,509,062)</u></u>	<u><u>-255.31%</u></u>

***Operating Revenues and Expenses***

Operating income is shown as a change of \$(6,382,777), \$4,116,185 and \$2,800,619, respectively for 2022, 2021, and 2020.

The total operating revenue is derived from clinical service contracts engaged by the faculty for the Association. These billings for services provide the total operating income for the Association. The decrease in operating revenues for 2022 and 2021 relative to 2020 is a product of the faculty's cyclical nature of contract negotiation, performance, and conclusion of programs. Contracts generally have a two to three-year life, and, as a result, influence operating income.

Operating expenses consist of transfers to the University of Florida for professional services, and were \$9,522,967, \$341,545, and \$4,067,474, respectively for 2022, 2021, and 2020. The College uses the production of the Association to pay for operational costs, such as professional services of accountants, attorneys, and consultants. Significant fluctuation between the years is accounted for the timing of transfers to the University of Florida for professional services and general operating support.

**UNIVERSITY OF FLORIDA COLLEGE OF PHARMACY  
FACULTY PRACTICE ASSOCIATION, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022 AND 2021  
(Continued)**

***Non-operating Revenues and Expenses***

There is no significant activity noted for non-operating activity for any of the years presented above.

**CASH FLOWS**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2022 vs. 2021</u>	
				<u>Increase (Decrease)</u>	<u>Percent Change</u>
<b>Cash provided by (used in):</b>					
Operating activities	\$ (6,313,455)	\$ 5,053,362	\$ 1,365,042	\$ (11,366,817)	-224.94%
Noncapital financing activities	(10,100)	(3,700)	(10,664)	(6,400)	172.97%
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(6,323,555)</u>	<u>5,049,662</u>	<u>1,354,378</u>	<u>-11,373,217</u>	<u>-225.23%</u>
<b>Cash and cash equivalents, beginning of year</b>	6,547,242	1,497,580	143,202	5,049,662	337.19%
<b>Cash and cash equivalents, end of year</b>	<u>\$ 223,687</u>	<u>\$ 6,547,242</u>	<u>\$ 1,497,580</u>	<u>\$ (6,323,555)</u>	<u>-96.58%</u>

During the current year, total cash decreased by \$6,323,555.

***Funds from Operating Activities***

Net cash provided by (used in) operating activities were \$(6,313,455) in 2022 as compared to \$5,053,362 in 2021. This was the result of increase and decrease in transfers to the University of Florida for professional services and general operating support, respectively for 2022 and 2021 creating an inverse relationship between cash held by the Association and transfers in the fiscal year.

***Funds from Financing and Investing Activities***

There is no significant activity noted for financing or investing activity for any of the years presented above that would have a significant impact on cash flows.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

***Capital Assets***

Currently, the Association holds no capital assets and did not donate any property to the University of Florida as has happened in previous years.



**UNIVERSITY OF FLORIDA COLLEGE OF PHARMACY  
FACULTY PRACTICE ASSOCIATION, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022 AND 2021  
(Continued)**

***Bond, Notes, and Capital Leases***

Currently, the Association has not issued any bonds, notes, or entered into any capital leasing arrangements. It does not anticipate, at this time, issuing any instruments of this type in the future.

**ECONOMIC FACTORS**

The factors that are likely to affect the operational ability of the Association to perform its mission are related to the continuing strengths or weaknesses in the state economy as a whole. Generally, the revenues derived by faculty members come from corporate sources, or, in some cases, state agencies. These sources are sensitive to the overall state of the economy in Florida, and, to a lesser extent, the economy of the nation as well. The Association's budget derived from the State of Florida has a marginal impact on the Association, primarily through the hiring of new faculty or the reduction of other faculty that may ensue from budget cuts. The Association has developed a strategy that has minimized the effect of these changes and does not foresee any large impact occurring as a result. The Association is not as involved in the effects of HIPAA on clinical service entities such as the UF Health Clinics or College of Medicine, due to the third-party provider nature of its clinical services.

**CONTACTING THE ASSOCIATION'S FINANCIAL MANAGEMENT**

This financial report is designed to provide the Association's Board of Directors and creditors and the Board of Trustees of the University of Florida with a general overview of the Association's finances. If you have questions about this report or need additional information, contact Kelly Sharp, the Executive Vice President of the Association, at (352) 273-6611.

**UNIVERSITY OF FLORIDA COLLEGE OF PHARMACY  
FACULTY PRACTICE ASSOCIATION, INC.  
STATEMENTS OF NET POSITION  
JUNE 30, 2022 AND 2021**

	<b>2022</b>	<b>2021</b>
<b>Current assets</b>		
Cash and cash equivalents	\$ 223,687	\$ 6,547,242
Accounts receivable	407,022	478,298
Total current assets	630,709	7,025,540
<b>Current liabilities</b>		
Accounts payable and other accrued expenses	546	2,500
Total current liabilities	546	2,500
<b>Net position</b>		
Unrestricted	\$ 630,163	\$ 7,023,040

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

**UNIVERSITY OF FLORIDA COLLEGE OF PHARMACY  
FACULTY PRACTICE ASSOCIATION, INC.  
STATEMENTS OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>Operating revenues</b>		
Program revenues	\$ 3,140,190	\$ 4,461,430
<b>Operating expenses</b>		
Transfers to University of Florida for professional services	9,522,967	341,545
<b>Operating income (loss)</b>	<u>(6,382,777)</u>	<u>4,119,885</u>
<b>Nonoperating expenses</b>		
Transfers to University of Florida for general support	(10,100)	(3,700)
<b>Change in net position</b>	<u>(6,392,877)</u>	<u>4,116,185</u>
<b>Net position, beginning of year</b>	7,023,040	2,906,855
<b>Net position, end of year</b>	<u>\$ 630,163</u>	<u>\$ 7,023,040</u>

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

**UNIVERSITY OF FLORIDA COLLEGE OF PHARMACY  
FACULTY PRACTICE ASSOCIATION, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities</b>		
Cash received from consulting services	\$ 3,211,466	\$ 5,392,407
Payments to University of Florida - professional services	(9,524,921)	(339,045)
Net cash provided by (used in) operating activities	(6,313,455)	5,053,362
<b>Cash flows from noncapital financing activities</b>		
Transfers to University of Florida - general support	(10,100)	(3,700)
<b>Net increase (decrease) in cash and cash equivalents</b>	(6,323,555)	5,049,662
<b>Cash and cash equivalents, beginning of year</b>	6,547,242	1,497,580
<b>Cash and cash equivalents, end of year</b>	\$ 223,687	\$ 6,547,242
<b>Reconciliation of operating income to cash provided by (used in) operating activities</b>		
Operating income (loss)	\$ (6,382,777)	\$ 4,119,885
Adjustments to reconcile operating income to cash provided by (used in) operating activities:		
Decrease in accounts receivable	71,276	930,977
Increase (decrease) in accounts payable and accrued expenses	(1,954)	2,500
Net cash provided by (used in) operating activities	\$ (6,313,455)	\$ 5,053,362

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

**UNIVERSITY OF FLORIDA COLLEGE OF PHARMACY  
FACULTY PRACTICE ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

(1) **Reporting Entity:**

The University of Florida College of Pharmacy Faculty Practice Association, Inc. (the “Association”) is a not-for-profit corporation formed by the University of Florida College of Pharmacy in 1998. The Association performs billing and collection of fees associated with the practice of pharmacy at the University of Florida College of Pharmacy. The Association funds salary supplements and other related costs for the benefit of the faculty of the College of Pharmacy. The Association also transfers funds to the University of Florida (the “University”) in the furtherance of its above stated purpose. The Association is an affiliated Association and a component unit of the University of Florida and is, therefore, included by discrete presentation in the financial statements of that reporting entity.

(2) **Summary of Significant Accounting Policies:**

(a) **Basis of presentation**—For financial reporting purposes, the Association is considered a special-purpose government engaged only in business-type activities. Accordingly, the Association prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for proprietary funds, which is similar to those for private business enterprises. Accordingly, revenues are recorded when earned and expenses are recorded when incurred. The Association’s accounting policies conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

(b) **Cash and cash equivalents**—For purposes of reporting cash flows, cash includes cash and interest bearing deposits with original maturity dates of less than 90 days and overnight repurchase agreements.

(c) **Revenues**—Revenues are recorded as services are provided and are derived principally from corporate pharmaceutical sponsors for specific clinical services that are administered by the University of Florida College of Pharmacy.

(d) **Expenditures**—Expenditures are recognized on the accrual basis of accounting. Payment of non-faculty salaries and purchases of equipment and supplies are accomplished by the Association through transfers to the University of Florida Miscellaneous Gifts and Grants Fund.

(e) **Classification of revenues**—The Association classifies its revenues as operating or non-operating according to the following criteria:

(i) **Operating revenues**—include the primary activities of contributions from donors, program revenues, rental activities, and special events.

(ii) **Non-operating revenues**—include revenues derived from investments and contributions restricted for capital additions or endowments.

**UNIVERSITY OF FLORIDA COLLEGE OF PHARMACY  
FACULTY PRACTICE ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

(2) **Summary of Significant Accounting Policies:** (Continued)

(f) **Net position**—The Association’s net position is classified as follows:

(i) **Restricted**—represent assets that are restricted in purpose.

(ii) **Unrestricted**—represents assets that are not restricted for any purpose and available for current operations.

The Association uses restricted expendable net position to fund allowable expenses to the extent available. As of June 30, 2022 and 2021, the Association had no restricted net position.

(g) **Income taxes**—The Association has been granted an exemption from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Association annually files a Form 990, “Return of Association Exempt from Income Tax” with the Internal Revenue Service. The Association’s income tax returns for the past three years are subject to examination by tax authorities, and may change upon examination. The Association has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with the accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the Association.

(h) **Use of 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. These estimates and assumptions affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

(i) **Donated services**—The Association occupies space at the University of Florida College of Pharmacy and is assisted by employees of the University. Since there is no clearly measurable basis to value these contributed services, the value of such services is not recorded in the accompanying financial statements.

(3) **Concentration of Credit Risk:**

(a) **Demand deposits**—The Association has demand deposits with one regional bank with bank balances totaling \$208,507 and \$6,547,242 at June 30, 2022 and 2021, respectively. The Association has no policy requiring collateral or other security to support its deposits, although all demand deposits with banks are federally insured up to \$250,000 under FDIC protection.

(b) **Accounts receivable**—Approximately 84% of the Association's accounts receivable was due from three customers as of June 30, 2022. As of June 30, 2021, 82% of the Association's accounts receivable was due from three customers.

(c) **Revenues earned**—For the years ended June 30, 2022 and 2021, revenues from three customers accounted for approximately 72% and 84% of total revenues, respectively.

(4) **Risk Management:**

The Association obtains professional liability protection coverage from the University of Florida self-insurance program that is paid for by the University of Florida College of Pharmacy.

**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,  
University of Florida College of Pharmacy  
Faculty Practice Association, Inc.:

We have audited, 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, the financial statements of the business-type activities of the University of Florida College of Pharmacy Faculty Practice Association, Inc. (the Association) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Association's basic financial statements, and have issued our report thereon dated August 31, 2022.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Association's internal control over financial reporting (internal control) as a basis for designing 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 Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association'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.

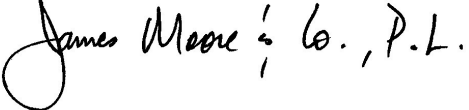
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Association's financial statements are free from 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 or other matters 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

James Moore & Co., P.L.

Gainesville, Florida  
August 31, 2022