THE GULF COAST STATE COLLEGE FOUNDATION, INC.

PANAMA CITY, FLORIDA

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION (REISSUED)

YEAR ENDED JUNE 30, 2025

Tipton, Marler, Garner & Chastain
The CPA Group

THE GULF COAST STATE COLLEGE FOUNDATION, INC.

PANAMA CITY, FLORIDA

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YEAR ENDED JUNE 30, 2025

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INDEPENDENT AUDITOR'S REPORT (REISSUED)

To the Board of Directors of
The Gulf Coast State College Foundation, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The Gulf Coast State College Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Gulf Coast State College Foundation, Inc. as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

As described in Note 16, these financial statements have been reissued to reflect several revisions to the financial statements, the note disclosures, and the supplementary information. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state projects on page 27, as required by Chapter 10.650, Rules of the Auditor General, is presented for purposes of additional analysis and is not a required part of the financial statements. Also, the supplementary information included on pages 25 and 26 is not a required part of the financial statements but is presented for purposes of additional analysis. 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 supplementary 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 February 23, 2026 on our consideration of The Gulf Coast State College Foundation, Inc.'s internal control over financial reporting and 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 Gulf Coast State College Foundation, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Gulf Coast State College Foundation, Inc.'s internal control over financial reporting and compliance.

Tipton, Mailey, Garner & Chastain

Panama City, Florida
February 23, 2026

THE GULF COAST STATE COLLEGE FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION (REISSUED)
JUNE 30, 2025

ASSETS

Assets:	
Cash and cash equivalents	$ 243,994
Accounts receivable	16,821
Pledges receivable - net	1,467,720
Investments	36,623,690
Investments in real estate	47,687
Furniture and equipment - net	6,443
Prepaid expenses	26,689
Total Assets	$ 38,433,044

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable and accrued expenses	$ 76,344
Total liabilities	76,344
Net Assets:	
Without donor restrictions	0
With donor restrictions:	
Purpose restricted (reissued)	23,871,107
Donor restricted endowments (reissued)	14,485,593
Total net assets	38,356,700
Total Liabilities and Net Assets	$ 38,433,044

See the independent auditor's report and the accompanying notes.

THE GULF COAST STATE COLLEGE FOUNDATION, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Other Support:			
Contributions of financial assets		$ 552,278	$ 552,278
Memberships	$ 7,600		7,600
Net investment return		3,936,376	3,936,376
Special events	73,384	318,416	391,800
Contributions of nonfinancial assets	33,828		33,828
Other income		916	916
Transfers	524,027	(524,027)	0
Net assets released from restrictions	2,750,402	(2,750,402)	0
Total revenue and other support	3,389,241	1,533,557	4,922,798
Expenses:			
Program services -			
Boatwright Endowment Chair	101,652		101,652
Honors Plaza technology	74,567		74,567
Scholarships	2,396,791		2,396,791
Other programs	91,041		91,041
Total program services	2,664,051	0	2,664,051
Supporting services -			
General and administrative	407,180		407,180
Fundraising	318,010		318,010
Total supporting services	725,190	0	725,190
Total expenses	3,389,241	0	3,389,241
Change in Net Assets	0	1,533,557	1,533,557
Net Assets, Beginning of Year	0	36,823,143	36,823,143
Net Assets, End of Year	$ 0	$ 38,356,700	$ 38,356,700

See the independent auditor's report and the accompanying notes.

THE GULF COAST STATE COLLEGE FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025

	Program Services					Supporting Services		
	Boatwright Endowment Chair	Honors Plaza Technology	Scholarships	Other Programs	Total Program Services	General and Administrative	Fundraising	Total
Advertising					$ 0	$ 74	$ 1,250	$ 1,324
Bank and payment processing					0	3,694		3,694
Community event					0	10,249		10,249
Direct programs	$ 101,652	$ 74,567	$ 2,396,791	$ 91,041	2,664,051			2,664,051
Depreciation					0	2,974		2,974
Hospitality					0	19,550	6,253	25,803
Insurance					0	4,743		4,743
Legal and accounting					0	46,868		46,868
Lobbying services					0	66,045		66,045
Office					0	52,609		52,609
Planned giving expense					0	99		99
Plaques and awards					0	678	162	840
Postage					0	668		668
Printing					0	6,137	2,966	9,103
Professional services					0		10,552	10,552
Salaries and payroll expenses					0	184,913	184,452	369,365
Scholarship marketing					0	4,157		4,157
Special events					0		112,018	112,018
Travel and professional development					0	3,722	357	4,079
Total expenses	$ 101,652	$ 74,567	$ 2,396,791	$ 91,041	$ 2,664,051	$ 407,180	$ 318,010	$ 3,389,241

See the independent auditor's report and the accompanying notes.

THE GULF COAST STATE COLLEGE FOUNDATION, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2025

Cash Flows From Operating Activities:	
Change in net assets	$ 1,533,557
Adjustments to reconcile change in net assets to net cash used in operating activities -	
Contributions restricted for long-term endowment purposes	(279,111)
Noncash items:	
Depreciation expense	2,974
Net present value discounting	(28,159)
Net investment earnings restricted for reinvestment	(671,820)
Net realized and unrealized gains on investments	(3,254,059)
(Increase) decrease in assets:	
Accounts receivable	2,932
Pledges receivable	722,831
Prepaid expenses	(3,697)
Decrease in liabilities:	
Accounts payable and accrued expenses	(42,483)
Net cash used in operating activities	(2,017,035)
Cash Flows From Investing Activities:	
Withdrawls of investments	2,736,408
Purchases of investments	(850,970)
Net cash provided by investing activities	1,885,438
Cash Flows From Financing Activities:	
Contributions restricted for long-term endowment purposes	279,111
Net Increase in Cash and Cash Equivalents	147,514
Cash and Cash Equivalents, Beginning of Year	96,480
Cash and Cash Equivalents, End of Year	$ 243,994

See the independent auditor's report and the accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities:

The Gulf Coast State College Foundation, Inc. ("the Foundation") is a not-for-profit corporation established under the laws of the State of Florida. The Foundation serves Gulf Coast State College by providing funding and services to support and foster the pursuit of higher education. The Foundation's support comes from individual donor contributions and special events.

The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Basis of Accounting and Financial Statement Presentation:

The accompanying financial statements have been prepared on the accrual basis of accounting. The financial statements of the Foundation have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which requires the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objective of the Foundation. The Foundation's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. These include net assets that are subject to time or purpose restrictions and donor restricted endowments. Assets with time or purpose restrictions are satisfied either by the passage of time or by actions of the Foundation. Donor restricted endowments must be maintained permanently by the Foundation and only the income may be used as specified by the donor. Donor restricted endowments consist primarily of the historical dollar value of contributions to donor-restricted endowment funds.

Cash and Cash Equivalents:

For purposes of the statement of cash flows, the Foundation considers all highly liquid debt instruments purchased with original maturities of three months or less to be cash equivalents. Cash or cash equivalents held in the long-term investment portfolio (until suitable investments are identified) are excluded from cash and cash equivalents on the statement of financial position.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Prepaid Expenses:

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses on the statement of financial position. These items will be expensed over the applicable usage period.

Revenue Recognition:

Revenue is recognized on the accrual basis of accounting and generally consists of contributions, return on investments, special event revenue, and other income.

Contributions – General. Contributions are recognized as revenue when they are received or unconditionally pledged and are recorded at the estimated fair values.

Contributions – Restrictions. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Those restricted gifts that are received and whose restriction is accomplished in the same year are reported as support without donor restrictions.

Contributions – Tangible. The Foundation reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributions – Services. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased. In addition to amounts recorded, the Foundation receives donated services which are not recorded because the above requirements have not been met. Those contributed services include Board governance and volunteer hours.

Contributions - Promises to Give and Pledges. Unconditional promises to give are recognized as revenue in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Promises to give are recorded at net realizable value if they are expected to be collected in one year and at the present value of their net realizable value, using a current risk-free rate of return based on the yield of a U.S. Treasury security with a maturity date similar to the expected collection period, if they are expected to be collected in more than one year at the date the promise is made.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Special Events. Special event revenue consists of registrations, sponsorships, and other contributions. The portion that is considered to be exchange revenue is recognized as revenue when the performance obligations are met, which is generally the occurrence of the event.

Contributions of Nonfinancial Assets:

Contributed services and facilities are reported as contributions and expenses in the accompanying financial statements in amounts equal to their estimated fair value on the date of receipt. Services provided by the Board of Directors are considered a philanthropic activity and are generally not recorded; therefore, the value of contributed time is not reflected in these financial statements.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses during the reported period. Significant estimates made in the preparation of the financial statements include fair value of alternative assets, depreciation expense, contributions of nonfinancial assets, and allocation of expenses by function. Actual results could vary from the estimates that were used.

Fair Value of Financial Instruments:

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair values for investments and other financial instruments recorded at fair value on a recurring basis are included in Note 5.

Investments:

Investments with readily determinable fair values are reported at fair value based upon quoted market prices or published net asset values for alternative investments with characteristics similar to a mutual fund. Other alternative investments (non-traditional, not readily-marketable vehicles) such as hedge funds, private equity, alternative hedged strategies, real assets, and some of which are structured such that the Foundation holds limited partnership interests, are reported at net asset value (NAV), as a practical expedient for estimated fair value, as provided by the investment managers of the respective funds. The fair value for these assets is estimated by adjusting the NAV provided for cash receipts, cash disbursements, security distributions and significant known valuation changes in market values of holdings contained in the portfolio.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Individual investment holdings within the alternative investments, may, in turn, include investments in both non-marketable and market-traded securities. Valuation of these investments, and therefore Foundation holdings, may be determined by the investment manager or general partner. Values may be based on historical cost, appraisals, or other estimates that require varying degrees of judgement.

Generally, fair value reflects net contributions to the investee and an ownership share of realized and unrealized investment income and expenses. The investments may indirectly expose the Foundation to securities lending, short sales of securities and trading in futures and forwards contracts, options, sway contracts and other derivative products. While these financial instruments may contain varying degrees of risk, the Foundation's risk with respect to such transactions is limited to its capital balance in each investment and the amounts of any unfunded commitments. The financial statements of the investees are audited annually by independent auditors.

Dividend income is recorded on the ex-dividend date, and interest income is recorded on an accrual basis. Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses are determined on the basis of average cost of securities sold. Investment expenses are netted against investment income and realized and unrealized gains and losses are reflected within net investment return on the statement of activities.

Investment Pools:

Funds restricted by donors are pooled (except where pooling is prohibited) with unrestricted funds to maximize investment earnings. Earnings from investments less any interest expense are allocated to the various funds monthly based on the percentage of participation by each individual fund in the investment pool.

Fair Value Measurements:

The goal of the Foundation is to invest its assets in a manner that will achieve a total rate of return sufficient to replace the assets withdrawn in accordance with the Foundation's investment and spending policies. To achieve this goal, some investment risk must be taken. To manage such risk, the Foundation diversifies its investments among various financial instruments and asset categories and uses multiple investment strategies and investment managers. Key decisions in this regard are made by the Foundation's Finance Committee ("the Committee"), which has oversight responsibility for the Foundation's investment program. The Committee identifies appropriate asset categories for investments, determines the allocation of assets to each category, and approves the investment strategies employed with the assistance of the investment manager.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments are carried at fair value. Increases or decreases in market value are recognized in the period in which they occur. Fair value is an estimate of the exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Fair value measurements are not adjusted for transaction costs. A fair value hierarchy provides for prioritizing inputs to valuation techniques used to measure fair value into three levels:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that a reporting entity has the ability to access at the measurement date or published net asset value for alternative investments with characteristics similar to a mutual fund.

Level 2: Inputs other than quoted market prices that are observable, either directly or indirectly, and reasonably available. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability and are developed based on market data obtained from sources independent of the Foundation.

Level 3: Unobservable inputs. Unobservable inputs reflect the assumptions that the Investment Manager develops based on available information about what market participants would use in valuing the asset or liability.

An asset or liability's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Availability of observable inputs can vary and is affected by a variety of factors. The Investment Manager uses judgement in determining fair value of assets and liabilities and Level 3 assets and liabilities involve greater judgement than Level 1 or Level 2 assets or liabilities.

While the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date, and any differences may be material.

Furniture and Equipment:

The Foundation capitalizes all acquisitions of furniture and equipment costing in excess of $5,000. Furniture and equipment are stated at cost and are being depreciated over estimated useful lives of five to ten years using a straight-line method, with a half year's depreciation recognized in the years of acquisition and disposal. Depreciation expense for the year ended June 30, 2025 was $2,974.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising:

The Foundation expenses advertising costs as they are incurred. Advertising expense for the year ended June 30, 2025 was $1,324.

Expense Allocation:

The cost of providing the various programs and activities and supporting services has been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Expenses are charged to program services and supporting services on the basis of how resources are utilized. Directly identifiable expenses are charged to program and supporting services. The expenses that are allocated include salaries and payroll related costs which are allocated based on time, effort, and benefit received by each function. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

NOTE 2 – SIGNIFICANT CONCENTRATIONS OF CREDIT RISK

The Foundation maintains cash balances at several different financial institutions. Accounts held with banks are insured by the Federal Deposit Insurance Corporation up to $250,000. Accounts held with broker-dealers are insured by the Securities Investor Protection Corporation up to $250,000 for cash claims. At June 30, 2025, the Foundation had $7,716 uninsured cash balances held with banks and no uninsured cash balances held with broker-dealers.

NOTE 3 – INVESTMENT IN REAL ESTATE

Real estate donated to the Foundation in 1981 was recorded on its books at $47,687 which was believed to be a conservative value as of the date of donation. The value was not established by an appraisal or another objective basis. The land is vacant, without donor restriction, and was not used in programs or activities at June 30, 2025.

NOTE 4 – INVESTMENTS

Investments are stated at fair value and are summarized as follows as of June 30, 2025:

	Cost	Fair Value
Cash equivalents	$ 169,869	$ 169,869
Fixed income	10,379,063	10,333,816
Public equity	17,095,382	22,789,742
Private equity (Secondary Partners Capital)	200,000	242,369
Real assets	852,911	1,130,043
Alternative assets	1,862,759	1,957,851
Total investments	$ 30,559,984	$ 36,623,690

Information pertaining to investment strategies is as follows:

Cash equivalents – Provide short term liquidity and serve as a funding source for distributions and rebalancing.

Fixed income – Comprises strategies that invest principally in debt instruments issued by governments or companies or through the securitization of certain types of collateral. Fixed income provides stability and protection in deflationary environments.

Public equity – Comprises investment strategies that invest principally in publicly traded equity securities. These strategies are generally designed with reference to a benchmark that itself comprises equity securities that are traded on a recognized exchange. Public equities may include hedge funds whose investment objectives are benchmarked to equity markets.

Private equity (Secondary Partners Capital Fund) – The legal vehicle for investing in a Secondary Capital Fund is through a limited partnership. The Common Fund uses a general partner (the investment manager) that manages the enterprise, and the limited partners own interests in the partnership. The objective of the Secondary Capital Fund is to generate long-term capital appreciation and strong risk-adjusted net returns. The Fund seeks to invest principally in the global private capital secondary market, primarily in privately negotiated secondary investments across managers, strategies, regions, industries, and vintage years. The value of the fund is typically reported quarterly. Due to the illiquid nature of the Secondary Capital fund, valuation practices differ substantially from those in the public securities markets.

Alternative assets – The alternative hedged strategies comprise strategies that seek to generate return streams that are not highly correlated to broad capital markets and that rely less on the general direction of capital markets to produce positive returns. These strategies may take a variety of forms including long or short positions in the public equity or credit markets that seek to capitalize on perceived mispricing or on the anticipated outcome of an "event," such as a merger or bankruptcy proceeding.

NOTE 4 – INVESTMENTS (Continued)

Alternative hedged strategies are employed to offer market comparable returns with lower expected volatility. Real assets comprise strategies that invest in securities relating to real estate. This strategy provides the portfolio with a diversified hedge against inflation as well as a yield component.

The above asset categories are managed to create a portfolio effect to balance risk and return to meet investment objectives.

NOTE 5 – FAIR VALUE MEASUREMENTS

The following table presents investments by strategy of the inputs used as of June 30, 2025, in valuing investments carried at fair value, measured on a recurring basis:

Description	Total	Quoted Market Price for Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Funds reported at NAV [(a)]
Cash equivalents	$ 169,869	$ 169,869			
Fixed income	10,333,816	10,333,816			
Public equity	22,789,742	22,789,742			
Private equity	242,369				$ 242,369
Real assets	1,130,043	1,130,043			
Alternative assets	1,957,851	1,791,304		$ 166,547	
Total	$ 36,623,690	$ 36,214,774	$ 0	$ 166,547	$ 242,369

[(a)] Certain investments that are measured at NAV per share practical expedient or its equivalent have not been classified in the fair value hierarchy. The fair value amounts presented in this table are reported for the purpose of reconciling the fair value hierarchy to the investments as shown on the statement of financial position.

The following table includes a roll forward of the amounts for the year ended June 30, 2025 for financial instruments classified as Level 3.

Investments in Securities	Balance as of June 30, 2024	Realized Gain	Change in Unrealized Appreciation	Transfers In (Out)	Sales	Balance as of June 30, 2025
Alternative assets	$3,093,012	$ 3,911	$ 237,932	$ (3,168,308)	$ 0	$ 166,547

NOTE 5 – FAIR VALUE MEASUREMENTS (Continued)

The following schedule summarizes the net investment return and its classification in the statement of activities for the year ended June 30, 2025:

	Without Donor Restrictions	With Donor Restrictions	Total
Interest and dividends		$ 812,532	$ 812,532
Net operating loss from Capital Fund		(1,704)	(1,704)
Investment fees		(133,231)	(133,231)
Other interest income		4,720	4,720
Market gains		3,254,059	3,254,059
Total net investment return	$ 0	$ 3,936,376	$ 3,936,376

The following table discloses all investments whose value is calculated using NAV, using the practical expedient as of June 30, 2025:

	Fair Value	Unfunded Commitments	Redemption Frequency	Notice Period
Private equity [(1)]	$ 242,369	$ 200,000	N/A	N/A

[(1)] The Foundation had a total commitment of $1,000,000 to an investment in the Secondary Partners 2015 Capital Fund. As of June 30, 2025, $200,000 was remaining. Over the next several years the Foundation may be called upon to fund this commitment, as requested by the investment manager. The commitment will be funded by reallocating current endowment related investments or funded with new capital gifts.

NOTE 6 – FURNITURE AND EQUIPMENT

Furniture and equipment consist of the following as of June 30, 2025:

Equipment	$ 52,538
Less accumulated depreciation	(46,095)
Total furniture and equipment - net	$ 6,443

NOTE 7 – GRANT RESPONSIBILITIES (REISSUED)

The Foundation administers grant funds for Gulf Coast State College which is reflected on pages 25 and 26.

The Foundation has the responsibility for maintenance, investment and accountability of the Dr. Philip Benjamin Matching Grant Program. Private contributions that are designated by the donors or the Board of Trustees to be placed in the fund are matched by the State of Florida. The private contributions and the matching funds form the corpus of the fund. These funds were released effective May 1, 2011. The corpus and the earnings thereon may be used for certain purposes to be determined by the Board of Trustees of Gulf Coast State College ("the College") and the State Board of Education.

NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS (REISSUED)

Net assets with donor restrictions are available for the following purposes or periods, inclusive of appreciation on endowments:

Honors Plaza Technology	$ 1,284,286
Program	6,843,058
Scholarships	12,382,975
Special purpose	3,360,788
Endowments	14,485,593
Total net assets with donor restrictions	$ 38,356,700

Net assets were released from donor restrictions by incurring expenses satisfying the purpose restrictions specified by donors as follows:

Purpose restrictions accomplished:

Boatwright Endowment Chair	$ 101,652
Honors Plaza technology	74,567
Scholarships	2,396,791
Other programs:	
Culinary	9,610
Program Enhancement	72,751
Visual and Performing Arts	8,680
Special events:	
Golf tournament	86,351
Net assets released from restrictions	$ 2,750,402

NOTE 9 – ENDOWMENTS (REISSUED)

The Foundation's endowment program consists of numerous individual funds established for a variety of purposes. Its endowment program consists of donor-restricted endowment funds and does not include any funds designated by the Board of Directors to function as endowments. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

(a) Interpretation of Relevant Law – The Board of Directors has interpreted the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies net assets of a perpetual nature with donor restrictions as (a) the original value of gifts donated to the donor restricted endowment, (b) the original value of subsequent gifts to the donor restricted endowment, and (c) accumulations to the donor restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not held in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by FUPMIFA.

In accordance with FUPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the endowment fund
(2) The purposes of the Foundation and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation or deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Foundation
(7) The investment policy of the Foundation
(8) Funds with deficiencies

(b) Return Objectives and Risk Parameters – The Foundation has adopted an investment and spending policy for its endowment asset investment portfolio that seeks to primarily achieve growth of capital investments and income generation with a secondary goal of principal preservation. The portfolio also aims to maintain moderate exposure to risk of capital loss in pursuit of this return objective. Consistent with these objectives, the portfolio expects to invest in assets that tend to have a history of lower capital returns and volatility such as fixed income, and those with a more volatile history and upside return potential such as equities and alternative assets.

NOTE 9 – ENDOWMENTS (REISSUED) (Continued)

(c) Strategies Employed for Achieving Objectives – Each investment within the Foundation's portfolio will be expected to serve at least one (and often more than one) of the following three principle investment roles, as indicated:

(1) Growth of long-term real value over the investment horizon.
(2) Diversification to mitigate risk inherent in equity-dominant portfolios.
(3) Hedging of macro-economic risks (e.g., inflation and economic contraction).

To achieve this expectation, the portfolio is structured into five segments as summarized below:

Portfolio Segment	Primary Role/ Secondary Role	Portfolio's Target Allocation Range
1. Fixed income	Diversification/Hedging	35% to 55%
2. Public equity	Growth/Diversification	45% to 65%
3. Private equity	Growth	0% to 10%
4. Real assets and cash equivalents	Diversification/Hedging	0% to 10%
5. Alternative assets	Diversification/Hedging	0% to 10%

The portfolio is divided in this manner to ensure that the overall asset allocation between the broad asset classes and strategies remains under the regular scrutiny of the Finance Committee and does not become merely the residual effect of individual manager decisions.

(d) Spending Policy and How the Investment Objectives Relate to Spending Policy – The Foundation has a policy of spending 5 percent of a three-year moving market value average of donor restricted endowment funds and earnings using December 31st figures of the current and two preceding years. As there may be situations requiring a higher percentage level of spending from endowment assets in order to assure the short-term economic viability of the Foundation, the Committee is authorized to increase the spending rate as necessary, but only with good cause. Of the total spending allocation, 90 percent to be spent on scholarships, with the remaining 10 percent to be spent on special projects and grants (mini grants) to members of the College's faculty and staff for the enhancement of the educational process.

Changes in endowment net assets for the year ended June 30, 2025 are as follows:

	Without Donor Restriction	With Donor Restriction	Total
Endowment net assets, June 30, 2024		$ 14,853,929	$ 14,853,929
Net investment return		1,693,584	1,693,584
Contributions and other income, net		279,111	279,111
Appropriation of assets for expenditure		(1,265,516)	(1,265,516)
Transfers		(1,075,515)	(1,075,515)
Endowment net assets, June 30, 2025	$ 0	$ 14,485,593	$ 14,485,593

NOTE 10 – LIQUIDITY AND AVAILABILITY (REISSUED)

The Foundation regularly monitors liquidity to meet its operating needs and other financial commitments, while also striving to maximize the investment of its available funds. The Foundation invests available cash needed for its general expenditures, liabilities, and other obligations in short-term investments, specifically interest-bearing checking accounts, savings accounts, and money market funds.

For the purpose of analyzing resources available to meet general expenditures over a 12-month period, the Foundation considers all expenditures related to its ongoing activities.

As of June 30, 2025, the following table shows the total financial assets held by the Foundation and the amounts of those financial assets available within one year of the statement of financial position date to meet general expenditures.

Financial assets at year-end:	
Cash and cash equivalents	$ 243,994
Accounts receivable	16,821
Pledges receivable - net	1,467,720
Investments	36,623,690
Total financial assets at year-end	$ 38,352,225
Financial assets available to meet general expenditures within one year:	
Financial assets at year-end:	$ 38,352,225
Allowed endowment spending rate	734,111
Less amounts unavailable for general expenditures within one year:	
Contributions restricted by donors with purpose restrictions	(23,871,107)
Endowment funds restricted by donors	(14,485,593)
Total financial assets available to meet cash needs for general expenditures within one year	$ 729,636

The Foundation is substantially supported by contributions, net investment returns and special events. Because a donor's restriction can require resources to be used in a particular manner or in a future period, the Foundation must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. Donor-imposed contributions are for scholarships, other educational purposes and programs, and endowments. The Foundation has a policy of spending 5 percent of a three-year moving market value average of donor restricted endowment funds and earnings using December 31st figures of the current and two preceding years.

NOTE 11 – RELATED PARTY TRANSACTIONS

The Foundation serves the College by providing funding and services to support and foster the pursuit of higher education. The Foundation provided support to the College for the year ended June 30, 2025 as follows: 1) $2,345,361 for scholarships, 2) $233,076 for programs, 3) $380,520 for general and administrative costs, and 4) $19,110 for special events. The Foundation recognized $33,828 as contributions of nonfinancial assets contributed by the College for the year ended June 30, 2025.

The golf tournament is held at Camp Creek Golf Course and Watersound Club, which is owned by St. Joe Company where one of the Foundation Board members is employed as a manager. For the year ended June 30, 2025, the Foundation paid $38,807 to Camp Creek Golf Course and Watersound Club for the golf tournament.

The Foundation paid Kerigan Marketing Associates, which is owned by one of the Foundation's Board members, for monthly marketing and website services. For the year ended June 30, 2025, the Foundation paid $9,791 for general and administrative marketing and website services and $9,750 for marketing and website services for programs.

NOTE 12 – PLEDGES RECEIVABLE

Pledges receivable consist of eight unconditional promises to give and are recorded in the year the promise is made. 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 estimated future cash flows.

The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discount is included in contribution revenue. The interest rates used in computing the discount of the estimated future cash flows was as follows:

Date	Pledge Amount	Discount Rate	Pledge Receivable
October 19, 2021	$ 200,000	0.98%	$ 50,000
April 26, 2022	50,000	2.93%	20,000
May 19, 2022	500,000	2.84%	500,000
May 19, 2022	1,000,000	2.86%	490,642
July 20, 2022	200,000	3.18%	80,000
March 7, 2023	200,000	4.49%	200,000
November 21, 2023	125,000	4.41%	125,000
June 5, 2024	100,000	4.41%	50,000
	$ 2,375,000		$ 1,515,642

NOTE 12 – PLEDGES RECEIVABLE (Continued)

Pledges receivable consist of the following unconditional promises to give as of June 30, 2025:

Amounts due in one year or less	$ 750,642
Amounts due in two to five years	765,000
Total pledges receivable	1,515,642
Less present value discounts	(47,922)
Total pledges receivable - net	$ 1,467,720

The Foundation uses the allowance method to determine uncollectible pledges receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. Management is of the opinion that all pledges receivable are collectible, and that the fair value of the receivables approximates the carrying value shown on the financial statements. The Foundation's management has made an assessment of the collectability of pledges receivables and determined that an allowance for uncollectible pledges receivable is not needed as of June 30, 2025.

NOTE 13 – DISAGGREGATION OF REVENUE AND CONTRACT BALANCES

The following table shows the Foundation's revenues from contracts with customers disaggregated according to the timing or transfer of control of goods or services for the year ended June 30, 2025:

Recognized at a point in time	
Special events	$ 391,800

The following table presents information about contracts (pledges) receivable, contract assets and contract liabilities:

Pledges receivable, net – beginning balance	$ 2,162,393
Pledges receivable, net – ending balance	1,467,720
Contract assets – no beginning or ending balance for the year	$ 0
Contract liabilities – no beginning or ending balance for the year	$ 0

NOTE 14 – CONTRACTS AND OBLIGATIONS

In September 2024, the Foundation renewed its agreement with a consulting group that provides the Foundation with professional consultant services and lobbyist representation before Florida's Legislative and Executive branches. The contract was for a term of fourteen months and continued month to month thereafter. The monthly fee for consultant and lobbying services provided was $5,500 plus out of pocket expenses. For the year ended June 30, 2025, the Foundation paid $66,045 for consultant and lobbying services provided.

NOTE 15 – CONTRIBUTIONS OF NONFINANCIAL ASSETS

Contributed services and facilities are reported as contributions and expenses in the accompanying financial statements in amounts equal to their estimated fair value on the date of receipt. For the year ended June 30, 2025, building facilities (including telephone, insurance, gas, electricity, water and sewer) totaling $33,828 were utilized and recorded as contributions of nonfinancial assets in the statement of activities.

NOTE 16 – REISSUED FINANCIAL STATEMENTS

These financial statements have been reissued to reclassify certain investment earnings that were previously reported as permanently endowed. Upon review, the Board determined that these earnings were never intended to be permanently restricted but were instead intended to be restricted for specific purposes. Accordingly, the reclassification reflects the appropriate presentation of the amounts in accordance with donor intent.

In addition, the supplementary schedule of activities – Dr. Philip Benjamin Matching Grant Program has been reissued to restate the beginning net asset balances. This restatement reflects the correction of previously reported beginning balances to correctly include all temporarily restricted and permanently restricted net assets.

These financial statements have been reissued as of February 23, 2026.

NOTE 17 – SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events requiring disclosure or recording in these financial statements through February 23, 2026, which is the date these financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

THE GULF COAST STATE COLLEGE FOUNDATION, INC.
SCHEDULE OF FINANCIAL POSITION
DR. PHILIP BENJAMIN MATCHING GRANT PROGRAM (REISSUED)
JUNE 30, 2025

ASSETS

Assets:	
Investments	$ 15,224,820
Total Assets	$ 15,224,820

NET ASSETS

Net Assets:	
Without donor restrictions	$ 0
With donor restrictions	15,224,820
Total Net Assets	$ 15,224,820

See the independent auditor's report.

THE GULF COAST STATE COLLEGE FOUNDATION, INC.
SCHEDULE OF ACTIVITIES
DR. PHILIP BENJAMIN MATCHING GRANT PROGRAM (REISSUED)
YEAR ENDED JUNE 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Other Support:			
Net investment return		$ 1,097,888	$ 1,097,888
Transfers		(14,570)	(14,570)
Net assets released from restrictions	$ 1,496,668	(1,496,668)	0
Total revenue and other support	1,496,668	(413,350)	1,083,318
Expenses:			
Program services -			
Honors Plaza technology	74,567		74,567
Scholarships	1,243,545		1,243,545
Supporting services -			
General and administrative	178,556		178,556
Total expenses	1,496,668	0	1,496,668
Change in Net Assets	0	(413,350)	(413,350)
Net Assets, Beginning of Year, as Previously reported		11,100,558	11,100,558
Change in Net Assets		4,537,612	4,537,612
Net Assets, Beginning of Year, as Restated	0	15,638,170	15,638,170
Net Assets, End of Year	$ 0	$ 15,224,820	$ 15,224,820

THE GULF COAST STATE COLLEGE FOUNDATION, INC.
SCHEDULE OF EXPENDITURES OF STATE PROJECTS AND NOTES TO SCHEDULE OF EXPENDEDITURES OF STATE PROJECTS
YEAR ENDED JUNE 30, 2025

STATE PROJECTS	Specific Appropriation Number	State Receipts	Grant Related Expenditures[1]
Department of Education –			
Division of Community Colleges			
Dr. Philip Benjamin Matching Grant Program[a]	180	$ 0	$ 1,496,668

[a] State Grant and Aids Appropriation funds.
[1] Includes expenditures of investment earnings.

NOTE A – BASIS OF PRESENTATION

The above schedule of expenditures of state projects includes the state grant activity of The Gulf Coast State College Foundation, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Chapter 10.650, Rules of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

COMPLIANCE SECTION

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

Board of Directors
The Gulf Coast State College Foundation, Inc.

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 Gulf Coast State College Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, 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 February 23, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered The Gulf Coast State College Foundation, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Gulf Coast State College Foundation, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of The Gulf Coast State College Foundation, Inc.'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 over financial reporting 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 Gulf Coast State College Foundation, Inc.'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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Panama City, Florida
February 23, 2026