

**Stanley G. Tate Florida Prepaid
College Foundation, Inc.**

FINANCIAL STATEMENTS

June 30, 2014



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October 21, 2014

The Board of Directors and Management
Stanley G. Tate Florida Prepaid College Foundation, Inc.

We are pleased to present the results of our audit of the 2014 financial statements of the Stanley G. Tate Florida Prepaid College Foundation, Inc. ("the Foundation").

This report to the Board of Directors and management summarizes our audit, the report issued and various analyses and observations related to the Foundation's accounting and reporting. The document also contains the communications required by our professional standards.

Our GAAP audit was designed, primarily, to express an opinion on the Foundation's 2014 financial statements. We considered the Foundation's current and emerging business needs, along with an assessment of risks that could materially affect the financial statements, and aligned our audit procedures accordingly. We conducted the audit with the objectivity and independence that you expect. We received the full support and assistance of the Foundation's personnel.

At Carr, Riggs & Ingram, LLC (CRI), we are continually evaluating the quality of our professionals' work in order to deliver audit services of the highest quality that will meet or exceed your expectations. We encourage you to provide any feedback you believe is appropriate to ensure that we do not overlook a single detail as it relates to the quality of our services.

This report is intended solely for the information and use of the Board of Directors, management and others within the Foundation and should not be used by anyone other than these specified parties.

We appreciate this opportunity to work with you. If you have any questions or comments, please contact me at 850-878-8777 or mcarter@cricpa.com.

Very truly yours,

Michael C. Carter, CPA
Audit Partner

Stanley G. Tate
Florida Prepaid College Foundation, Inc.
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June 30, 2014

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INDEPENDENT AUDITORS' REPORT

Board of Directors and Management
Stanley G. Tate
Florida Prepaid College Foundation, Inc.
Tallahassee, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the Stanley G. Tate Florida Prepaid College Foundation, Inc. (the Foundation), which comprise the statements of financial position as of June 30, 2014, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Stanley G. Tate Florida Prepaid College Foundation, Inc. as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

October 21, 2014

Stanley G. Tate
Florida Prepaid College Foundation, Inc.
Statement of Financial Position

	Unrestricted	Temporarily Restricted		Total
		Scholarship	Other	
<i>June 30, 2014</i>	General	Matching	Programs	All Funds
	Operating	Program		
Assets				
Current assets				
Cash and cash equivalents	\$ 1,428,347	\$ -	\$ -	\$ 1,428,347
Due from other funds	49,825	-	-	49,825
Restricted cash	-	-	88,565	88,565
Restricted investments	-	8,312,679	3,278,521	11,591,200
Total assets	\$ 1,478,172	\$ 8,312,679	\$ 3,367,086	\$ 13,157,937
Liabilities and Net Assets				
Current liabilities				
Accounts payable	\$ 11,417	\$ -	\$ -	\$ 11,417
Due to other funds	16,503	-	-	16,503
Due to beneficiaries	-	8,312,679	3,367,086	11,679,765
Total liabilities	27,920	8,312,679	3,367,086	11,707,685
Net assets				
Unrestricted	1,450,252	-	-	1,450,252
Total liabilities and net assets	\$ 1,478,172	\$ 8,312,679	\$ 3,367,086	\$ 13,157,937

See accompanying notes to financial statements.

Stanley G. Tate
Florida Prepaid College Foundation, Inc.
Statement of Activities

	Unrestricted	Temporarily Restricted		Total
		Scholarship	Other	
<i>Year ended June 30, 2014</i>	General	Matching	Programs	All Funds
	Operating	Program		
Revenues and other support				
Administration fees	\$ 91,760	\$ -	\$ -	\$ 91,760
Donations	2,384	-	-	2,384
Investment income	18,185	-	-	18,185
Total revenues and other support	112,329	-	-	112,329
Expenses				
Supporting services	71,447	-	-	71,447
Scholarships	11,522	-	-	11,522
Total expenses	82,969	-	-	82,969
Increase in net assets	29,360	-	-	29,360
Net assets, beginning of year	1,420,892	-	-	1,420,892
Net assets, end of year	\$ 1,450,252	\$ -	\$ -	\$ 1,450,252

See accompanying notes to financial statements.

Stanley G. Tate
Florida Prepaid College Foundation, Inc.
Statement of Cash Flows

	Unrestricted	Temporarily Restricted		Total
		Scholarship	Other	
<i>Year ended June 30, 2014</i>	General	Matching	Programs	All Funds
	Operating	Program		
Cash flows from operating activities				
Increase in net assets	\$ 29,360	\$ -	\$ -	\$ 29,360
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities:				
(Increase) decrease in:				
Due from other funds	(49,825)	-	-	(49,825)
Increase (decrease) in:				
Accounts payable	1,196	-	-	1,196
Due to other funds	(7,791,578)	-	-	(7,791,578)
Due to beneficiaries	-	2,884,603	701,141	3,585,744
Net cash provided by (used in) operating activities	(7,810,847)	2,884,603	701,141	(4,225,103)
Cash flows from investing activities				
Net purchase and sale of investments	445,183	(2,884,603)	(612,576)	(3,051,996)
Net cash provided by (used in) investing activities	445,183	(2,884,603)	(612,576)	(3,051,996)
Net change in cash and cash equivalents	(7,365,664)	-	88,565	(7,277,099)
Cash and cash equivalents, beginning of year	8,794,011	-	-	8,794,011
Cash and cash equivalents end of year	\$1,428,347	\$ -	\$ 88,565	\$1,516,912

See accompanying notes to financial statements.

Stanley G. Tate
Florida Prepaid College Foundation, Inc.
Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Stanley G. Tate Florida Prepaid College Foundation, Inc. (the Foundation) was created in 1989 and administers the Stanley Tate Project STARS Scholarship Program (formerly the Florida Prepaid Tuition Scholarship Program) and other scholarship programs, on behalf of the Florida Prepaid College Board (the Board). The Board administers the Florida Prepaid College Plan and the Florida 529 Savings Plan. The Stanley Tate Project STARS Scholarship Program provides prepaid scholarships to economically disadvantaged, at-risk students. The Foundation is a direct-support organization of the Board and is authorized by section 1009.984 of the Florida Statutes and incorporated under the provisions of chapter 617 and approved by the Secretary of State.

Basis of Accounting

The accounts of the Foundation are maintained in accordance with the principles of not-for-profit accounting. Resources are reported for accounting purposes into separate classes of net assets based on the existence or absence of donor-imposed restrictions. In the accompanying financial statements, net assets that have similar characteristics have been combined into similar categories as follows:

Permanently Restricted

Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation would be classified as permanently restricted. Generally, the donors of these assets would permit the Foundation to use all or part of the investment return on these assets. As of June 30, 2014, the Foundation does not have net assets that are permanently restricted.

Temporarily Restricted

Net assets whose use by the Foundation is subject to donor-imposed stipulations that can be fulfilled by actions of the Foundation pursuant to those stipulations are classified as temporarily restricted. To account for amounts donated for specific purposes, the Foundation maintains temporarily restricted net assets as follows:

Scholarship Matching Program

Resources restricted for scholarships. Private donations are matched dollar for dollar by State of Florida appropriation.

Other Programs

Resources restricted for scholarships, but not matched by State of Florida appropriation because the donors have retained the right to establish their own criteria for selection of recipients.

Stanley G. Tate
Florida Prepaid College Foundation, Inc.
Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Unrestricted

Net assets that are not subject to donor-imposed stipulations are classified as unrestricted. Unrestricted net assets include resources that are available for support of Foundation operations.

The Foundation receives donations from donor organizations with instructions to purchase Florida Prepaid College Plans for specified third-party beneficiaries. The Foundation has no discretion in determining the parties to be benefited and it must deliver the Florida Prepaid College Plans to the specified beneficiaries. Receipt of those donations is not a contribution to the Foundation, nor is the delivery of the Florida Prepaid College Plans an expense of the Foundation. The unexpended funds from the donors are classified as amounts due to beneficiaries. The Foundation also receives unsolicited, unrestricted donations from various sources, which it records as other support. These funds are used for general operating purposes.

Cash and Cash Equivalents

Cash and cash equivalents include certain investments in highly liquid instruments with original maturities of three months or less when purchased. The Foundation routinely invests its surplus operating funds in money market funds.

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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Foundation evaluates subsequent events through the date of the independent auditors' report, which is the date the statements were available to be issued.

NOTE 2 – CONCENTRATION OF CREDIT RISK

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Foundation's deposits may not be returned to them. Cash deposits consisted of interest bearing demand accounts at one financial institution, which is entirely insured by collateral pursuant to The Florida

Stanley G. Tate
Florida Prepaid College Foundation, Inc.
Notes to Financial Statements

NOTE 2 – CONCENTRATION OF CREDIT RISK (Continued)

Security for Public Deposits Act (the Act). The Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the Foundation's deposits in qualified public depositories are totally insured. The Foundation had \$1,116,929 on deposit with SunTrust Banks, Inc. at June 30, 2014.

At June 30, 2014, the Foundation also had \$11,591,200 on deposit with the State Board of Administration of Florida held in the Florida PRIME account, shown as investments on the face of the financial statements. Florida PRIME represents a pool of investments whereby the Foundation owns a share of the respective pool, not the underlying securities. Cost approximates fair market value. While Florida PRIME is not registered under the 1940 Act or regulated by the SEC, the Foundation believes the credit risk related to these balances is minimal. Florida PRIME is rated by Standard and Poor's as AAAM, and provides the Foundation with daily liquidity.

NOTE 3 – DUE TO BENEFICIARIES

The Foundation receives donations from donors and purchases Florida Prepaid College Plans for the donor's designated beneficiaries. The unexpended funds from these donors are classified as due to beneficiaries. The receipts and disbursements of the funds received are as follows:

Balance, June 30, 2013	\$ 8,094,021
Donations	32,114,505
Payments on behalf of donors	(28,528,761)
Balance, June 30, 2014	<u>\$ 11,679,765</u>

NOTE 4 – RELATED-PARTY TRANSACTIONS

The Foundation purchases Florida Prepaid College Plans on behalf of selected scholarship recipients. Florida Prepaid College Plans at a cost of \$28,540,285 were purchased during the year ended June 30, 2014. In accordance with 1009.983(5), Florida Statutes, the chair of the Florida Prepaid College Board serves on the Board of Directors of the Foundation.

For the year ended June 30, 2014, the Florida Prepaid College Board provides certain administrative expenses to the Foundation under a contractual agreement expiring December 2016. The value of these services cannot be reasonably estimated.

Stanley G. Tate
Florida Prepaid College Foundation, Inc.
Notes to Financial Statements

NOTE 5 – INCOME TAXES

The Foundation is a non-profit organization, exempt from federal and state income taxes under Section 501(c) (3) of the Internal Revenue Code. Accordingly, no provision for income taxes is shown in the accompanying financial statements.

The Foundation follows accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2014, the Foundation has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements. Management and legal counsel determined federal income tax returns were not required to be filed.

NOTE 6 – FUNCTIONAL EXPENSES

The Foundation's functional expenses for the year ended June 30, 2014 were as follows:

Scholarships	\$ 11,522
Governmental consulting	60,118
Printing and marketing	3,224
Travel	2,956
Administration	4,726
Postage and freight	241
Banking charges	182
Total expenses	<u>\$ 82,969</u>



Required Communications

As discussed with the Board of Directors and management during our planning process, our audit plan represented an approach responsive to the assessment of risk for the Foundation. Specifically, we planned and performed our audit to:

- Perform audit services, as requested by the Board of Directors, in accordance with auditing standards generally accepted in the United States of America, in order to express an opinion on the Foundation's financial statements for the year ended June 30, 2014;
- Communicate directly with the Board of Directors and management regarding the results of our procedures;
- Address with the Board of Directors and management any accounting and financial reporting issues;
- Anticipate and respond to concerns of the Board of Directors and management; and
- Other audit-related projects as they arise and upon request.

Required Communications

We have audited the financial statements of Stanley G. Tate Florida Prepaid College Foundation, Inc. for the year ended June 30, 2014, and have issued our report thereon dated October 21, 2014. Professional standards require that we provide you with the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
Auditors' responsibility under Generally Accepted Auditing Standards	As stated in our engagement letter dated June 3, 2014, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP). Our audit of the financial statements does not relieve you or management of your responsibilities. As part of our audit, we considered the internal control of the Foundation. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.
Client's responsibility	Management, with oversight from those charged with governance, is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with the applicable framework. Management is responsible for the design and implementation of programs and controls to prevent and detect fraud.
Planned scope and timing of the audit	Our initial audit plan was not significantly altered during our fieldwork.
Management judgments and accounting estimates <i>The process used by management in forming particularly sensitive accounting estimates and the basis for the auditors' conclusion regarding the reasonableness of those estimates.</i>	Please see the following section titled "Accounting Policies, Judgments and Sensitive Estimates and CRI Comments on Quality."
Potential effect on the financial statements of any significant risks and exposures <i>Major risks and exposures facing the Foundation and how they are disclosed.</i>	No such risks or exposures were noted.

Required Communications

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditors' judgment about the quality of accounting principles <i>The initial selection of and changes in significant accounting policies or their application; methods used to account for significant unusual transactions; and effect of significant policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</i> <i>The auditor should also discuss the auditors' judgment about the quality, not just the acceptability, of the Foundation's accounting policies as applied in its financial reporting. The discussion should include such matters as consistency of accounting policies and their application, and clarity and completeness of the financial statements, including disclosures. Critical accounting policies and practices applied by the Foundation in its financial statements and our assessment of management's disclosures regarding such policies and practices (including any significant modifications to such disclosures proposed by us but rejected by management), the reasons why certain policies and practices are or are not considered critical, and how current and anticipated future events impact those determinations;</i> <i>Alternative treatments within GAAP for accounting policies and practices related to material items, including recognition, measurement, presentation and disclosure alternatives, that have been discussed with client management during the current audit period, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the auditor; Furthermore, if the accounting policy selected by management is not the policy preferred by us, discuss the reasons why management selected that policy, the policy preferred by us, and the reason we preferred the other policy.</i>	None.

Required Communications

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
Significant difficulties encountered in the audit <i>Any significant difficulties, for example, unreasonable logistical constraints or lack of cooperation by management.</i>	None.
Disagreements with management <i>Disagreements, whether or not subsequently resolved, about matters significant to the financial statements or auditors' report. This does not include those that came about based on incomplete facts or preliminary information.</i>	None.
Other findings or issues <i>Matters significant to oversight of the financial reporting practices by those charged with governance. For example, an entity's failure to obtain the necessary type of audit, such as one under Government Auditing Standards, in addition to GAAS.</i>	None.
Matters arising from the audit that were discussed with, or the subject of correspondence with, management <i>Business conditions that might affect risk or discussions regarding accounting practices or application of auditing standards.</i>	None.
Corrected and uncorrected misstatements <i>All significant audit adjustments arising from the audit, whether or not recorded by the Foundation, that could individually or in the aggregate have a significant effect on the financial statements. We should also inform the Foundation about uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented, that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Any internal control deficiencies that could have prevented the misstatements.</i>	Please see the following section titled "Summary of Audit Adjustments."

Required Communications

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
Major issues discussed with management prior to retention <i>Any major accounting, auditing or reporting issues discussed with management in connection with our initial or recurring retention.</i>	None.
Consultations with other accountants <i>When management has consulted with other accountants about significant accounting or auditing matters.</i>	None of which we are aware.
Written representations <i>A description of the written representations the auditor requested (or a copy of the representation letter).</i>	See "Management Representation Letter" section.
Internal control deficiencies <i>Any significant deficiencies or material weaknesses in the design or operation of internal control that came to the auditors' attention during the audit.</i>	See "Internal Control Findings" section.
Fraud and illegal acts <i>Fraud involving the Foundation's management, or those responsible for internal controls, or causing a material misstatement of the financial statements, where the auditor determines there is evidence that such fraud may exist. Any illegal acts coming to the auditors' attention involving the Foundation's management and any other illegal acts, unless clearly inconsequential.</i>	We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements.
Other information in documents containing audited financial statements <i>The external auditors' responsibility for information in a document containing audited financial statements, as well as any procedures performed and the results.</i>	Our responsibility related to documents (including annual reports, websites, etc.) containing the financial statements is to read the other information to consider whether: • Such information is materially inconsistent with the financial statements; and • We believe such information represents a material misstatement of fact. We have not been provided any such items to date and are unaware of any other documents that contain the audited financial statements.

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality

We are required to communicate our judgments about the quality, not just the acceptability, of the Foundation's accounting principles as applied in its financial reporting. We are also required to communicate critical accounting policies and sensitive accounting estimates. The Foundation may wish to monitor throughout the year the process used to compute and record these accounting estimates. The table below summarizes our communications regarding these matters.

AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	COMMENTS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
N/A	There are no critical accounting policies and significant accounting estimates that are required to be reported.	N/A	N/A	N/A

During the course of our audit, we accumulate differences between amounts recorded by the Foundation and amounts that we believe are required to be recorded under GAAP. Those adjustments are either recorded (corrected) by the Foundation or passed (uncorrected).

There were no adjustments, either corrected or uncorrected, as a result of our audit procedures.

QUALITATIVE MATERIALITY CONSIDERATIONS

In evaluating the materiality of audit differences when they do arise, we consider both quantitative and qualitative factors, for example:

- Whether the difference arises from an item capable of precise measurement or whether it arises from an estimate, and, if so, the degree of imprecision inherent in the estimate.
- Whether the difference masks a change in earnings or other trends.
- Whether the difference changes a net decrease in assets to addition, or vice versa.
- Whether the difference concerns an area of the Foundation's operating environment that has been identified as playing a significant role in the Foundation's operations or viability.
- Whether the difference affects compliance with regulatory requirements.
- Whether the difference has the effect of increasing management's compensation – for example, by satisfying requirements for the award of bonuses or other forms of incentive compensation.
- Whether the difference involves concealment of an unlawful transaction.



Duane Ottenstroer
Chairman
Jacksonville

October 21, 2014

Representative
Sandra Murman
Vice Chairman
Tampa

Carr, Riggs & Ingram, LLC
1713 Mahan Drive
Tallahassee, Florida 32308

Christyne Hamilton
Leesburg

Senator Ron Silver
Aventura

Kevin Thompson
Executive Director
Tallahassee

This representation letter is provided in connection with your audit of the financial statements of the Stanley G. Tate Florida Prepaid College Foundation, Inc. (the Foundation), which comprise the statements of financial position as of June 30, 2014, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of October 21, 2014, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 3, 2014, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- 3) We acknowledge our responsibility 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

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- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the Foundation is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the Foundation from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the Foundation and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the Foundation's financial statements communicated by employees, former employees, grantors, regulators, or others.
- 16) We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessment whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the identity of the Foundation's related parties and all the related party relationships and transactions of which we are aware.
- 19) The Foundation has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

Management Representation Letter

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- 20) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
- 21) The Stanley G. Tate Florida Prepaid College Foundation, Inc. is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Foundation's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.



Kevin Thompson
Executive Director



Amy Crumpler
Director of Finance, Accounting & Risk Management

The Board of Directors and Management of
Stanley G. Tate Florida Prepaid College Foundation, Inc.

In planning and performing our audit of the financial statements of the Stanley G. Tate Florida Prepaid College Foundation, Inc. as of and for the year ended June 30, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered the Stanley G. Tate Florida Prepaid 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 Stanley G. Tate Florida Prepaid College Foundation, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Stanley G. Tate Florida Prepaid 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.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. 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.

This communication is intended solely for the information and use of management, Board of Directors, others within Stanley G. Tate Florida Prepaid College Foundation, Inc., and is not intended to be, and should not be, used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Carr, Riggs & Ingram, LLC

Tallahassee, Florida

October 21, 2014