



SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
Special Olympics Florida, Inc.
Special Olympics Florida Foundation, Inc.
Clermont, Florida

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Special Olympics Florida, Inc. (a nonprofit organization) and Special Olympics Florida Foundation, Inc. (collectively the Organization), which comprise the consolidated statements of financial position as of December 31, 2020, and the related consolidated statements of activities and changes in net assets, consolidated statement of functional expenses, and consolidated statements of cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2020, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2021 on our consideration of the Organization'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 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 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 Organization's internal control over financial reporting and compliance.

Report on Schedule of Expenditures of Financial Assistance Required by Chapter 10.650, Rules of the Auditor General, State of Florida

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of financial assistance is presented for purposes of additional analysis as required by Chapter 10.650, Rules of the Auditor General, State of Florida, 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.

Reeder & Associates, PA

Certified Public Accountants
March 26, 2021

**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020**

	Special Olympics Florida	Special Olympics Florida Foundation	Eliminations	Total
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 744,226	\$ -	\$ -	\$ 744,226
Short-term investments	4,968,160	9,128,278	-	14,096,438
Accounts receivable	410,514	-	-	410,514
Pledges receivable	241,682	-	-	241,682
Due from SOFL Foundation	144,680	-	(144,680)	-
Prepaid expenses	307,699	-	-	307,699
Total Current Assets	6,816,961	9,128,278	(144,680)	15,800,559
Beneficial interest in Community Foundation	3,598	-	-	3,598
Pledges receivable, net of discount	507,223	-	-	507,223
Property and equipment, net of accumulated depreciation	1,657,975	-	-	1,657,975
Total Assets	<u>\$ 8,985,757</u>	<u>\$ 9,128,278</u>	<u>\$ (144,680)</u>	<u>\$ 17,969,355</u>
LIABILITIES AND NET ASSETS				
Current Liabilities				
Accounts payable and accrued expenses	\$ 660,450	\$ -	\$ -	\$ 660,450
Due to Special Olympics Florida	-	144,680	(144,680)	-
Deferred revenue	505,778	-	-	505,778
Total Liabilities	1,166,228	144,680	(144,680)	1,166,228
NET ASSETS				
Without donor restrictions:				
Undesignated	5,178,527	8,983,598	-	14,162,125
Invested in property and equipment	1,657,975	-	-	1,657,975
Total Net Assets Without Donor Restrictions	6,836,502	8,983,598	-	15,820,100
With donor restrictions:				
Time restrictions	657,223	-	-	657,223
Purpose restrictions	325,804	-	-	325,804
Total Net Assets With Donor Restrictions	983,027	-	-	983,027
Total Net Assets	7,819,529	8,983,598	-	16,803,127
Total Liabilities and Net Assets	<u>\$ 8,985,757</u>	<u>\$ 9,128,278</u>	<u>\$ (144,680)</u>	<u>\$ 17,969,355</u>

Read Report of Independent Certified Public Accountants.
The accompanying notes are an integral part
of these financial statements.

**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Special Olympics Florida	Special Olympics Florida Foundation	Eliminations	Consolidated Total
<i>Changes in Net Assets Without Donor Restrictions:</i>				
REVENUES				
Special events	\$ 1,221,788	\$ -	\$ -	\$ 1,221,788
Less direct costs	(568,872)	-	-	(568,872)
Total special events, net of direct costs	652,916	-	-	652,916
Contributions	6,538,277	-	(350,000)	6,188,277
Federal and state grants	1,152,313	-	-	1,152,313
Other grants and contracts	2,085,064	-	-	2,085,064
In-kind contributions	1,317,578	-	-	1,317,578
Investment return, net	378,935	609,832	-	988,767
Change in beneficial interest in Community Foundation	419	-	-	419
Net assets released from restrictions	112,460	-	-	112,460
Total Revenues Without Donor Restrictions	12,237,962	609,832	(350,000)	12,497,794
EXPENSES				
<i>Program Services:</i>				
Games	2,688,572	-	-	2,688,572
Training	1,597,862	-	-	1,597,862
Health programs	889,555	-	-	889,555
Unified Champion Schools	852,643	-	-	852,643
Other programs	2,929,319	350,000	(350,000)	2,929,319
Total Program Services	8,957,951	350,000	(350,000)	8,957,951
<i>Support Services:</i>				
Management and general	632,690	-	-	632,690
Fundraising	1,475,648	114,256	-	1,589,904
Total Support Services	2,108,338	114,256	-	2,222,594
TOTAL EXPENSES	11,066,289	464,256	(350,000)	11,180,545
Increase (Decrease) in Net Assets Without Donor Restrictions	1,171,673	145,576	-	1,317,249

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**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Special Olympics Florida	Special Olympics Florida Foundation	Eliminations	Consolidated Total
<i>Changes in Net Assets With Donor Restrictions:</i>				
Net assets released from restrictions	\$ (112,460)	-	-	\$ (112,460)
Increase (Decrease) in Net Assets With Donor Restrictions	(112,460)	-	-	(112,460)
CHANGE IN NET ASSETS	1,059,213	145,576	-	1,204,789
NET ASSETS, beginning of year	6,760,316	8,838,022	-	15,598,338
NET ASSETS, end of year	<u>\$ 7,819,529</u>	<u>\$ 8,983,598</u>	<u>\$ -</u>	<u>\$ 16,803,127</u>

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**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<i>Program Services</i>						<i>Support Services</i>			
	<u>Games</u>	<u>Training</u>	<u>Health Programs</u>	<u>Unified Champion Schools</u>	<u>Other Programs</u>	<u>Total</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	<u>Total Expenses</u>
Salaries	\$ 946,800	\$ 689,675	\$ 375,314	\$ 210,454	\$ 1,215,930	\$ 3,438,173	\$ 280,377	\$ 841,309	\$ 1,121,686	\$ 4,559,859
Employee benefits and payroll taxes	263,418	216,956	85,365	43,529	381,657	990,925	72,690	151,616	224,306	1,215,231
Total salaries and related expenses	1,210,218	906,631	460,679	253,983	1,597,587	4,429,098	353,067	992,925	1,345,992	5,775,090
Awards and recognition	25,998	24,476	1,795	5,059	24,178	81,506	2,812	14,952	17,764	99,270
Conferences	5,579	21	575	-	642	6,817	-	7,097	7,097	13,914
Consulting and fees	16,270	16,719	188	108,902	103,648	245,727	44,216	22,360	66,576	312,303
In-kind	460,159	129,450	277,933	-	285,871	1,153,413	39,411	124,754	164,165	1,317,578
Insurance	45,363	36,125	-	-	108,274	189,762	12,327	12,386	24,713	214,475
Lodging	124,032	3,826	795	9,796	4,138	142,587	707	2,127	2,834	145,421
Repairs and maintenance	7,701	4,209	2,659	-	7,546	22,115	1,028	4,692	5,720	27,835
Athlete and coach meals	99,803	8,534	15,106	4,306	5,653	133,402	2,480	8,194	10,674	144,076
Marketing recruitment	211	6,801	20,070	81	62,428	89,591	359	27,595	27,954	117,545
Office expense	82,461	38,263	9,961	2,628	90,114	223,427	32,581	74,500	107,081	330,508
Supplies	4,239	2,991	887	-	9,078	17,195	1,664	2,835	4,499	21,694
Other games	156,196	92,477	32,111	357,193	123,710	761,687	5,001	33,899	38,900	800,587
Shirts	33,834	65,821	4,217	10,214	18,357	132,443	577	97,698	98,275	230,718
Postage	3,019	10,933	9,288	7,277	30,636	61,153	9,002	33,782	42,784	103,937
Software	1,763	910	-	933	1,772	5,378	1,133	11,500	12,633	18,011
Printing, production, and website	3,711	32,942	2,243	468	29,228	68,592	2,071	11,528	13,599	82,191
Facilities and equipment rental	187,223	128,728	21,564	4,566	29,080	371,161	6,920	21,698	28,618	399,779
Utilities	20,985	9,474	11,855	1,321	41,981	85,616	4,115	8,850	12,965	98,581
Travel	61,673	10,571	3,494	12,479	17,990	106,207	5,273	11,239	16,512	122,719
Miscellaneous	9,850	4,892	286	698	11,930	27,656	20,749	-	20,749	48,405
Special Olympics, Inc	-	-	-	-	197,026	197,026	-	15,000	15,000	212,026
Total expenses before depreciation	2,560,288	1,534,794	875,706	779,904	2,800,867	8,551,559	545,493	1,539,611	2,085,104	10,636,663
Depreciation expense	128,284	63,068	13,849	72,739	128,452	406,392	87,197	50,293	137,490	543,882
TOTAL EXPENSES	\$ 2,688,572	\$ 1,597,862	\$ 889,555	\$ 852,643	\$ 2,929,319	\$ 8,957,951	\$ 632,690	\$ 1,589,904	\$ 2,222,594	\$11,180,545

Read Report of Independent Certified Public Accountants.
The accompanying notes are an integral part
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**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
DECEMBER 31, 2020**

	Special Olympics Florida	Special Olympics Florida Foundation	Consolidated Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Change in Net Assets	\$ 1,059,213	\$ 145,576	\$ 1,204,789
<i>Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:</i>			
Depreciation	530,132	13,750	543,882
Net unrealized (gain) loss on investments	(300,458)	(447,865)	(748,323)
Net unrealized (gain) loss on beneficial interest in Community Foundation	(419)	-	(419)
(Increase) decrease in accounts receivable	174,758	-	174,758
(Increase) decrease in pledges receivable	142,572	-	142,572
(Increase) decrease in due to/from Foundation	(100,506)	100,506	-
(Increase) decrease in prepaid expenses	41,047	-	41,047
Increase (decrease) in deferred revenue	(53,215)	-	(53,215)
Increase (decrease) in accounts payable and accrued expenses	(263,700)	-	(263,700)
Total adjustments	170,211	(333,609)	(163,398)
Net cash provided (used) by operating activities	1,229,424	(188,033)	1,041,391
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	(237,514)	-	(237,514)
Proceeds from the sale of investments	1,100,136	350,000	1,450,136
Proceeds from the sale of beneficial interest in Community Foundation	132,000	-	132,000
Purchase of investments	(2,169,591)	(161,967)	(2,331,558)
Net cash provided (used) by investing activities	(1,174,969)	188,033	(986,936)
Net increase (decrease) in cash and cash equivalents	54,455	-	54,455
CASH AND CASH EQUIVALENTS, beginning of year	689,771	-	689,771
CASH AND CASH EQUIVALENTS, end of year	\$ 744,226	\$ -	\$ 744,226
NON-CASH AND SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Disposal of fully depreciated property	\$ 580,392	\$ -	\$ 580,392

Read Report of Independent Certified Public Accountants.
The accompanying notes are an integral part
of these financial statements.

**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE A – DESCRIPTION OF ORGANIZATIONS

Special Olympics Florida, Inc., (Special Olympics) is a Statewide nonprofit corporation that provides year-round sports training and athletic competition in a variety of Olympic-type sports and health programs for all children and adults with intellectual disabilities who wish to participate, giving them continuing opportunities to develop physical fitness, demonstrate courage, experience joy and participate in the sharing of gifts, skills and friendship with their families, other Special Olympic athletes and the community. Special Olympics is accredited by Special Olympics, Inc. (SOI). Throughout Florida, the Organization provides the following programs:

- *Games* include competitions and tournaments conducted throughout the year that allow athletes with similar abilities to achieve physical, mental, and spiritual growth through sports. There are 24 different sports offered to these athletes, so they may choose those best suited to their abilities and interests.
- *Training* allows the learning of functional sports and team building skills and rules, which empower the athletes and enable them to interact with the community. Training takes place not only as part of the Olympic type sports we offer, but also through our Young Athletes Program and our Athlete Leadership courses to enhance our athletes opportunities within our community. While providing the athletes with opportunities to build muscles and sharpen motor skills, training also builds self-confidence and the development of social skills that will help them live a better life.
- *Health Programs* strive to improve athletes' well-being and overall sports experience through enhancement of health, wellness and fitness initiatives. Through partnerships, fitness and wellness programs, as well as robust Healthy Athletes programming, Special Olympics Florida is paving the way for inclusive health. We offer an approach that focuses on the whole person with an intellectual and developmental disability and provide integrated health care and referrals. Athletes are offered health care exams in eight disciplines, including health promotion, physical examinations, physical therapy, hearing, vision, podiatry, mental wellness, and dental care. Special Olympics Florida trains health care providers throughout the state, improving access to quality health care year-round for people with intellectual and developmental disabilities in their own communities.
- *Unified Champion Schools* is a sports education program that partners students with and without intellectual disabilities to create a more inclusive environment where students are able to work together, excel athletically and academically regardless of ability. Unified Champion Schools have three components, Unified Sports, Inclusive Youth Leadership and Whole-School Engagement all of which help foster respect, dignity and advocacy for people with intellectual disabilities.
- *Other Programs* include coaching and officiating certification programs, athlete and community outreach, and the promotion of training, competition and the Special Olympics mission.

Read Report of Independent Certified Public Accountants.

**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE A – DESCRIPTION OF ORGANIZATIONS (continued)

Special Olympics Florida Foundation, Inc. (the Supporting Organization) is a supporting organization whose purpose is to receive, hold, manage and invest funds to benefit Special Olympics Florida, Inc. The Supporting Organization is a Florida not-for-profit corporation established in September 2011.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The consolidated financial statements include the accounts of Special Olympics Florida, Inc. and Special Olympics Florida Foundation, Inc. (collectively the Organization). The management and control of the Supporting Organization is at all times to be vested in the persons who control or manage Special Olympics Florida, Inc. Seventy-five percent (75%) of the Board of the supporting Organization consists of members of the Board of Directors of Special Olympics Florida, Inc. As such consolidation is required by Financial Accounting Standards Board (FASB) Accounting Standards Codification 958-810 Not-for-Profit Entities Consolidation. All material inter-organizational transactions have been eliminated.

Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations, including restricted contributions whose restrictions are met in the same reporting period.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that:

- may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, 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.
- are maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of increases or decreases in net assets during the reporting period. Accordingly, actual results could differ from those estimates.

Read Report of Independent Certified Public Accountants.

**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

The Organization considers currency on hand, demand deposits and money market funds as cash and cash equivalents for purposes of the Statement of Cash Flows.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Interest and dividend income and gains and losses on investments are reported on the statement of activities as increases or decreases in unrestricted net assets unless their use is restricted by donor stipulations or law.

Functional Allocation of Expenses

Expenses are shown by natural expense classification and function in the accompanying consolidated statement of functional expenses. Expenses that are attributable to more than one program or supporting function are allocated on a reasonable basis that is consistently applied. Allocations are based on direct usage or management's estimate of the benefit derived by each activity. Management's estimates may be based on factors such as time and effort, square footage, clients served, or any other reasonable basis. The expenses that are allocated on the basis of estimates of time and effort are salaries, employee benefits and payroll taxes. Facilities, maintenance, insurance, utilities and depreciation are allocated on a square footage basis.

Accounts Receivable

Accounts receivable include fundraising sponsorships, direct marketing contributions and grants receivable resulting from grant contracts for services provided but not yet reimbursed at December 31, 2020. The Organization does not maintain an allowance for estimated uncollectible accounts as any amounts determined by the donor or unallowable by the grantor are deducted from revenue upon notification of the disallowance. No amounts were subsequently disallowed with respect to the amounts recorded at December 31, 2020.

Pledges Receivable

Pledges receivable are unconditional promises to give that are recognized as contributions when the promise is received. Pledges receivable that are expected to be collected within one year are recorded at net realizable value. Pledges receivable that are expected to be collected in future years are recorded at the fair value at the date of promise. That fair value is computed using present value technique applied to anticipated cash flows. Amortization of the resulting discount is recognized as additional contribution revenue. Management has determined that pledges receivable are fully collectible, and there was no allowance for doubtful accounts at December 31, 2020.

Read Report of Independent Certified Public Accountants.

**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions

The Organization reports contributions as pledges receivable when there is an unconditional promise to give, supported by evidence of the amount, timing, and nature of the contributions. Gifts of cash and other assets are reported as restricted support if they are received with donor-imposed time or purpose restrictions. When a donor restriction expires or is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the Consolidated Statements of Activities and Changes in Net Assets as net assets released from restrictions.

Deferred Revenue

Revenues from grants are recorded based upon the terms of the grantor allotment which generally provide that revenues are earned when the allowable costs of the specific grant provisions have been incurred. For the year ended December 31, 2020, deferred grant revenue in the amount of \$181,985 is reflected in the statement of financial position for amounts received but not earned. For the year ended December 31, 2020, deferred revenue also includes \$323,793 related to special events to be held in 2021.

Concentration of Credit Risk

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist principally of cash and cash equivalents and investments. The Organization places its deposits with high quality, credit-worthy financial institutions and investment companies. Accounts at financial institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. The amount in excess of the FDIC limit totaled \$394,772 for the year ended December 31, 2020. The Organization has not experienced any losses on its cash and cash equivalents. The Organization reviews its cash positions to minimize its exposure and mitigate its risk of loss.

Investments that potentially subject the Organization to concentrations of credit risk consist principally of investments in fixed income bond funds, mutual funds and equity securities. Quarterly portfolio reviews are performed to assist in the detection of any concentrations of risk. Management does not believe that any concentrations in investments exist.

Concentration of Income Source

For the year ended December 31, 2020, contributions were 50% of total revenue with 42% of its contributions from one donor company.

Fair Value of Financial Instruments

Professional standards require disclosure of an estimated fair value of certain financial instruments. The Organization's significant financial instruments are cash and other current assets and liabilities. For these financial instruments, carrying values approximate fair value.

Property and Equipment

Property and equipment are recorded at cost as of the date of acquisition, or fair value as of the date of receipt in the case of gifts. Depreciation is computed on a straight-line method over the estimated useful lives of each asset – building, 30 years, furniture and equipment, generally 3 - 7 years. Acquisitions of property and equipment in excess of \$1,000 are capitalized.

Read Report of Independent Certified Public Accountants.

**SPECIAL OLYMPICS FLORIDA, INC.
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NOTES TO CONSOLIDATING FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated Materials, Services and Facilities

The Organization records various types of in-kind contributions. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of goods and property are recognized at fair value when received. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses or additions to property or inventory.

A substantial number of unpaid volunteers have made significant contributions of their time to develop and maintain the Organization's programs. No amounts have been reported in the financial statements for voluntary donation of services because no objective basis is available to measure the value of such donations.

Income Tax Status

The Organization is exempt from federal income taxes under Section 501 (c)(3) of the Internal Revenue Code and similar state provisions. The Organization is treated as a public supported organization, and not as a private foundation. Accordingly, no provision for income taxes has been reflected in the accompanying financial statements. The Organization accounts for uncertain tax positions, if any, in accordance with ASC Section 740.

Management is not aware of any activities that would jeopardize the organization's tax-exempt status. The Organization is not aware of any tax positions that it has taken that are subject to a significant degree of uncertainty. The Organization believes it is no longer subject to income tax examinations for fiscal years ending prior to December 31, 2017.

NOTE C – PLEDGES RECEIVABLE

Pledges receivable at December 31, 2020 consist of the following:

Receivable in less than one year	\$ 241,682
Receivable in one to three years	<u>550,000</u>
	791,682
Less discounts to present value	<u>(42,777)</u>
	<u>\$ 748,905</u>

Future pledge receipts are discounted using a discount rate of 2.75% at December 31, 2020.

Read Report of Independent Certified Public Accountants.

**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATING FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE D – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the statement of financial position date. These financial assets are required to be reduced by those not available for general use within one year of the statement of financial position date:

Financial assets:

Cash and cash equivalents	\$ 744,226
Short-term investments	14,096,438
Accounts receivable	410,514
Pledges receivable, net	748,905
Beneficial interest in Community Foundation	<u>3,598</u>
 Total financial assets available within one year	 16,003,681
 Less those unavailable for general expenditure within one year due:	
Donor imposed time restrictions	(657,223)
Donor imposed purpose restrictions	<u>(325,804)</u>
 Total financial assets available to meet cash needs for general expenditures within one year	 <u>\$ 15,020,654</u>

The Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due and strives to operate within a prudent range of financial soundness and stability, maintain adequate liquid assets to fund near-term operating needs, and maintain sufficient reserves to provide reasonable assurance that any long-term obligations will be discharged. Financial assets in excess of daily cash requirements may be invested in money market funds or other short-term investments.

The Organization receives grants and contributions restricted by donors. The Organization considers grants and contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures.

NOTE E – FAIR VALUE MEASUREMENTS

Professional standards establish a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

Read Report of Independent Certified Public Accountants.

**SPECIAL OLYMPICS FLORIDA, INC.
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NOTE E – FAIR VALUE MEASUREMENTS (continued)

The three levels of the fair value hierarchy are described below:

Level 1

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organizations' have the ability to access.

Level 2

Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

Level 3

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

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

Following is a description of the valuation methodologies used for the assets measured at fair value:

Investments in cash alternatives, equities, exchange traded funds, fixed income, mutual funds and common stocks are valued at the closing price on the active market which the individual securities are traded.

Community Foundation investments are valued at the fair value of the investments of the related trust.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value at December 31, 2020:

	Fair Value Measurements at Reporting Date Using			
	Fair Value	(Level 1)	(Level 2)	(Level 3)
Money market funds	\$ 1,673,757	\$ 1,673,757		
Stocks and exchange traded funds	8,111,986	8,111,986	-	-
Fixed income securities	4,310,695	-	4,310,695	-
Beneficial interest in Community Foundation	3,598	-	-	3,598
Total	<u>\$ 14,100,036</u>	<u>\$ 9,785,743</u>	<u>\$4,310,695</u>	<u>\$ 3,598</u>

Read Report of Independent Certified Public Accountants.

**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE E – FAIR VALUE MEASUREMENTS (continued)

The reconciliation of the changes in the beneficial interest in Community Foundation measured at fair value on a recurring basis using significant unobservable inputs (Level 3) is as follows:

January 1, 2020	\$ 135,179
Withdrawals for programs	(132,000)
Net appreciation (realized and unrealized)	<u>419</u>
December 31, 2020	<u>\$ 3,598</u>

NOTE F – PROPERTY AND EQUIPMENT

Property and equipment, at costs, at December 31, 2020:

Building and building improvements	\$ 2,383,178
Equipment	1,935,319
Furniture and Fixtures	719,109
Uniforms	430,912
Vehicles	<u>364,634</u>
Total Property and Equipment	5,833,152
Less: Accumulated Depreciation	<u>(4,175,177)</u>
Net Property and Equipment	<u>\$ 1,657,975</u>

NOTE G – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes:

Building maintenance	\$ 322,206
Time restrictions	657,223
The Gulf Coast Community Foundation – investment purposes	<u>3,598</u>
	<u>\$ 983,027</u>

Net assets with donor restrictions of \$112,460 were released in satisfaction of use of restrictions during the year ended December 31, 2020.

Read Report of Independent Certified Public Accountants.

**SPECIAL OLYMPICS FLORIDA, INC.
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NOTE H – DONATED MATERIALS, SERVICES AND FACILITIES

The Organization's contributed services, materials and use of facilities during the year ended December 31, 2020 are as follows:

Services	\$ 786,181
Facilities	367,589
Materials	163,808
	<u>\$ 1,317,578</u>

In-kind contributions are included in the following areas of the Organization:

Games	\$ 460,159
Training	129,450
Health Programs	277,933
Other Programs	285,871
Management and General	39,411
Fundraising	124,754
	<u>\$ 1,317,578</u>

NOTE I – BUILDING ENDOWMENT

The Organization has established funds functioning as an endowment (the endowment) for which contributions have been restricted for the benefit of the headquarters in Clermont and includes all donor restricted funds.

Endowment Net Asset Composition by Type of Fund as of December 31, 2020:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted Endowment funds	<u>\$ -</u>	<u>\$ 322,206</u>	<u>\$ 322,206</u>
Total funds	<u><u>\$ -</u></u>	<u><u>\$ 322,206</u></u>	<u><u>\$ 322,206</u></u>

Changes in Endowment Net Assets for the Fiscal Year Ended December 31, 2020:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ -	\$ 333,156	\$ 333,156
Contributions	-	-	-
Distributions	-	10,950	10,950
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 322,206</u>	<u>\$ 322,206</u>

Read Report of Independent Certified Public Accountants.

**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE I – BUILDING ENDOWMENT (continued)

Interpretation of Relevant Law

The Board of Directors has interpreted the law as requiring donor restricted net assets in an endowment fund to remain restricted until appropriated for expenditure by the Organization for the donor's intended purpose. In accordance with the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA), the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The purposes of the organization and the donor-restricted endowment fund
- 2) General economic conditions
- 3) The possible effect of inflation and deflation
- 4) The expected total return from income and the appreciation of investments
- 5) Other resources of the organization
- 6) The duration and preservation of the endowment fund

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for the endowment assets that attempt to provide funding for the future maintenance and repair of the headquarters building in Clermont, Florida. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner to achieve the overall target asset allocation of equity, fixed income and cash, minimize risk and maximize return within acceptable guidelines and achieve a competent rate of return.

Spending Policy

The original donor restricted contributions to the endowment and subsequent contributions are restricted for the benefit of the headquarters building for maintenance, repairs and operations.

NOTE J – PAYCHECK PROTECTION PROGRAM

During the year ended December 31, 2020, the Organization obtained a Paycheck Protection Program loan under the CARES Act in the amount of \$891,690 to help keep the workforce employed during the COVID-19 crisis. In accordance with ASC 958-605-25 Not-For-Profit Entities Revenue Recognition, the Organization accounted for the funds as a conditional grant. The entire amount of the loan was forgiven on December 28, 2020. For the year ended December 31, 2020, the Organization recognized \$891,690 in grant revenue.

NOTE K – AFFILIATED ORGANIZATION

As an accredited chapter of SOI (See Note A), the Organization remits accreditation fees and shares in contributions for nationwide SOI fundraising programs. The Organization incurred accreditation fees totaling \$212,026 for the year ended December 31, 2020. These fees are included as program and fundraising costs in the statement of functional expenses. In addition, the Organization received approximately \$1,175,000 in grants related to Unified Champion Schools and in contributions related to direct marketing programs from SOI during the year ended December 31, 2020. The balance due from SOI related to the direct marketing campaign at December 31, 2020 was \$169,892 and is included in accounts receivable.

Read Report of Independent Certified Public Accountants.

**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE L – RETIREMENT PLAN

The Organization participates in a defined contribution (401K) plan. The Organization's retirement plan covers all employees with one year of eligible service who have attained age 21. The Organization contributed 6% of salary of all eligible participants and a 2% match option for the year ended December 31, 2020. The Organization's contribution for the year ended December 31, 2020 was \$308,034 and no administrative expenses were incurred related to the plan.

NOTE M – LEASES

The Organization leases land on which the distribution center was built. This is a twenty five-year lease that contains a renewal clause for an additional period of twenty-five years. In consideration of the Organization's agreement to allow the Lessor a portion of the storage building on the ground lease premises, base annual rent is zero.

NOTE N – DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES

The Organization receives revenue from the sale of the Florida Special Olympics specialty license plate offered by the Florida Department of Highway Safety and Motor Vehicles (the Department). For the year ended December 31, 2020, the Organization recognized \$43,718 in revenue from the Department. The Organization expended the moneys on competition and training of individuals with intellectual disabilities in accordance with the mission of the Organization and in compliance with sections 320.08056 and 320.08058 of the Florida Statutes governing the use of the moneys received from the Department.

NOTE O – RELATED PARTY TRANSACTIONS

A member of the Board of Directors is the Bureau Chief for the Florida Department of Education. During the year ended December 31, 2020 the Organization received approximately \$380,000 in grants for the Unified Champion Schools program.

During the year ended December 31, 2018, Special Olympics USA Games 2022 Organizing Committee (2022 Games), a Florida not-for-profit corporation was formed for the planning, funding and operating of the 2022 Games to be held in Orlando, Florida in the summer of 2022. 2022 Games operates under the direction of a separate board of directors and is not economically dependent on the Organization. As such, in accordance with FASB ASC 958-810 Not-for-profit Entities Consolidation, it is not consolidated with the Organization.

The Organization and 2022 Games entered into a contract for sponsorship revenue with a corporation. The Organization and SOFL split the contributions. The total agreement was for \$2,000,000 to be paid out over 5 years. The Organization received \$100,000 in 2020 and a pledge receivable for the remaining \$700,000 is reported net of discounts to present value. (See footnote C). 2022 Games also paid the Organization \$24,000 for use of accounting and support staff for the year ended December 31, 2020.

Read Report of Independent Certified Public Accountants.

**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE P – PALM BEACH GYMNASIUM FACILITY

The Organization entered into an agreement in 2003 with Palm Beach County (the County) to raise funds for the design and construction of a gymnasium facility at the County's Special Populations Recreation Programming and Training Center (the Center). The Organization expended \$1,030,000 to Palm Beach County for the Center which was completed in 2006. As stated in the contract, the Organization has the right of first priority use of the Center's gymnasium for thirty (30) years within the parameters of the County's regular scheduling process. The County is responsible for the cost of operating and maintaining the gymnasium. There is no further financial obligation on the part of the Organization.

NOTE Q – SUBSEQUENT EVENTS

As a result of the spread of the COVID-19 Coronavirus, economic uncertainties have arisen which are likely to negatively impact revenue and support. As the Organization continues to evaluate the response to COVID-19, there could be additional impact which is unknown at this time.

Subsequent to December 31, 2020, the Organization obtained a second Paycheck Protection Program loan under the CARES Act of approximately \$909,000 to help keep their workforce employed during the COVID-19 crisis. The loan has a maturity of 2 years, an interest rate of 1% and initial loan payments are deferred for six months. The loan can be fully forgiven if the funds are used for payroll costs, interest on mortgages, rent, and utilities. At least 60% of the forgiven amount must have been used for payroll. Management intends to comply with the forgiveness provisions and thoroughly evaluate its expenditures to meet the Paycheck Protection Program loan requirements.

Management has evaluated subsequent events through March 26, 2021 the date the financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION
AND OTHER REPORTS**

**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
SCHEDULE OF EXPENDITURES OF FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2020**

Description Grantor/Program Title	Federal CFDA # or State CSFA #	Contract Number	Expenditures
STATE FINANCIAL ASSISTANCE:			
FLORIDA AGENCY FOR PERSONS WITH DISABILITIES			
Special Olympics Florida - Healthy Athletes	67.028	WCX 18	\$ 338,813
FLORIDA DEPARTMENT OF EDUCATION			
Special Olympics Florida	48.065	92W-90845 -8Q001	380,433
FLORIDA DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES			
Special Olympics License Plate Project	76.022		43,718
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			\$ 762,964
FEDERAL ASSISTANCE:			
U.S. DEPARTMENT OF EDUCATION			
<i>Passed Through Special Olympics International - Unified Champion Schools</i>			
Special Education - Olympic Education Programs	84.380		\$ 389,349
TOTAL EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE			\$ 389,349
TOTAL EXPENDITURES OF STATE AND FEDERAL FINANCIAL ASSISTANCE			\$ 1,152,313

Read Report of Independent Certified Public Accountants.

**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
NOTES TO SCHEDULE OF EXPENDITURES OF
FINANCIAL ASSISTANCE
DECEMBER 31, 2020**

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Financial Assistance (the Schedule) includes the federal and state award activity of Special Olympics, Florida, Inc. (Special Olympics) under programs of the Federal Government and State of Florida for the year ended December 31, 2020. The information in the Schedule is presented in accordance with the requirements of Chapter 10.650, Rules of the Auditor General, State of Florida. Because the Schedule presents only a selected portion of the operations of the Special Olympics, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Special Olympics. Expenditures reported on the Schedule are reported on the accrual basis of accounting.



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

To Special Olympics Florida, Inc.
Special Olympics Florida Foundation, Inc.
Clermont, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Special Olympics Florida, Inc. (a nonprofit organization) and Special Olympics Florida Foundation, Inc. (collectively the Organization), which comprise the consolidated statements of financial position as of December 31, 2020, and the related consolidated statements of activities and change in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 26, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 Organization's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Organization's consolidated 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 determination of financial statement amounts. 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.

Reeder & Associates, PA

Certified Public Accountants
March 26, 2021



**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND
MATERIAL EFFECT ON EACH MAJOR STATE FINANCIAL ASSISTANCE
PROJECT AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
CHAPTER 10.650 RULES OF THE AUDITOR GENERAL, STATE OF FLORIDA**

To Special Olympics Florida, Inc.
Special Olympics Florida Foundation, Inc.
Clermont, Florida

Report on Compliance for Each Major State Financial Assistance Project

We have audited Special Olympics Florida, Inc. and Special Olympics Florida Foundation, Inc. (the Organization) compliance with the types of compliance requirements described in the *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on each of the Organization's major State projects for the year ended December 31, 2020. The Organization's major State projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its State projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major State projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.650, Rules of the Auditor General. Those standards, Chapter 10.650, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State project occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major State project. However, our audit does not provide a legal determination of the Organization's compliance.

Opinion on Each Major State Financial Assistance Project

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements, referred to above that could have a direct and material effect on each of its major State projects for the year ended December 31, 2020.

Report on Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major State project and to test and report on internal control over compliance in accordance with Chapter 10.650, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weakness, or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and results of that testing based on the requirements of Chapter 10.650, Rules of the Auditor General. Accordingly, this report is not suitable for any purpose.

Reeder & Associates, PA

Certified Public Accountants
March 26, 2021

**SPECIAL OLYMPICS FLORIDA, INC.
AND SUPPORTING ORGANIZATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2020**

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the basic financial statements of (the Organization).
2. No significant deficiencies were disclosed during the audit of the basic financial statements and no material weaknesses are reported.
3. No instances of noncompliance material to the basic financial statements of the Organization were disclosed during the audit of the basic financial statements.
4. There were no significant deficiencies disclosed during the audits of the major state financial assistance projects.
5. The auditor's report on compliance for the major state financial assistance projects for the Organization expresses an unmodified opinion.
6. There were no audit findings relative to the major state financial assistance projects of the Organization.
7. The projects tested as major projects included:

State:

Florida Department of Education
48.065 Special Olympics Florida

\$380,433

8. The threshold for distinguishing Type A and Type B projects was \$228,889 for major state financial assistance projects.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT
NONE

C. FINDINGS AND QUESTIONED COSTS – MAJOR STATE FINANCIAL ASSISTANCE PROJECTS
NONE

D. OTHER ISSUES
NONE

E. PRIOR YEAR FINDINGS
NONE

F. MANAGEMENT LETTER -CHAPTER 10.650, RULES OF THE AUDITOR GENERAL, STATE OF FLORIDA
NO ITEMS REQUIRED TO BE REPORTED

G. CORRECTIVE ACTION PLAN
NOT APPLICABLE AS NO ITEMS REPORTED