STATE OF FLORIDA AUDITOR GENERAL

Financial Audit

Report No. 2025-167
March 2025

BROWARD COLLEGE

For the Fiscal Year Ended
June 30, 2024

Sherrill F. Norman, CPA
Auditor General

Board of Trustees and President

During the 2023-24 fiscal year, Dr. Donald Astrab served as Interim President from April 4, 2024, Dr. Barbara Ryan served as Interim President from October 4, 2023 through April 3, 2024, Dr. Jeffrey Nasse served as Acting President of Broward College through October 3, 2023, and the following individuals served as Members of the Board of Trustees:

The Auditor General conducts audits of governmental entities to provide the Legislature, Florida's citizens, public entity management, and other stakeholders unbiased, timely, and relevant information for use in promoting government accountability and stewardship and improving government operations.

The team leader was Tina Ruseva, and the audit was supervised by Yvonne McNaughton, CPA.

Please address inquiries regarding this report to Jaime N. Hoelscher, CPA, Audit Manager, by e-mail at jaimehoelscher@aud.state.fl.us or by telephone at (850) 412-2868.

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BROWARD COLLEGE

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SUMMARY

Summary of Report on the Audit of the Financial Statements

Our audit disclosed that the basic financial statements of Broward College (a component unit of the State of Florida) were presented fairly, in all material respects, in accordance with prescribed financial reporting standards.

Summary of Report on Internal Control and Compliance

Our audit did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* issued by the Comptroller General of the United States.

Audit Objectives and Scope

Our audit objectives were to obtain reasonable assurance about whether the financial statements as a whole were free from material misstatements, whether due to fraud or error, and to issue an auditor's report that included our opinion. In doing so we:

- Exercised professional judgment and maintained professional skepticism throughout the audit.
- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, and designed and performed audit procedures responsive to those risks.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluated the overall presentation of the financial statements.
- Concluded whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.
- Examined various transactions to determine whether they were executed, in both manner and substance, in accordance with governing provisions of laws, rules, regulations, contracts, and grant agreements.

An examination of Federal awards administered by the College is included within the scope of our Statewide audit of Federal awards administered by the State of Florida.

Audit Methodology

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

AUDITOR GENERAL
STATE OF FLORIDA

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Auditor General

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The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of Broward College, a component unit of the State of Florida, and its aggregate discretely presented component units as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of Broward College and of its aggregate discretely presented component units as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the aggregate discretely presented component units, which represent 100 percent of the transactions and account balances of the aggregate discretely presented component units columns as of June 30, 2024. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the reports of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that **MANAGEMENT'S DISCUSSION AND ANALYSIS**, the **Schedule of Changes in the College's Total Other Postemployment Benefits Liability and Related Ratios**, **Schedule of the College's Proportionate Share of the Net Pension Liability – Florida Retirement System Pension Plan**, **Schedule of College Contributions – Florida Retirement System Pension Plan**, **Schedule of the College's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy Pension Plan**, **Schedule of College Contributions – Health Insurance Subsidy Pension Plan**, and **Notes to Required Supplementary Information** be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2025, on our consideration of the Broward College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Respectfully submitted,

Sherrill F. Norman

Sherrill F. Norman, CPA
Tallahassee, Florida
March 25, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

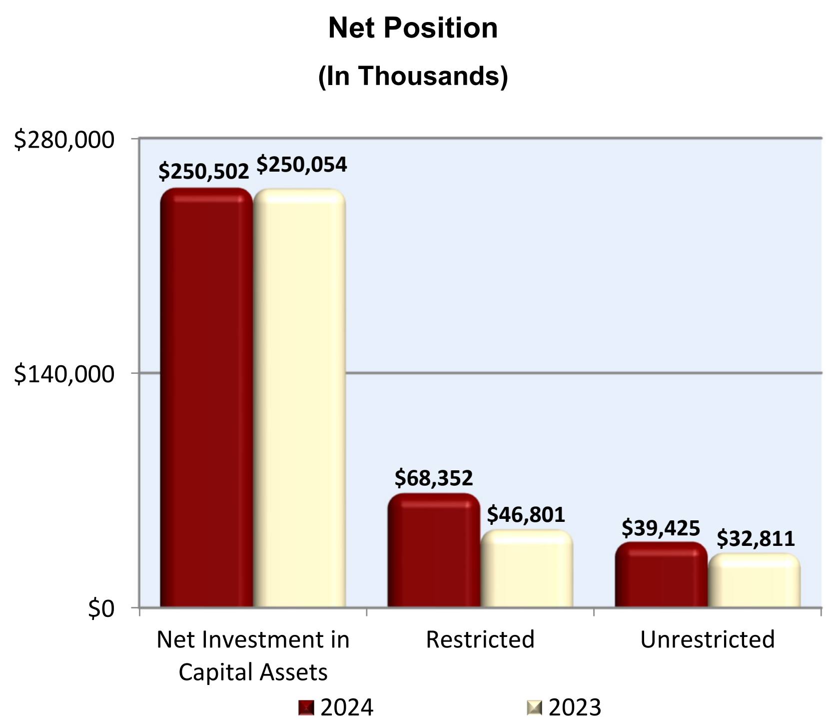
Management's discussion and analysis (MD&A) provides an overview of the financial position and activities of the College for the fiscal year ended June 30, 2024, and should be read in conjunction with the financial statements and notes thereto. The MD&A, and financial statements and notes thereto, are the responsibility of College management. The MD&A contains financial activity of the College for the fiscal years ended June 30, 2024, and June 30, 2023.

FINANCIAL HIGHLIGHTS

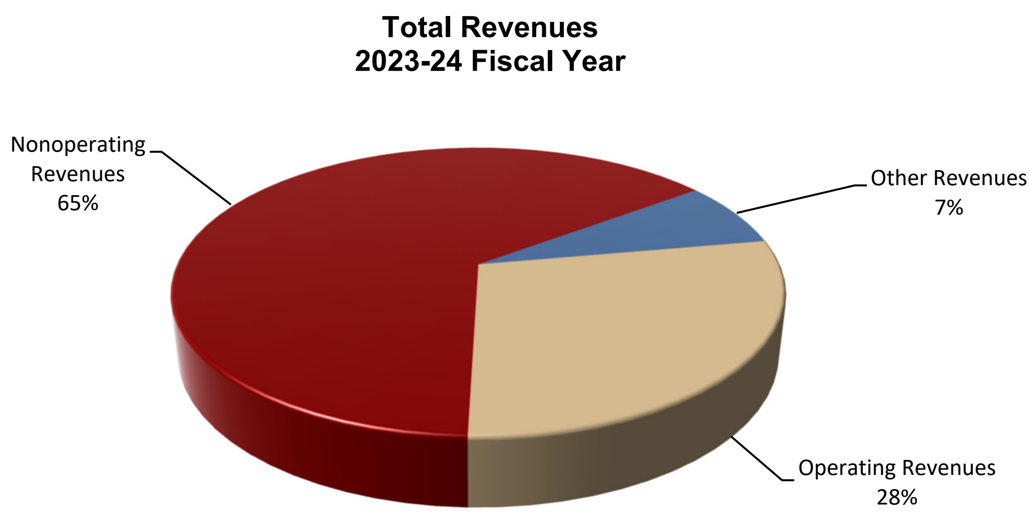
The College's assets totaled $520.1 million at June 30, 2024. This balance reflects a $36.3 million, or 7.5 percent, increase as compared to the 2022-23 fiscal year. Liabilities increased by $0.8 million, or 0.5 percent, totaling $165.9 million at June 30, 2024. In addition, deferred outflows of resources decreased by $4.1 million, or 11.1 percent, and deferred inflows of resources increased by $2.7 million, or 10.6 percent. As a result, the College's net position increased by $28.6 million, resulting in a year-end balance of $358.3 million.

The College's operating revenues totaled $93.1 million for the 2023-24 fiscal year, representing a 16.6 percent increase compared to the 2022-23 fiscal year primarily due to increases in grants and contracts and student tuition and fees, net of scholarship allowance. Operating expenses for the 2023-24 fiscal year amounted to $301 million, reflecting a 4.1 percent increase compared to the previous fiscal year, mainly due to increases in personnel services and scholarships and waivers, partially offset by a decrease in materials and supplies.

Net position represents the residual interest in the College's assets and deferred outflows of resources after deducting liabilities and deferred inflows of resources. The College's comparative total net position by category for the fiscal years ended June 30, 2024, and June 30, 2023, is shown in the following graph:



The following chart provides a graphical presentation of College revenues by category for the 2023-24 fiscal year:



Overview of Financial Statements

Pursuant to the Governmental Accounting Standards Board (GASB) Statement No. 35, the College's financial report consists of three basic financial statements: the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows. The financial statements, and notes thereto, encompass the College and its component units. These component units include:

- Broward College Foundation, Inc. – Although legally separate, this component unit is important because the College is financially accountable for it, as the College reports its financial activities to the State of Florida.
- BCEduventures, Inc. – Began operations on July 1, 2017, to serve as a supporting organization to the College, a tax-exempt public charity under Title 26, Section 501(c)(3), United States Code. The organization was established to receive, hold, invest, and administer gifts and to make expenditures to, or for the benefit of the College.

Information regarding these component units is presented in the notes to financial statements. This MD&A focuses on the College, excluding the discretely presented component units.

The Statement of Net Position

The statement of net position reflects the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the College, using the accrual basis of accounting, and presents the financial position of the College at a specified time. Assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, equals net position, which is one indicator of the College's current financial condition. The changes in net position that occur over time indicate improvement or deterioration in the College's financial condition.

The following summarizes the College's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at June 30:

Condensed Statement of Net Position at June 30

(In Thousands)

	2024	2023
Assets		
Current Assets	$134,484	$110,468
Capital Assets, Net	272,500	274,605
Other Noncurrent Assets	113,120	98,772
Total Assets	520,104	483,845
Deferred Outflows of Resources	32,829	36,909
Liabilities		
Current Liabilities	19,490	24,236
Noncurrent Liabilities	146,421	140,854
Total Liabilities	165,911	165,090
Deferred Inflows of Resources	28,743	25,998
Net Position		
Net Investment in Capital Assets	250,502	250,054
Restricted	68,352	46,801
Unrestricted	39,425	32,811
Total Net Position	$358,279	$329,666

Significant changes were the result of the following factors:

- The increase in current assets of $24 million is mainly due to an increase in cash and cash equivalents and restricted cash and cash equivalents.
- The increase of restricted net position of $21.6 million is primarily due to capital appropriation of building remodeling projects.
- The increase of unrestricted net position of $6.6 million is primarily due to an increase in revenues over expenditures in the unrestricted fund as the College continued to perform well in its primary operations by closely monitoring expenses.

The Statement of Revenues, Expenses, and Changes in Net Position

The statement of revenues, expenses, and changes in net position presents the College's revenue and expense activity, categorized as operating and nonoperating. Revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid.

The following summarizes the College's activity for the 2023-24 and 2022-23 fiscal years:

Condensed Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years

(In Thousands)

	2023-24	**2022-23**
Operating Revenues	$ 93,061	$ 79,815
Less, Operating Expenses	300,992	289,268
Operating Loss	(207,931)	(209,453)
Net Nonoperating Revenues	212,317	231,882
Income Before Other Revenues	4,386	22,429
Other Revenues	24,227	32,938
Net Increase In Net Position	28,613	55,367
Net Position, Beginning of Year	329,666	274,299
Net Position, End of Year	$ 358,279	$ 329,666

Operating Revenues

GASB Statement No. 35 categorizes revenues as either operating or nonoperating. Operating revenues generally result from exchange transactions where each of the parties to the transaction either gives or receives something of equal or similar value.

The following summarizes the operating revenues by source that were used to fund operating activities for the 2023-24 and 2022-23 fiscal years:

Operating Revenues
For the Fiscal Years

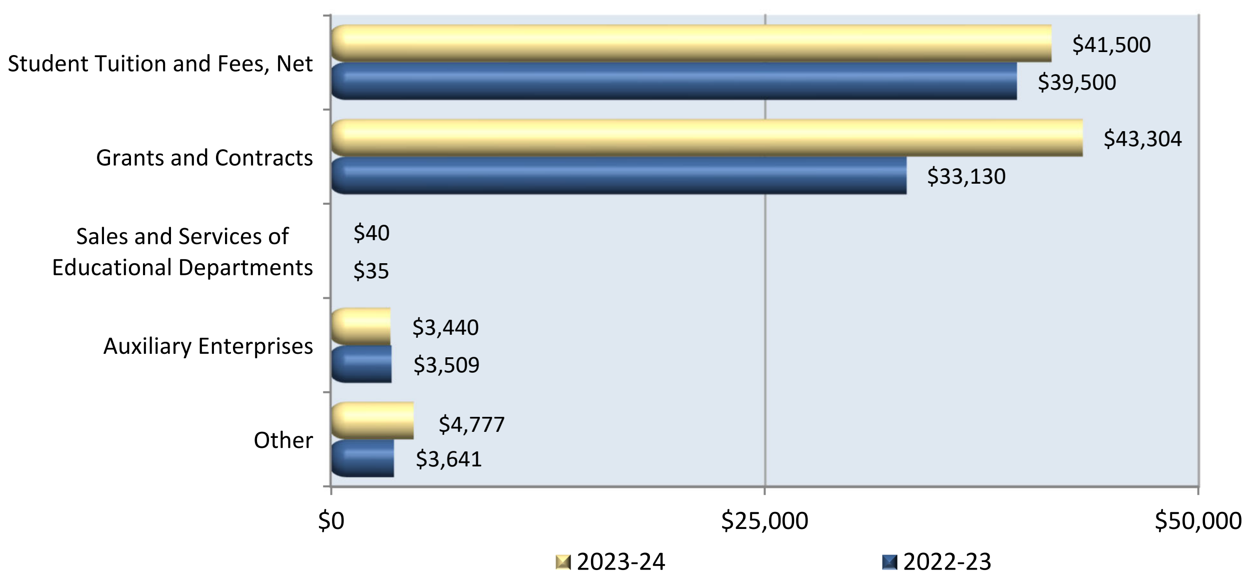
(In Thousands)

	2023-24	2022-23
Student Tuition and Fees, Net	$ 41,500	$ 39,500
Grants and Contracts	43,304	33,130
Sales and Services of Educational Departments	40	35
Auxiliary Enterprises	3,440	3,509
Other	4,777	3,641
Total Operating Revenues	$ 93,061	$ 79,815

The following chart presents the College's operating revenues for the 2023-24 and 2022-23 fiscal years:

Operating Revenues

(In Thousands)



College operating revenue changes were the result of increases in Federal grants and contracts of $7.1 million, State, local, and nongovernmental grants and contracts of $3.1 million, tuition and fees, net of scholarship allowances of $2 million, and other operating revenues of $1.1 million.

Operating Expenses

Expenses are categorized as operating or nonoperating. The majority of the College's expenses are operating expenses as defined by GASB Statement No. 35. GASB gives financial reporting entities the choice of reporting operating expenses in the functional or natural classifications. The College has chosen to report the expenses in their natural classification on the statement of revenues, expenses, and changes in net position and has displayed the functional classification in the notes to financial statements.

The following summarizes operating expenses by natural classification for the 2023-24 and 2022-23 fiscal years:

Operating Expenses
For the Fiscal Years

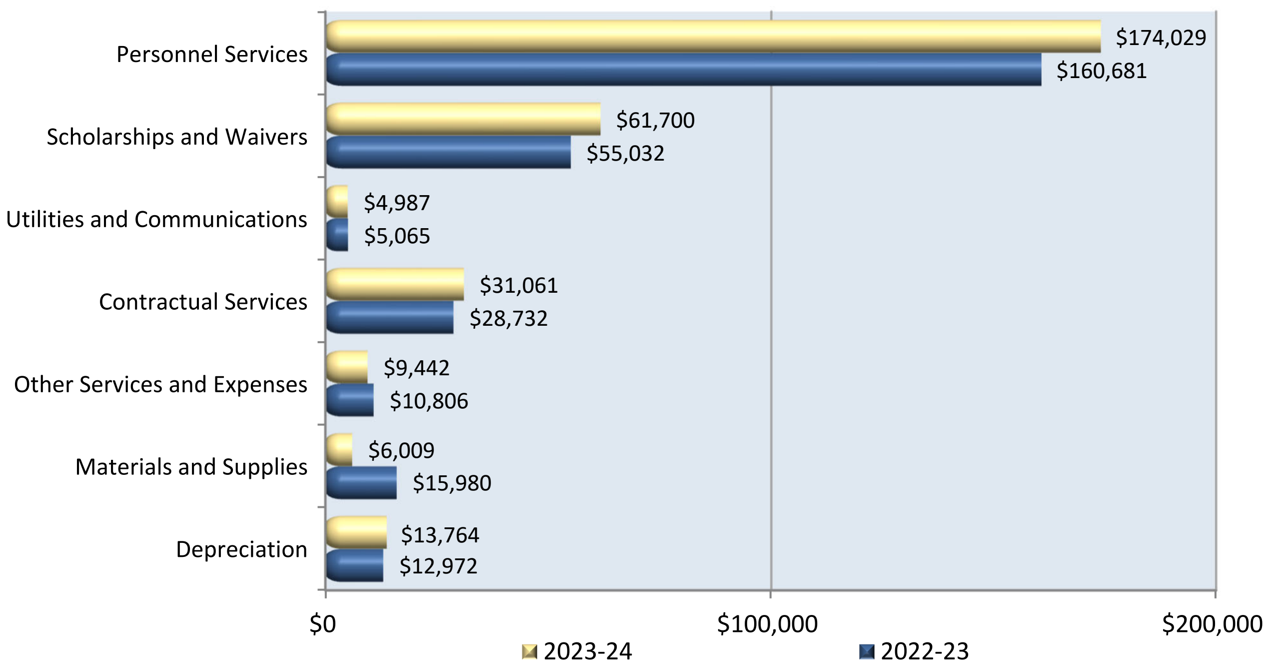
(In Thousands)

	2023-24	2022-23
Personnel Services	$ 174,029	$ 160,681
Scholarships and Waivers	61,700	55,032
Utilities and Communications	4,987	5,065
Contractual Services	31,061	28,732
Other Services and Expenses	9,442	10,806
Materials and Supplies	6,009	15,980
Depreciation	13,764	12,972
Total Operating Expenses	$ 300,992	$ 289,268

The following chart presents the College's operating expenses for the 2023-24 and 2022-23 fiscal years:

Operating Expenses

(In Thousands)



College operating expense changes were the result of the following factor:

- Materials and supplies decreased by $10 million, or 62.4 percent, mainly due to reduced spending following the completion of the Higher Education Emergency Relief Fund (HEERF) grants.

Nonoperating Revenues and Expenses

Certain revenue sources that the College relies on to provide funding for operations, including State noncapital appropriations, Federal and State student financial aid, certain gifts and grants, and investment income, are defined by GASB as nonoperating. Nonoperating expenses include capital financing costs and other costs related to capital assets. The following summarizes the College's nonoperating revenues and expenses for the 2023-24 and 2022-23 fiscal years:

Nonoperating Revenues (Expenses)
For the Fiscal Years

(In Thousands)

	2023-24	2022-23
State Noncapital Appropriations	$ 116,115	$ 101,903
Federal and State Student Financial Aid	85,825	79,275
Gifts and Grants	2,989	47,361
Investment Income	7,800	4,350
Net Gain (Loss) on Investment	597	(40)
Other Nonoperating Revenues	-	14
Interest on Capital Asset-Related Debt	(1,009)	(981)
Net Nonoperating Revenues	$ 212,317	$ 231,882

College net nonoperating revenues decreased by $19.6 million, primarily due to a $44.4 million reduction in gifts and grants, largely from the Higher Education Emergency Relief Fund (HEERF), which included the American Rescue Plan (ARP), the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and the Coronavirus Response & Relief Supplemental Appropriation Act (CRRSA). This decline was partially offset by increases in State noncapital appropriations of $14.2 million, Federal and State Student Financial Aid of $6.6 million, investment income of $3.4 million, and a net gain on investment of $0.6 million.

Other Revenues

This category is mainly composed of State capital appropriations and capital grants, contracts, gifts, and fees. The following summarizes the College's other revenues for the 2023-24 and 2022-23 fiscal years:

Other Revenues
For the Fiscal Years

(In Thousands)

	2023-24	2022-23
State Capital Appropriations	$ 15,796	$ 810
Capital Grants, Contracts, Gifts, and Fees	8,379	32,084
Other Revenues	52	44
Total	$ 24,227	$ 32,938

Other revenues decreased by $8.7 million primarily due to a decrease in capital funding. Capital funding of $15 million was appropriated to the College in the current fiscal year, compared to $24 million in deferred maintenance funding for capital projects in the prior fiscal year.

The Statement of Cash Flows

The statement of cash flows provides information about the College's financial results by reporting the major sources and uses of cash and cash equivalents. This statement will assist in evaluating the

College's ability to generate net cash flows, its ability to meet its financial obligations as they come due, and its need for external financing. Cash flows from operating activities show the net cash used by the operating activities of the College. Cash flows from capital financing activities include all plant funds and related long-term debt activities. Cash flows from investing activities show the net source and use of cash related to purchasing or selling investments, and earning income on those investments. Cash flows from noncapital financing activities include those activities not covered in other sections.

The following summarizes the College's cash flows for the 2023-24 and 2022-23 fiscal years:

Condensed Statement of Cash Flows
For the Fiscal Years

(In Thousands)

	2023-24	**2022-23**
Cash Provided (Used) by:		
Operating Activities	$ (176,212)	$ (193,693)
Noncapital Financing Activities	204,893	231,960
Capital and Related Financing Activities	3,359	(14,061)
Investing Activities	4,520	2,386
Net Increase in Cash and Cash Equivalents	36,560	26,592
Cash and Cash Equivalents, Beginning of Year	72,641	46,049
Cash and Cash Equivalents, End of Year	$ 109,201	$ 72,641

Major sources of funds came from State noncapital appropriations ($116.1 million), noncapital Federal and State student financial aid ($85.8 million), grants and contracts ($47.5 million), net student tuition and fees ($42.6 million), Federal Direct Loan Program receipts ($14.9 million), State capital appropriations ($10.3 million), capital grants and gifts ($8.4 million), other receipts ($4.3 million), and auxiliary enterprises ($2.5 million). Major uses of funds were for payments to employees and for employee benefits ($159.5 million), payments for scholarships ($61.7 million), to providers of goods and services ($46.7 million), Federal Direct Loan Program disbursements ($14.9 million), and purchases of capital assets ($11.7 million).

The College's cash and cash equivalents increased by $36.6 million, or 50.3 percent, compared to the prior fiscal year. The $17.5 million decrease in net cash used by operations was primarily due to a $15.7 million reduction in payments to suppliers, an $8.1 million increase in grants and contracts, a $4.6 million increase in net tuition and fees, and an additional $1.8 million in other receipts. These were partially offset by increases in payments for scholarships of $6.7 million, payments for employees and employee benefits of $5.3 million, and a decrease in auxiliary enterprise receipts of $1 million.

The $27.1 million decrease in net cash provided by noncapital financing activities was mainly due to a $44.4 million decrease in gifts and grants received for noncapital or endowment purposes and a $2 million reduction in other nonoperating receipts. These were partially offset by increases in State noncapital appropriations of $14.2 million and Federal and State student financial aid of $5.1 million.

The $17.4 million increase in net cash provided by capital and related financing activities was primarily due to an $11 million decrease in capital asset purchases, a $8.7 million increase in State capital appropriations, and a $0.2 increase in capital grants and gifts, offset by a $2.5 million increase in principal paid on capital debt and leases.

Cash provided by investing activities increased by $2.1 million due to a $4.6 million increase in investment income, offset by a $2.5 million increase in cash used for the purchase of investments.

Capital Assets, Capital Commitments, and Debt Administration

Capital Assets

At June 30, 2024, the College had $538.3 million in capital assets, less accumulated depreciation of $265.8 million, for net capital assets of $272.5 million. Depreciation charges for the current fiscal year totaled $13.8 million. The following table summarizes the College's capital assets, net of accumulated depreciation, at June 30:

Capital Assets, Net at June 30

(In Thousands)

	2024	2023
Land	$ 12,551	$ 12,551
Construction in Progress	24,338	30,590
Software in Progress	4,783	4,783
Buildings	195,150	191,557
Other Structures and Improvements	15,308	13,079
Furniture, Machinery, and Equipment	2,950	2,709
Leasehold Improvements	197	216
Lease Assets	17,223	18,716
Software	-	404
Capital Assets, Net	$ 272,500	$ 274,605

Additional information about the College's capital assets is presented in the notes to financial statements.

Capital Commitments

The College's construction commitments at June 30, 2024, are as follows:

	Amount (In Thousands)
Total Committed	$ 34,754
Completed to Date	24,338
Balance Committed	$ 10,416

Additional information about the College's construction commitments is presented in the notes to financial statements.

Debt Administration

As of June 30, 2024, the College had $22 million in outstanding long-term debt, representing a decrease of $2.6 million, or 10.4 percent, from the prior fiscal year. The following table summarizes the outstanding long-term debt by type for the fiscal years ended June 30:

Long-Term Debt at June 30

(In Thousands)

	2024	**2023**
Capital Improvement Revenue Bonds	$ 4,775	$ 5,835
Leases Payable	17,223	18,716
Total	$ 21,998	$ 24,551

The State Board of Education issues capital outlay bonds on behalf of the College. During the 2023-24 fiscal year, there were no bond sales, debt repayments totaled $3.1 million and leases payable totaled $17.2 million. Additional information about the College's long-term debt is presented in the notes to financial statements.

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

The College's economic condition is closely tied to that of the State of Florida. State noncapital appropriations increased from $101.9 million in the 2022-23 fiscal year to $116.1 million in the 2023-24 fiscal year. As usual and customary, the College exercised a conservative approach to budgeting and spending while providing optimal services to the students.

REQUESTS FOR INFORMATION

Questions concerning information provided in the MD&A or other required supplementary information, and financial statements and notes thereto, or requests for additional financial information should be addressed to Rabia Azhar, Chief Financial Officer, Broward College, 6400 NW 6th Way, Fort Lauderdale, Florida 33309.

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BROWARD COLLEGE
A Component Unit of the State of Florida
Statement of Net Position

June 30, 2024

	College	Component Units
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 86,307,276	$ 3,476,372
Restricted Cash and Cash Equivalents	1,262,418	-
Accounts Receivable, Net	6,597,565	1,094,095
Leases Receivable	939,147	-
Notes Receivable, Net	812,696	-
Due from Other Governmental Agencies	35,149,103	-
Due from Component Units	222,941	-
Inventories	9,082	-
Deposits	680,376	-
Prepaid Expenses	2,503,852	115,410
Total Current Assets	134,484,456	4,685,877
Noncurrent Assets:		
Restricted Cash and Cash Equivalents	21,631,135	-
Investments	57,493,671	129,628,627
Restricted Investments	15,004,554	-
Leases Receivable	18,990,081	-
Depreciable Capital Assets, Net	230,827,912	-
Nondepreciable Capital Assets	41,672,152	-
Total Noncurrent Assets	385,619,505	129,628,627
TOTAL ASSETS	520,103,961	134,314,504
DEFERRED OUTFLOWS OF RESOURCES		
Other Postemployment Benefits	4,834,124	-
Pensions	27,994,847	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	32,828,971	-
LIABILITIES		
Current Liabilities:		
Accounts Payable	5,200,131	526,361
Salary and Payroll Taxes Payable	2,329,869	-
Retainage Payable	508,866	-
Due to Other Governmental Agencies	19,727	-
Due to College	-	1,295,878
Unearned Revenue	3,481,222	514,635
Estimated Insurance Claims Payable	2,000,000	-
Deposits Held for Others	1,617,851	107,000
Long-Term Liabilities - Current Portion:		
Bonds Payable	1,110,000	-
Unearned Lease Revenue	66,667	-
Leases Payable	2,041,585	-
Compensated Absences Payable	937,431	-
Other Postemployment Benefits Payable	176,413	-
Total Current Liabilities	19,489,762	2,443,874

	College	Component Units
LIABILITIES (Continued)		
Noncurrent Liabilities:		
Bonds Payable	3,665,000	-
Unearned Lease Revenue	1,205,556	-
Leases Payable	15,181,183	-
Compensated Absences Payable	11,712,538	-
Other Postemployment Benefits Payable	8,821,801	-
Net Pension Liability	105,834,931	-
Total Noncurrent Liabilities	146,421,009	-
TOTAL LIABILITIES	165,910,771	2,443,874
DEFERRED INFLOWS OF RESOURCES		
Other Postemployment Benefits	5,365,889	-
Pensions	10,707,967	-
Lease Agreements	12,668,936	-
TOTAL DEFERRED INFLOWS OF RESOURCES	28,742,792	-
NET POSITION		
Net Investment in Capital Assets	250,502,296	-
Restricted:		
Nonexpendable:		
Endowment	1,136,697	44,009,230
Expendable:		
Grants and Loans	1,262,742	-
Scholarships	255,171	40,879,292
Capital Projects	65,632,999	-
Debt Service	64,310	-
Unrestricted	39,425,154	46,982,108
TOTAL NET POSITION	$ 358,279,369	$ 131,870,630

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

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BROWARD COLLEGE
A Component Unit of the State of Florida
Statement of Revenues, Expenses, and Changes in Net Position

For the Fiscal Year Ended June 30, 2024

	College	Component Units
REVENUES		
Operating Revenues:		
Student Tuition and Fees, Net of Scholarship Allowances of $38,461,422	$ 41,499,908	$ -
Federal Grants and Contracts	23,329,672	-
State and Local Grants and Contracts	5,022,437	-
Nongovernmental Grants and Contracts	14,952,009	-
Sales and Services of Educational Departments	40,068	-
Auxiliary Enterprises	3,440,047	-
Other Operating Revenues	4,776,968	21,205,558
Total Operating Revenues	93,061,109	21,205,558
EXPENSES		
Operating Expenses:		
Personnel Services	174,029,257	-
Scholarships and Waivers	61,700,825	-
Utilities and Communications	4,986,643	-
Contractual Services	31,060,540	25,608,258
Other Services and Expenses	9,442,254	-
Materials and Supplies	6,008,509	-
Depreciation	13,763,731	-
Total Operating Expenses	300,991,759	25,608,258
Operating Loss	(207,930,650)	(4,402,700)
NONOPERATING REVENUES (EXPENSES)		
State Noncapital Appropriations	116,114,845	-
Federal and State Student Financial Aid	85,825,172	-
Gifts and Grants	2,989,361	-
Investment Income	7,799,599	14,191,881
Net Gain on Investments	596,770	-
Interest on Capital Asset-Related Debt	(1,009,273)	-
Net Nonoperating Revenues	212,316,474	14,191,881
Income Before Other Revenues	4,385,824	9,789,181
State Capital Appropriations	15,796,000	-
Capital Grants, Contracts, Gifts, and Fees	8,379,295	-
Additions to Endowments	52,122	-
Total Other Revenues	24,227,417	-
Increase in Net Position	28,613,241	9,789,181
Net Position, Beginning of Year	329,666,128	122,081,449
Net Position, End of Year	$ 358,279,369	$ 131,870,630

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

BROWARD COLLEGE
A Component Unit of the State of Florida
Statement of Cash Flows

For the Fiscal Year Ended June 30, 2024

	College
CASH FLOWS FROM OPERATING ACTIVITIES	
Student Tuition and Fees, Net	$ 42,596,197
Grants and Contracts	47,522,682
Payments to Suppliers	(46,739,415)
Payments for Utilities and Communications	(4,986,643)
Payments to Employees	(114,566,036)
Payments for Employee Benefits	(44,977,358)
Payments for Scholarships	(61,737,809)
Loans Issued to Students	(10,328,042)
Collection on Loans to Students	10,196,677
Auxiliary Enterprises	2,479,161
Sales and Services of Educational Departments	40,068
Other Receipts	4,288,702
Net Cash Used by Operating Activities	(176,211,816)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State Noncapital Appropriations	116,114,845
Federal and State Student Financial Aid	85,771,812
Federal Direct Loan Program Receipts	14,928,210
Federal Direct Loan Program Disbursements	(14,928,210)
Gifts and Grants Received for Other Than Capital or Endowment Purposes	2,989,361
Private Gifts for Endowment Purposes	52,122
Other Nonoperating Disbursements	(35,318)
Net Cash Provided by Noncapital Financing Activities	204,892,822
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
State Capital Appropriations	10,263,816
Capital Grants and Gifts	8,379,295
Purchases of Capital Assets	(11,721,807)
Principal Paid on Capital Debt and Leases	(2,553,239)
Interest Paid on Capital Debt and Leases	(1,009,273)
Net Cash Provided by Capital and Related Financing Activities	3,358,792
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of Investments	(4,473,399)
Investment Income	8,993,139
Net Cash Provided by Investing Activities	4,519,740
Net Increase in Cash and Cash Equivalents	36,559,538
Cash and Cash Equivalents, Beginning of Year	72,641,291
Cash and Cash Equivalents, End of Year	$ 109,200,829

	College
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Loss	$ (207,930,650)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation Expense	13,763,731
Changes in Assets, Liabilities, Deferred Outflows of Resources, and Deferred Inflows of Resources:	
Receivables, Net	599,007
Notes Receivable, Net (Loans to Students)	(131,365)
Due from Other Governmental Agencies	6,095,185
Due from Component Units	(159,002)
Due to Other Governmental Agencies	(106,770)
Inventories	10,469
Prepaid Expenses	326,010
Accounts Payable	(1,260,896)
Salaries and Payroll Taxes Payable	88,211
Unearned Revenue	(13,863)
Estimated Insurance Claims Payable	(2,369,421)
Deposits Held for Others	(1,402,485)
Compensated Absences Payable	(258,583)
Other Postemployment Benefits Payable	(63,261)
Net Pension Liability	8,789,947
Deferred Outflows of Resources Related to Other Postemployment Benefits	539,831
Deferred Inflows of Resources Related to Other Postemployment Benefits	62,343
Deferred Outflows of Resources Related to Pensions	3,540,223
Deferred Inflows of Resources Related to Pensions	3,669,523
NET CASH USED BY OPERATING ACTIVITIES	$ (176,211,816)
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING ACTIVITIES	
Unrealized gains on investments were recognized on the statement of revenues, expenses, and changes in net position, but are not cash transactions for the statement of cash flows.	$ 596,770

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

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Reporting Entity. The governing body of Broward College, a component unit of the State of Florida, is the College Board of Trustees. The Board of Trustees constitutes a corporation and is composed of five members appointed by the Governor and confirmed by the Senate. The Board of Trustees is under the general direction and control of the Florida Department of Education, Division of Florida Colleges, and is governed by State law and State Board of Education (SBE) rules. However, the Board of Trustees is directly responsible for the day-to-day operations and control of the College within the framework of applicable State laws and SBE rules. The College serves Broward County.

Criteria for defining the reporting entity are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. These criteria were used to evaluate potential component units for which the Board of Trustees is financially accountable and other organizations for which the nature and significance of their relationship with the Board of Trustees are such that exclusion would cause the College's financial statements to be misleading. Based on the application of these criteria, the College is a component unit of the State of Florida, and its financial balances and activities are reported in the State's Annual Comprehensive Financial Report by discrete presentation.

Discretely Presented Component Units. Based on the application of the criteria for determining component units, the following component units are included within the College's reporting entity:

- Broward College Foundation, Inc. (Foundation): Although legally separate, this component unit is important because the College is financially accountable for it, as the College reports its financial activities to the State of Florida.
- BCEduventures, Inc. (BCEduventures): Began operations on July 1, 2017, to serve as a supporting organization to the College, a tax-exempt public charity under Title 26, Section 501(c)(3), United States Code. The organization was established to receive, hold, invest, and administer gifts and to make expenditures to, or for the benefit of, the College.

The College's component units as described above are also direct-support organizations as defined in Section 1004.70, Florida Statutes, and although legally separate from the College, are financially accountable to the College. The component units are managed independently, outside the College's budgeting process, and their powers are generally vested in a governing board pursuant to various State statutes. The component units receive, hold, invest, and administer property, and make expenditures to or for the benefit of the College.

The College's component units are audited by other auditors pursuant to Section 1004.70(6), Florida Statutes. The audited financial statements of each component unit are available to the public and can be obtained from the Chief Financial Officer, Broward College, 6400 NW 6th Way, Fort Lauderdale, Florida 33309. The financial data reported on the accompanying financial statements was derived from the Foundation and BCEduventures' audited financial statements for the fiscal year ended December 31, 2023.

Basis of Presentation. The College's accounting policies conform with accounting principles generally accepted in the United States of America applicable to public colleges and universities as prescribed by GASB. The National Association of College and University Business Officers (NACUBO) also provides the College with recommendations prescribed in accordance with generally accepted accounting principles promulgated by GASB and the Financial Accounting Standards Board (FASB). GASB allows public colleges various reporting options. The College has elected to report as an entity engaged in only business-type activities. This election requires the adoption of the accrual basis of accounting and entitywide reporting including the following components:

- Management's Discussion and Analysis
- Basic Financial Statements:
  - Statement of Net Position
  - Statement of Revenues, Expenses, and Changes in Net Position
  - Statement of Cash Flows
  - Notes to Financial Statements
- Other Required Supplementary Information

Measurement Focus and Basis of Accounting. Basis of accounting refers to when revenues, expenses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the measurement focus applied. The College's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange activities are generally recognized when all applicable eligibility requirements, including time requirements, are met. The College follows GASB standards of accounting and financial reporting.

The College's component units use the economic resources measurement focus and the accrual basis of accounting, and follows FASB standards of accounting and financial reporting for not-for-profit organizations.

Significant interdepartmental sales between auxiliary service departments and other institutional departments have been accounted for as reductions of expenses and not revenues of those departments.

The College's principal operating activity is instruction. Operating revenues and expenses generally include all fiscal transactions directly related to instruction as well as administration, academic support, student services, physical plant operations, and depreciation of capital assets. Nonoperating revenues include State noncapital appropriations, Federal and State student financial aid, gifts and grants, and investment income. Interest on capital asset-related debt is a nonoperating expense. Other revenues generally include revenues for capital construction projects.

The statement of net position is presented in a classified format to distinguish between current and noncurrent assets and liabilities. When both restricted and unrestricted resources are available to fund certain programs, it is the College's policy to first apply the restricted resources to such programs followed by the use of the unrestricted resources.

The statement of revenues, expenses, and changes in net position is presented by major sources and is reported net of tuition scholarship allowances. Tuition scholarship allowances are the difference between the stated charge for goods and services provided by the College and the amount that is actually paid by the student or the third party making payment on behalf of the student. The College calculated its tuition scholarship allowance by determining the amount of "coverage" applied from financial aid and other funds determined to be subject to tuition scholarship allowance as prescribed in NACUBO Advisory Report 2000-05. Under this method, the College determined amounts by identifying those student transactions where the student's classes or bookstore charges were paid by an applicable financial aid source. The College maintains a detailed record of this activity in the Credit and Collection activity file at the financial aid and student level.

The statement of cash flows is presented using the direct method in compliance with GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*.

Cash and Cash Equivalents. The amount reported as cash and cash equivalents consist of cash on hand, cash in demand accounts, and cash with the State Board of Administration (SBA) Florida PRIME investment pool. For reporting cash flows, the College considers all highly liquid investments with original maturities of 3 months or less, that are not held solely for income or profit, to be cash equivalents. Under this definition, the College considers amounts invested in the SBA Florida PRIME investment pool to be cash equivalents.

College cash deposits are held in banks qualified as public depositories under Florida law. All such deposits are insured by the Federal Deposit Insurance Corporation, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool required by Chapter 280, Florida Statutes. Cash and cash equivalents that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other restricted assets are classified as restricted.

At June 30, 2024, the College reported as cash equivalents at fair value $109,812 in the Florida PRIME investment pool administered by the SBA pursuant to Section 218.405, Florida Statutes. The College's investments in the Florida PRIME investment pool, which the SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. The Florida PRIME investment pool carried a credit rating of AAAm by Standard & Poor's and had a weighted-average days to maturity (WAM) of 45 days as of June 30, 2024. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating-rate instruments. WAM measures the sensitivity of the Florida PRIME investment pool to interest rate changes. The investments in the Florida PRIME investment pool are reported at amortized cost.

Section 218.409(8)(a), Florida Statutes, provides that "the principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the executive director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board [State Board of Administration] can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The trustees shall convene an emergency meeting as soon as practicable from the time the executive director has instituted such measures and review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the executive director until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days." As of June 30, 2024, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Capital Assets. College capital assets consist of land, construction in progress, software in progress, buildings, other structures and improvements, furniture, machinery, and equipment, leasehold improvements, lease assets, and software. These assets are capitalized and recorded at cost at the date of acquisition or at acquisition value at the date received in the case of gifts and purchases of State surplus property. Additions, improvements, and other outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The College has a capitalization threshold of $5,000 for tangible personal property and $25,000 for buildings and other structures and improvements. Depreciation is computed on the straight-line basis over the following estimated useful lives:

- Buildings – 40 years
- Leasehold Improvements – 20 years
- Leased Assets – 5 to 20 years
- Other Structures and Improvements – 10 years
- Software – 10 years
- Furniture, Machinery, and Equipment:
    - Computer Equipment – 3 years
    - Vehicles, Office Machines, and Educational Equipment – 5 years
    - Furniture – 7 years

Noncurrent Liabilities. Noncurrent liabilities include bonds payable, unearned lease revenue, leases payable, compensated absences payable, other postemployment benefits payable, and net pension liabilities that are not scheduled to be paid within the next fiscal year, as well as unearned lease revenue which will be amortized over 30 years.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to/deductions from the FRS and HIS fiduciary net positions have been determined on the same basis as they are reported by the FRS and the HIS plans. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

2. Investments

The Board of Trustees has adopted a written investment policy providing that surplus funds of the College shall be invested in those institutions and instruments permitted under the provisions of Florida Statutes. Section 218.415(16), Florida Statutes, authorizes the College to invest in the Florida PRIME investment pool administered by the SBA; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; interest-bearing time deposits and savings accounts in qualified public depositories, as defined by Section 280.02, Florida Statutes; direct obligations of the United States Treasury; obligations of Federal agencies and instrumentalities; securities of, or interests in, certain open-end or closed-end management type investment companies; and other investments approved by the Board of Trustees as authorized by law. SBE Rule 6A-14.0765(3), Florida Administrative Code, provides that College loan, endowment, annuity, and life income funds may also be invested pursuant to Section 215.47, Florida Statutes. Investments authorized by Section 215.47, Florida Statutes, include bonds, notes, commercial paper, and various other types of investments.

Investments set aside to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital assets are classified as restricted.

Fair Value Measurement. The College categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

All of the College's recurring fair value measurements as of June 30, 2024, are valued using quoted market prices (Level 1 inputs).

The College's investments at June 30, 2024, are reported as follows:

Investments by fair value level	Fair Value Measurements Using Quoted Prices in Active Markets for Identical Assets (Level 1)
Mutual Funds	
Equities	$ 11,865,714
Bonds	60,626,503
Cash Sweep	6,008
Total investments by fair value level	$ 72,498,225

Mutual Funds. The College's investments in mutual funds totaled $72,498,225 at June 30, 2024.

The College's Investment Policy Statement provides for a short-term investment pool, an intermediate-term investment pool, and a long-term investment pool. The primary objective of the short-term investment pool (funds needed for expenditures in 1 year or less) is to provide for preservation of capital and liquidity. The primary objectives for the intermediate-term investment pool are the preservation of capital and maximization of income without undue risk within the specific parameters specified in the investment policy. The primary objectives of the long-term investment pool (funds not expected to be needed as working capital and are not intermediate term) are to provide for long-term growth of principal and income without undue exposure to risk.

The following risks apply to these investments:

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The College's investments in mutual funds have portfolios with average durations ranging from 1.15 years to 6.02 years.

Credit Risk: Credit risk is the risk that an issuer or other counterparty will not fulfill its obligations. The College's investments in mutual funds at June 30, 2024, had portfolios having an average credit quality of between AAA and A+.

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the College will not be able to recover that value of investments of collateral securities that are in possession of an outside party. The College's investment policy provides that securities will be designated as an asset of the College and held in safekeeping by a third-party custodial bank, or other third-party custodial institution. The College's $72,498,225 investments in mutual funds are held by the safekeeping agent in the name of the College.

Component Unit Investments. Investments held by the Foundation at December 31, 2023, are reported at fair value as follows:

Investment Type	Amount
Marketable Securities Equities:	
Foreign	$ 33,775,554
Domestic	28,600,421
Other:	
Alternative Investments	46,846,803
Fixed Income	20,356,577
Money Market Funds	49,272
Total Component Unit Investments	$ 129,628,627

3. Accounts Receivable

Accounts receivable represent amounts for student fee deferments, various student services provided by the College, uncollected commissions for food service and vending machine sales, unused credit memos, and contract and grant reimbursements due from third parties. The accounts receivable are reported net of a $682,487 allowance for doubtful accounts.

4. Notes Receivable

Notes receivable represent student loans made through a third party under the short-term loan program, financial aid overpayments, and fee deficiencies. Notes receivable are reported net of a $4,817,964 allowance for doubtful notes.

5. Leases Receivable

The College leases space to external parties for various terms under long-term, non-cancelable lease agreements. The leases expire on various dates ranging from 5 to 93 years. During the fiscal year ended June 30, 2024, lease revenue totaling $986,861, and interest revenue of $525,991 were recognized in accordance with GASB Statement No. 87, *Leases*. Total future minimum lease payments to be received under lessor agreements are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2025	$ 939,148	$ 573,704	$ 1,512,852
2026	893,742	619,110	1,512,852
2027	850,531	662,321	1,512,852
2028	810,758	704,343	1,515,101
2029	786,804	754,394	1,541,198
2030-2117	15,648,245	180,065,679	195,713,924
Total	$ 19,929,228	$ 183,379,551	$ 203,308,779

6. Due From Other Governmental Agencies

The amount due from other governmental agencies totals $35,149,103. This consists primarily of $29,437,271 from Federal and State funding sources, including $15,000,000 for the buildings remodeling project and $14,437,271 from the State Government for deferred maintenance project funds. Additionally, $3,413,229 is due from other agencies, including $1,374,832 from the Federal Government for Pell grants.

7. Due From and To Component Units/College

The amount due from component units consists of amounts owed to the College by the Foundation for scholarships and student aid and by BCEduventures for its accounts payable and accrued expenses. The College's financial statements are reported for the fiscal year ended June 30, 2024. The Foundation and BCEduventures' financial statements are reported for the fiscal year ended December 31, 2023. Accordingly, amounts reported by the College as due from component units on the statement of net position do not agree with amounts reported by the component units as due to the College.

8. Capital Assets

Capital assets activity for the fiscal year ended June 30, 2024, is shown in the following table:

Description	Beginning Balance	Additions	Reductions	Ending Balance
Nondepreciable Capital Assets:				
Land	$ 12,551,113	$ -	$ -	$ 12,551,113
Software in Progress	4,782,821	-	-	4,782,821
Construction in Progress	30,590,449	9,821,628	16,073,859	24,338,218
Total Nondepreciable Capital Assets	$ 47,924,383	$ 9,821,628	$ 16,073,859	$ 41,672,152
Depreciable Capital Assets:				
Buildings	$ 365,373,222	$ 11,025,684	$ -	$ 376,398,906
Other Structures and Improvements	37,638,492	5,048,176	-	42,686,668
Furniture, Machinery, and Equipment	42,308,447	1,556,867	1,712,708	42,152,606
Leasehold Improvements	380,595	-	-	380,595
Lease Assets	30,908,534	461,913	362,510	31,007,937
Software	4,044,366	-	-	4,044,366
Total Depreciable Capital Assets	480,653,656	18,092,640	2,075,218	496,671,078
Less, Accumulated Depreciation:				
Buildings	173,816,636	7,431,550	-	181,248,186
Other Structures and Improvements	24,559,888	2,818,708	-	27,378,596
Furniture, Machinery, and Equipment	39,599,560	1,316,043	1,712,708	39,202,895
Leasehold Improvements	164,926	19,030	-	183,956
Lease Assets	12,192,529	1,773,964	181,325	13,785,168
Software	3,639,929	404,436	-	4,044,365
Total Accumulated Depreciation	253,973,468	13,763,731	1,894,033	265,843,166
Total Depreciable Capital Assets, Net	$ 226,680,188	$ 4,328,909	$ 181,185	$ 230,827,912

9. Unearned Revenue

Unearned revenue at June 30, 2024, includes student tuition and fees received prior to fiscal year end related to subsequent accounting periods and grant revenues received in advance. As of June 30, 2024, the College reported the following amounts as unearned revenue:

Description	Amount
Grant Revenues	$ 2,928,665
Student Tuition and Fees	543,855
Other	8,702
Total Unearned Revenue	$ 3,481,222

10. Long-Term Liabilities

Long-term liabilities activity for the fiscal year ended June 30, 2024, is shown in the following table:

Description	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Bonds Payable	$ 5,835,000	$ -	$ 1,060,000	$ 4,775,000	$ 1,110,000
Unearned Lease Revenue	1,338,888	-	66,665	1,272,223	66,667
Leases Payable	18,716,007	461,913	1,955,152	17,222,768	2,041,585
Compensated Absences Payable	12,908,552	2,526,159	2,784,742	12,649,969	937,431
Other Postemployment Benefits Payable	9,061,475	928,768	992,029	8,998,214	176,413
Net Pension Liability	97,044,984	48,475,641	39,685,694	105,834,931	-
Total Long-Term Liabilities	$ 144,904,906	$ 52,392,481	$ 46,544,282	$ 150,753,105	$ 4,332,096

Bonds Payable. Bonds were issued to finance capital outlay projects of the College. The following is a description of the bonded debt issue:

- Capital Improvement Revenue Bonds, Series 2018A. These bonds are authorized by Article VII, Section 11(d) of the Florida Constitution; Sections 215.57 through 215.83 and 1009.23, Florida Statutes; and other applicable provisions of law. Principal and interest on these bonds were issued to refund the Series 2008A bonds and are secured by and payable solely from a first lien pledge of the capital improvement fees collected pursuant to Section 1009.23(11), Florida Statutes, by the Series 2018A participating colleges on a parity with any additional bonds issued subsequent to the issuance of the Series 2018A bonds. The Series 2018A bonds will share the lien of such additional bonds on the Series 2018A pledged revenues and on the revenues pledged by the colleges participating in such additional bonds. The bonds were issued for the construction of a multi-level parking garage at the College's Central Campus.

The College had the following bonds payable at June 30, 2024:

Bond Type	Amount Outstanding	Interest Rate (Percent)	Annual Maturity To
Florida Department of Education Capital Improvement Revenue Bonds: Series 2018A	$ 4,775,000	5.0	2028

Annual requirements to amortize all bonded debt outstanding as of June 30, 2024, are as follows:

Fiscal Year Ending June 30	Capital Improvement Revenue Bonds Principal	Interest	Total
2025	$ 1,110,000	$ 238,750	$ 1,348,750
2026	1,160,000	183,250	1,343,250
2027	1,220,000	125,250	1,345,250
2028	1,285,000	64,250	1,349,250
Total	$ 4,775,000	$ 611,500	$ 5,386,500

Leases Payable. The College follows GASB Statement No. 87, *Leases*. Space and vehicles are leased from external parties for various terms under long-term, noncancelable agreements. These leases expire on various dates ranging from 1 to 13 years. Vehicles, a facility for a learning center (Miramar West Center), buildings (Aviation Annex and YMCA 4th Floor), and equipment in the amount of $31,007,937 were acquired under the lease agreements. The imputed interest rate is 5 percent. Future minimum payments under the lease agreements and the present value of the minimum payments as of June 30, 2024, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2025	$ 2,041,585	$ 1,033,733	$ 3,075,318
2026	1,992,976	1,179,087	3,172,063
2027	1,921,313	1,308,828	3,230,141
2028	1,741,896	1,405,530	3,147,426
2029	1,632,749	1,515,053	3,147,802
2030-2034	7,257,666	9,344,658	16,602,324
2035-2037	634,583	993,576	1,628,159
Total Minimum Lease Payments	$ 17,222,768	$ 16,780,465	$ 34,003,233

Unearned Lease Revenue. The College leased land in Miramar, Florida, to a third party pursuant to a ground lease agreement dated August 9, 2013, with terms extending 30 years. The lease was prepaid in August 2013 by the third party to the College for the sum of $2,000,000, which is being amortized over the life of the agreement. The unearned lease revenue amount held by the College totaled $1,272,223 at June 30, 2024, of which $66,667 was reported as current.

Compensated Absences Payable. College employees may accrue annual and sick leave based on length of service, subject to certain limitations regarding the amount that will be paid upon termination. The College reports a liability for the accrued leave; however, State noncapital appropriations fund only the portion of accrued leave that is used or paid in the current fiscal year. Although the College expects the liability to be funded primarily from future appropriations, generally accepted accounting principles do not permit the recording of a receivable in anticipation of future appropriations. At June 30, 2024, the estimated liability for compensated absences, which includes the College's share of the Florida Retirement System and FICA contributions, totaled $12,649,969. The current portion of the compensated absences liability, $937,431, is the amount expected to be paid in the coming fiscal year and represents a historical percentage of leave used applied to total accrued leave liability.

Other Postemployment Benefits Payable. The College follows GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for other postemployment benefits administered by the College.

General Information about the OPEB Plan

Plan Description. The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the College. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the College are eligible to participate in the College's health and hospitalization plan for medical and prescription drug insurance coverage. The College subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. The College does not offer any explicit subsidies for retiree coverage. Retirees are required to enroll in the

Federal Medicare (Medicare) program for their primary coverage as soon as they are eligible. The OPEB Plan contribution requirements and benefit terms of the College and the OPEB Plan members are established and may be amended by action from the Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided. The OPEB Plan provides healthcare benefits for retirees and their dependents. The OPEB Plan only provides an implicit subsidy as described above.

Employees Covered by Benefit Terms. At June 30, 2023, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	35
Inactive Employees Entitled to But Not Yet Receiving Benefits	44
Active Employees	1,414
Total	1,493

Total OPEB Liability

The College's total OPEB liability of $8,998,214 was measured as of June 30, 2023, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.40 percent
Real wage growth	0.85 percent, average, including inflation
Wage inflation	3.25 percent
Salary increases	
Regular Employees	3.4 to 7.8 percent
Senior Employees	4.1 to 8.2 percent
Discount Rate	
Prior Measurement Date	3.54 percent
Measurement Date	3.65 percent
Healthcare cost trend rates	
Pre-Medicare	7.0 percent for 2023, decreasing to an ultimate rate of 4.4 percent by 2034
Medicare	5.125 percent for 2023, decreasing to an ultimate rate of 4.4 percent by 2027

The discount rate was based on the Bond Buyer General Obligation 20-year Municipal Bond Index.

Mortality rates were based on the PUB-2010 mortality tables, with adjustments for FRS experience and generational mortality improvements using Scale MP-2018.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018, adopted by the FRS.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2023, valuation were based on a review of recent plan experience done concurrently with the June 30, 2023, valuation.

Changes in the Total OPEB Liability

	Amount
Balance at 6/30/23	$ 9,061,475
Changes for the year:	
Service Cost	588,826
Interest	339,942
Differences Between Expected and Actual Experience	(759,916)
Changes in Assumptions or Other Inputs	(136,436)
Benefit Payments	(95,677)
Net Changes	(63,261)
Balance at 6/30/24	$ 8,998,214

Changes of assumptions and other inputs reflect a change in the rates of retirement and DROP entry assumptions for all membership classes that were updated for the 2023 actuarial valuation to reflect plan changes enacted by Senate Bill 7024.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following table presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.65 percent) or 1 percentage point higher (4.65 percent) than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB liability	$10,793,342	$8,998,214	$7,579,488

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following table presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	$7,213,501	$8,998,214	$11,414,328

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2024, the College recognized OPEB expense of $726,046. At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,556,434	$ 733,998
Change of assumptions or other inputs	1,101,277	4,631,891
Transactions subsequent to the measurement date	176,413	-
Total	$ 4,834,124	$ 5,365,889

Of the total amount reported as deferred outflows of resources related to OPEB, $176,413 resulting from benefits paid subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30	Amount
2025	$ (213,442)
2026	(213,442)
2027	(204,120)
2028	(169,368)
2029	(130,004)
Thereafter	222,198
Total	$ (708,178)

Net Pension Liability. As a participating employer in the Florida Retirement System (FRS), the College recognizes its proportionate share of the collective net pension liabilities of the FRS cost-sharing multiple-employer defined benefit plans. As of June 30, 2024, the College's proportionate share of the net pension liabilities totaled $105,834,931. Note 11. includes a complete discussion of defined benefit pension plans.

11. Retirement Plans – Defined Benefit Pension Plans

General Information about the Florida Retirement System (FRS)

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 121, Florida Statutes, also provides for nonintegrated, optional retirement programs in lieu of the FRS to certain members of the Senior Management Service Class employed by the State and faculty and specified employees of State colleges. Chapter 112, Florida Statutes, established the HIS Program, a cost-sharing multiple-employer defined benefit pension plan to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the College are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing multiple-employer defined benefit plans and other nonintegrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services Web site (www.dms.myflorida.com).

The College's FRS and HIS pension expense totaled $26,829,524 for the fiscal year ended June 30, 2024.

FRS Pension Plan

Plan Description. The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a DROP for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Senior Management Service Class* – Members in senior management level positions.

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of creditable service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Employees enrolled in the Plan may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

The DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS-participating employer. An employee may participate in DROP for a period not to exceed 96 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on retirement plan and/or the class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following table shows the percentage value for each year of service credit earned:

Class, Initial Enrollment, and Retirement Age/Years of Service	% Value
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
Senior Management Service Class	2.00

As provided in Section 121.101, Florida Statutes, if the member was initially enrolled in the Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member was initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2023-24 fiscal year were:

	Percent of Gross Salary	
Class	Employee	Employer (1)
FRS, Regular	3.00	13.57
FRS, Senior Management Service	3.00	34.52
Deferred Retirement Option Program (applicable to members from all of the above classes)	0.00	21.13
FRS, Reemployed Retiree	(2)	(2)

(1) Employer rates include 2 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.06 percent for administrative costs of the Investment Plan.

(2) Contribution rates are dependent upon retirement class in which reemployed.

The College's contributions to the Plan totaled $8,986,730 for the fiscal year ended June 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2024, the College reported a liability of $69,088,168 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The College's proportionate share of the net pension liability was based on the College's 2022-23 fiscal year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the College's proportionate share was 0.173384331 percent, which was a decrease of 0.01724228 from its proportionate share measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the College recognized pension expense of $13,508,115. In addition, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 6,486,783	$ -
Change of assumptions	4,503,740	-
Net difference between projected and actual earnings on FRS Plan investments	2,885,309	-
Changes in proportion and differences between College FRS contributions and proportionate share of contributions	1,414,705	4,893,792
College FRS contributions subsequent to the measurement date	8,986,730	-
Total	$ 24,277,267	$ 4,893,792

The deferred outflows of resources totaling $8,986,730, resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount
2025	$ 1,112,952
2026	(1,592,150)
2027	10,698,802
2028	145,728
2029	31,413
Total	$ 10,396,745

Actuarial Assumptions. The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Salary increases	3.25 percent, average, including inflation
Investment rate of return	6.70 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

The actuarial assumptions used in the July 1, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.1%
Fixed Income	19.8%	4.5%	4.4%	3.4%
Global Equity	54.0%	8.7%	7.1%	18.1%
Real Estate (Property)	10.3%	7.6%	6.6%	14.8%
Private Equity	11.1%	11.9%	8.8%	26.3%
Strategic Investments	3.8%	6.3%	6.1%	7.7%
Total	100.0%			
Assumed inflation - Mean			2.4%	1.4%

(1) As outlined in the Plan's investment policy.

Discount Rate. The discount rate used to measure the total pension liability was 6.70 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate used in the 2023 valuation was unchanged from the previous valuation.

Sensitivity of the College's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the College's proportionate share of the net pension liability calculated using the discount rate of 6.70 percent, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.70 percent) or 1 percentage point higher (7.70 percent) than the current rate:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
College's proportionate share of the net pension liability	$118,016,660	$69,088,168	$28,153,631

Pension Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan. At June 30, 2024, the College reported a payable of $1,098,945 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2024.

HIS Pension Plan

Plan Description. The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided. For the fiscal year ended June 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment of $7.50 for each year of creditable service completed at the time of retirement with a minimum HIS payment of $45 and a maximum HIS payment of $225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2024, the contribution rate was 2 percent of payroll pursuant to Section 112.363, Florida Statutes. The College contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The College's contributions to the HIS Plan totaled $1,843,100 for the fiscal year ended June 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2024, the College reported a net pension liability of $36,746,763 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, and update procedures were used to determine the net pension liability as of July 1, 2023. The College's proportionate share of the net pension liability was based on the College's 2022-23 fiscal year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the College's proportionate share was 0.231383359 percent, which was a decrease of 0.015194808 from its proportionate share measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the College recognized pension expense of $13,321,409. In addition, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 537,947	$ 86,250
Change of assumptions	966,061	3,184,231
Net difference between projected and actual earnings on HIS Plan investments	18,977	-
Changes in proportion and differences between College HIS contributions and proportionate share of HIS contributions	351,495	2,543,694
College contributions subsequent to the measurement date	1,843,100	-
Total	$ 3,717,580	$ 5,814,175

The deferred outflows of resources totaling $1,843,100, resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount
2025	$ (751,237)
2026	(619,622)
2027	(866,409)
2028	(992,382)
2029	(603,171)
Thereafter	(106,874)
Total	$ (3,939,695)

Actuarial Assumptions. The total pension liability in the July 1, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Salary increases	3.25 percent, average, including inflation
Municipal bond rate	3.65 percent

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

While an experience study had not been completed for the HIS Plan, the actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the FRS Plan.

Discount Rate. The discount rate used to measure the total pension liability was 3.65 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate changed from 3.54 percent to 3.65 percent.

Sensitivity of the College's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the College's proportionate share of the net pension liability calculated using the discount rate of 3.65 percent, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.65 percent) or 1 percentage point higher (4.65 percent) than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
College's proportionate share of the net pension liability	$41,922,322	$36,746,763	$32,456,573

Pension Plan Fiduciary Net Position. Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan. At June 30, 2024, the College reported a payable of $197,439 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2024.

12. Retirement Plans – Defined Contribution Pension Plans

FRS Investment Plan. The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State's Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. College employees already participating in the State College System Optional Retirement Program or DROP are not eligible to participate in the Investment Plan. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Service retirement benefits are based upon the value of the member's account upon retirement. Benefit terms, including contribution requirements, are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contributions rates, that are based on salary and membership class (Regular Class, Senior Management Service Class, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. Allocations to the Investment Plan member accounts during the 2023-24 fiscal year were as follows:

Class	Percent of Gross Compensation
FRS, Regular	11.30
FRS, Senior Management Service	12.67

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the College.

After termination and applying to receive benefits, the member may roll over vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided in which the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The College's Investment Plan pension expense totaled $4,142,982 for the fiscal year ended June 30, 2024.

State College System Optional Retirement Program. Section 1012.875, Florida Statutes, provides for an Optional Retirement Program (Program) for eligible college instructors and administrators. The Program is designed to aid colleges in recruiting employees by offering more portability to employees not expected to remain in the FRS for 8 or more years.

The Program is a defined contribution plan, which provides full and immediate vesting of all contributions submitted to the participating companies on behalf of the participant. Employees in eligible positions can make an irrevocable election to participate in the Program, rather than the FRS, and purchase retirement and death benefits through contracts provided by certain insurance carriers. The employing college contributes 5.15 percent of the participant's salary to the participant's account and 4.78 percent to cover the unfunded actuarial liability of the FRS pension plan, for a total of 9.93 percent, and employees contribute 3 percent of the employee's salary. Additionally, the employee may contribute, by payroll deduction, an amount not to exceed the percentage contributed by the college to the participant's annuity account. The contributions are invested in the company or companies selected by the participant to create a fund for the purchase of annuities at retirement.

The College's contributions to the Program totaled $347,577 and employee contributions totaled $220,028 for the 2023-24 fiscal year.

13. Construction Commitments

The College's construction commitments at June 30, 2024, were as follows:

Project Description	Total Commitment	Completed to Date	Balance Committed
Central Campus:			
Relocate Primary Utility Location & IPS Driving Range	$ 5,336,660	$ 5,143,703	$ 192,957
Parking Garage Concrete Repairs and Circulation Improvements - Waterwell Chiller Plant	592,282	389,420	202,862
Replace and Remediate Roof Smoke Vents & Roof Soffit	1,666,617	1,525,779	140,838
B-10 Flooring Replacement, 2nd Floor Remodel & B-16 Flooring Replacement	2,348,925	2,142,326	206,599
Supplement for DM Restrooms Renovation	567,419	-	567,419
B-19 Remodel Student Services Phase 3	68,472	48,743	19,729
YMCA	525,776	520,082	5,694
Campus Network Access, Network Environmental and Network Security	5,085,700	5,085,700	-
North Campus:			
Storm Water Master Plan & Chiller Upgrade and Cooling Tower Replacement	2,440,941	2,386,278	54,663
Omni Pickleball Renovation	3,928	3,928	-
B-63 Office Relocations & B-62 Air Handler Unit Replacement	1,060,869	927,025	133,844
South Campus:			
Lift Station Repair - Second Pump	16,658	-	16,658
B-99 Aviation Airnasium	35,190	-	35,190
Cypress:			
Fuel Tank Replacement	223,055	192,169	30,886
Security SOC Relocation	117,202	92,769	24,433
Miramar:			
Miramar West Re-roof	627,844	248,845	378,999
College-wide:			
DM Windows, Roof & Domestic Water System Replacement	5,475,710	874,230	4,601,480
DM Exterior Waterproofing and Painting & Renovate Roadways and Parking	1,703,438	1,013,904	689,534
DM Elevator, Electrical, Signage & Wayfinding Upgrades	1,580,624	1,048,471	532,153
DM Access Control	199,080	3,443	195,637
DM Restrooms & Classrooms Renovation	3,262,339	1,047,839	2,214,500
WHC Bi-Directional Amplifier Installation & Relocation Cost	87,850	996	86,854
Facilities Real Estate Leases	68,816	36,367	32,449
Cooling of Data Closets	1,658,529	1,606,201	52,328
Total	$ 34,753,924	$ 24,338,218	$ 10,415,706

14. Risk Management Programs

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The College provided coverage for these risks primarily through the Florida College System Risk Management Consortium (Consortium), which was created under authority of Section 1001.64(27), Florida Statutes, by the boards of trustees of the Florida public colleges for the purpose of joining a cooperative effort to develop, implement, and participate in a coordinated Statewide college risk management program. The Consortium is self-sustaining through member assessments (premiums) and purchases excess insurance through commercial companies for claims in excess of specified amounts. Excess insurance from commercial companies provided coverage of up to $75 million to February 29, 2024, and up to $100 million from March 1, 2025, for property insurance. Insurance coverage obtained through the Consortium included fire and extended property, general and automobile liability, workers' compensation, and other liability coverage. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past 3 fiscal years.

Life, dental, and long-term disability coverage are provided through purchased commercial insurance.

Self-Insured and Fully-Insured Programs. The Board has established an individual self-insured program to provide group health insurance for its employees, retirees, former employees, and their dependents from July 1 to December 31, 2023. During this period, the College's liability was limited by excess reinsurance to $340,000 per insured person for the 2023-24 fiscal year. On January 1, 2024, the College transitioned to a fully-insured program, which continues to be provided by the same insurance company licensed by the Florida Office of Insurance Regulation. The College contributes employee premiums as a fringe benefit. Employee dependent coverage is by payroll deduction and coverage for retirees, former employees, and their dependents is by prepaid premium.

The College reports a liability when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. The liability includes an amount for claims that have been incurred, but not reported, and an amount for claims administration expense. Because the actual claims liability depends on such complex factors as inflation, change in legal doctrines, and damage awards, the process used in computing the claims liability does not necessarily result in an exact amount. Since the self-insured program will continue its runout until December 31, 2024, the College periodically reevaluates the claims liability and the claims liability which totaled $2,000,000 as of June 30, 2024. Amounts held by the College are equal to the estimated insurance claims liability at June 30, 2024, totaling $2,000,000. These funds are held to cover the runout period and will be used to settle outstanding claims in the subsequent fiscal year.

The following schedule represents the changes in claims liability for the current and prior fiscal years for the College's self-insured program:

Fiscal Year	Beginning of Fiscal Year	Claims and Changes in Estimates	Claims Payments	End of Fiscal Year
2022-23	$ 2,803,929	$ 20,406,530	$ 18,841,038	$ 4,369,421
2023-24	4,369,421	10,265,927	12,635,348	2,000,000

15. Functional Distribution of Operating Expenses

The functional classification of an operating expense (instruction, academic support, etc.) is assigned to a department based on the nature of the activity, which represents the material portion of the activity attributable to the department. For example, activities of an academic department for which the primary departmental function is instruction may include some activities other than direct instruction such as public service. However, when the primary mission of the department consists of instructional program elements, all expenses of the department are reported under the instruction classification. The operating expenses on the statement of revenues, expenses, and changes in net position are presented by natural classifications. The following are those same expenses presented in functional classifications as recommended by NACUBO:

Functional Classification	Amount
Instruction	$ 82,697,044
Public Services	139,262
Academic Support	23,186,983
Student Services	47,363,125
Institutional Support	43,145,636
Operation and Maintenance of Plant	23,514,900
Scholarships and Waivers	61,700,825
Depreciation	13,763,731
Auxiliary Enterprises	5,480,253
Total Operating Expenses	$ 300,991,759

16. Fiscal Agent for the Higher Education Technology Group

Effective July 2, 2002, the College was elected fiscal agent for the Higher Education Technology Group (HETGroup). As fiscal agent, the College is responsible for receiving, disbursing, and administering all moneys due or payable from the HETGroup and for certain personnel functions. For the 2023-24 fiscal year, HETGroup revenues and expenses totaled $1,496,180 and $897,060, respectively, on the Statement of Revenues, Expenses, and Changes in Net Position. At June 30, 2024, net assets of HETGroup totaling $1,048,083 were held in the College's Current Restricted Fund.

17. Related Party Transactions

The Foundation utilized certain facilities and received professional services from the College. For the fiscal year ended December 31, 2023, the estimated fair value of general administrative costs and donated services amounted to $1,042,458 and $109,900, respectively. These amounts are reflected in the accompanying Statement of Revenues, Expenses, and Changes in Net Position for the component units, appearing as both revenue and expense.

BCEduventures, Inc. reported revenue share and administrative expenses of $528,589 and $136,541, respectively, for the fiscal year ended December 31, 2023. These amounts are included in the accompanying Statement of Revenues, Expenses, and Changes in Net Position of the component units as both revenue and expense.

18. Discretely Presented Component Units

The College has two discretely presented component units as discussed in Note 1. These component units represent 100 percent of the transactions and account balances of the aggregate discretely presented component units columns of the financial statements. The following financial information is from the most recently available audited financial statements for the component units:

Condensed Statement of Net Position

	Direct-Support Organizations Foundation	BCEduventures	Total
Assets:			
Current Assets	$ 2,299,906	$ 2,385,971	$ 4,685,877
Other Noncurrent Assets	129,628,627	-	129,628,627
Total Assets	131,928,533	2,385,971	134,314,504
Liabilities:			
Current Liabilities	1,966,263	477,611	2,443,874
Net Position:			
Restricted Nonexpendable	44,009,230	-	44,009,230
Restricted Expendable	40,591,535	287,757	40,879,292
Unrestricted	45,361,505	1,620,603	46,982,108
Total Net Position	$ 129,962,270	$ 1,908,360	$ 131,870,630

Condensed Statement of Revenues, Expenses, and Changes in Net Position

	Direct-Support Organizations Foundation	BCEduventures	Total
Operating Revenues	$ 19,811,546	$ 1,394,012	$ 21,205,558
Operating Expenses	(24,658,618)	(949,640)	(25,608,258)
Operating Income (Loss)	(4,847,072)	444,372	(4,402,700)
Net Nonoperating Expenses:			
Nonoperating Expenses	14,191,881	-	14,191,881
Increase in Net Position	9,344,809	444,372	9,789,181
Net Position, Beginning of Year	120,617,461	1,463,988	122,081,449
Net Position, End of Year	$ 129,962,270	$ 1,908,360	$ 131,870,630

19. Subsequent Events

The Board of Directors of BCEduventures and the Board of Trustees of Broward College are currently evaluating the current and future role of BCEduventures and how it can most effectively support the mission of the College. No decisions have been made, and any change in mission will remain consistent with its tax-exempt purpose.

OTHER REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in the College's Total Other Postemployment Benefits Liability and Related Ratios

	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability							
Service cost	$ 588,826	$ 825,310	$ 437,084	$ 337,555	$ 583,192	$ 611,938	$ 685,702
Interest	339,942	249,028	126,253	160,817	301,543	270,273	229,131
Difference between expected and actual experience	(759,916)	43,024	4,080,784	370,430	(65,262)	343,892	510,219
Changes of assumptions or other inputs	(136,436)	(2,617,440)	1,055,111	505,119	(3,827,231)	(495,148)	(906,097)
Benefit Payments	(95,677)	(282,888)	(259,640)	(448,754)	(603,021)	(460,823)	(617,331)
Net change in total OPEB liability	(63,261)	(1,782,966)	5,439,592	925,167	(3,610,779)	270,132	(98,376)
Total OPEB Liability - beginning	9,061,475	10,844,441	5,404,849	4,479,682	8,090,461	7,820,329	7,918,705
Total OPEB Liability - ending	$ 8,998,214	$ 9,061,475	$ 10,844,441	$ 5,404,849	$ 4,479,682	$ 8,090,461	$ 7,820,329
Covered-Employee Payroll	$ 84,991,112	$ 78,929,334	$ 78,929,334	$ 81,429,290	$ 79,361,097	$ 80,551,706	$ 78,929,032
Total OPEB Liability as a percentage of covered-employee payroll	10.59%	11.48%	13.74%	6.64%	5.64%	10.04%	9.91%

Schedule of the College's Proportionate Share of the Net Pension Liability – Florida Retirement System Pension Plan

	2023 (1)	**2022** (1)	**2021** (1)	**2020** (1)
College's proportion of the FRS net pension liability	0.173384331%	0.190626611%	0.190955476%	0.183355111%
College's proportionate share of the FRS net pension liability	$ 69,088,168	$ 70,928,418	$ 14,424,515	$ 79,468,807
College's covered payroll (2)	$ 99,600,407	$ 99,204,896	$ 97,371,981	$ 99,158,036
College's proportionate share of the FRS net pension liability as a percentage of its covered payroll	69.37%	71.50%	14.80%	80.14%
FRS Plan fiduciary net position as a percentage of the FRS total pension liability	82.38%	82.89%	96.40%	78.85%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, State college system optional retirement plan members, and members in DROP because total employer contributions are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes.

Schedule of College Contributions – Florida Retirement System Pension Plan

	2024 (1)	**2023** (1)	**2022** (1)	**2021** (1)
Contractually required FRS contribution	$ 8,986,730	$ 8,340,901	$ 8,134,384	$ 7,274,579
FRS contributions in relation to the contractually required contribution	(8,986,730)	(8,340,901)	(8,134,384)	(7,274,579)
FRS contribution deficiency (excess)	$ -	$ -	$ -	$ -
College's covered payroll (2)	$ 99,638,022	$ 99,600,407	$ 99,204,896	$ 97,371,981
FRS contributions as a percentage of covered payroll	9.02%	8.37%	8.20%	7.47%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, State college system optional retirement plan members, and members in DROP because total employer contributions are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes.

	2019 (1)	**2018** (1)	**2017** (1)	**2016** (1)	**2015** (1)	**2014** (1)
	0.193698729%	0.187131207%	0.188443140%	0.188540696%	0.211733462%	0.202277239%
	$ 66,705,324	$ 56,364,890	$ 55,740,216	$ 47,606,674	$ 27,348,216	$ 12,341,886
	$ 99,498,447	$ 95,137,973	$ 94,963,577	$ 92,271,473	$ 94,997,752	$ 86,663,465
	67.04%	59.25%	58.70%	51.59%	28.79%	14.25%
	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

	2020 (1)	**2019** (1)	**2018** (1)	**2017** (1)	**2016** (1)	**2015** (1)
	$ 6,092,678	$ 6,006,058	$ 5,336,729	$ 4,905,639	$ 4,597,866	$ 5,162,242
	(6,092,678)	(6,006,058)	(5,336,729)	(4,905,639)	(4,597,866)	(5,162,242)
	$ -	$ -	$ -	$ -	$ -	$ -
	$ 99,158,036	$ 99,498,447	$ 95,137,973	$ 94,963,577	$ 92,271,473	$ 94,997,752
	6.14%	6.04%	5.61%	5.17%	4.98%	5.43%

Schedule of the College's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy Pension Plan

	2023 (1)	**2022** (1)	**2021** (1)	**2020** (1)
College's proportion of the HIS net pension liability	0.231383359%	0.246578167%	0.247957723%	0.257147535%
College's proportionate share of the HIS net pension liability	$ 36,746,763	$ 26,116,566	$ 30,415,743	$ 31,397,295
College's covered payroll (2)	$ 92,072,887	$ 90,556,004	$ 88,209,230	$ 89,542,727
College's proportionate share of the HIS net pension liability as a percentage of its covered payroll	39.91%	28.84%	34.48%	35.06%
HIS Plan fiduciary net position as a percentage of the HIS total pension liability	4.12%	4.81%	3.56%	3.00%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

Schedule of College Contributions – Health Insurance Subsidy Pension Plan

	2024 (1)	**2023** (1)	**2022** (1)	**2021** (1)
Contractually required HIS contribution	$ 1,843,100	$ 1,522,083	$ 1,492,006	$ 1,457,498
HIS contributions in relation to the contractually required HIS contribution	(1,843,100)	(1,522,083)	(1,492,006)	(1,457,498)
HIS contribution deficiency (excess)	$ -	$ -	$ -	$ -
College's covered payroll (2)	$ 92,516,386	$ 92,072,887	$ 90,556,004	$ 88,209,230
HIS contributions as a percentage of covered payroll	1.99%	1.65%	1.65%	1.65%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

2019 (1)	**2018** (1)	**2017** (1)	**2016** (1)	**2015** (1)	**2014** (1)
0.266103367%	0.255070966%	0.256237917%	0.255605104%	0.268554023%	0.248345447%
$ 29,774,303	$ 26,996,997	$ 27,398,141	$ 29,789,717	$ 27,388,286	$ 23,220,905
$ 88,831,855	$ 83,469,166	$ 82,039,790	$ 79,338,446	$ 81,225,185	$ 73,259,441
33.52%	32.34%	33.40%	37.55%	33.72%	31.70%
2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

2020 (1)	**2019** (1)	**2018** (1)	**2017** (1)	**2016** (1)	**2015** (1)
$ 1,481,821	$ 1,477,646	$ 1,385,590	$ 1,356,085	$ 1,310,139	$ 1,026,581
(1,481,821)	(1,477,646)	(1,385,590)	(1,356,085)	(1,310,139)	(1,026,581)
$ -	$ -	$ -	$ -	$ -	$ -
$ 89,542,727	$ 88,831,855	$ 83,469,166	$ 82,039,790	$ 79,338,446	$ 81,225,185
1.65%	1.66%	1.66%	1.65%	1.65%	1.26%

1. Schedule of Changes in the College's Total Other Postemployment Benefits Liability and Related Ratios

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Changes of Assumptions. In 2023, the Municipal Bond Index Rate used to determine the other postemployment benefit plan liability increased from 3.54 percent to 3.65 percent. Rates of retirement and DROP entry assumptions for all membership classes were updated for the 2023 actuarial valuation to reflect plan changes enacted by the Senate Bill 7024. In addition, there was a change in medical trend and a change in anticipated plan participation.

2. Schedule of Net Pension Liability and Schedule of Contributions – Health Insurance Subsidy Pension Plan

Changes of Assumptions. In 2023, the municipal rate used to determine total pension liability increased from 3.54 percent to 3.65 percent. In addition, the level of monthly benefits increased from $5 times years of service to $7.50 times years of service, with an increased minimum of $45 and maximum of $225.

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Legislative Auditing Committee

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

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 (*Government Auditing Standards*), the financial statements of the Broward College, a component unit of the State of Florida, and its aggregate discretely presented component units as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated March 25, 2025, included under the heading **INDEPENDENT AUDITOR'S REPORT**. Our report includes a reference to other auditors who audited the financial statements of the aggregate discretely presented component units, as described in our report on the College's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College'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 College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Sherrill F. Norman

Sherrill F. Norman, CPA
Tallahassee, Florida
March 25, 2025