

PASCO-HERNANDO STATE COLLEGE FOUNDATION, INC.

Audit Committee

Monday, February 23, 2026

4:00 p.m.

West Campus, Room E-206

AGENDA

- I. Call to Order, Quorum – Brandon May, Chair (Three members must be physically present to constitute a quorum.)
- II. Approvals
 - a. Minutes of February 12, 2025
 - b. Audit Engagement Letter for 2025
 - c. AUP Engagement Letter for 2025
 - d. Approval of IRS Form 8868 - Application for Extension of Time to File an Exempt Organization Return
- III. Other
 - a. Other

Committee Members

Brandon May, Chair

Kenneth Burdzinski

Monica Mills

Ryan Doddridge

Ben Cooper

Guest

Steven Giarratano, King & Walker CPA's

ATTACHMENTS

II. Approvals

- a. Minutes of February 12, 2025
- b. Audit Engagement Letter for 2025
- c. AUP Engagement Letter for 2025

PASCO-HERNANDO STATE COLLEGE FOUNDATION, INC.

Audit Committee Meeting
MINUTES
Wednesday February 12, 2025
4:00 p.m.

Present: Brandon May, Chair, Monica Mills, Kenneth Burdzinski, Daniel Powell
Absent: Misty Price
Staff: Dr. Lisa Richardson, Carla Crow, Nathan Hendrikson
Guest: Steven Giarratano, King & Walker CPA'S

- I. Call to Order – Brandon May called the meeting to order at 4:06 p.m. A quorum was established.
- II. Approvals:
 - a) Minutes – The minutes from the February 12, 2024, meeting were presented. **A motion was made by Ken Burdzinski to approve the meeting minutes. Monica Mills seconded and the motion was approved.**
 - b) The 2024 Audit Engagement Letter was presented. Mr. Burdzinski asked when King & Walker would ever use a third-party service provider during the audit and why. Mr. Giarratano stated that this is standard language for these agreements and that they have never needed to use a third-party service provider for the Foundation's audit. **A motion was made by Ken Burdzinski to approve the 2024 Audit Engagement Letter and Daniel Powell seconded. The motion was approved.**
 - c) The 2024 AUP Engagement Letter was presented. It was noted that the scope of work would only cover three areas this year rather than four due to the fact there were no gifts cards given out in 2024. Also, the fee was reduced from \$4,000 to \$3,000. **A motion was made by Monica Mills to approve the AUP Engagement Letter and Ken Burdzinski seconded. The motion was approved.**
 - d) The need for an Application for Extension of Time to File an Exempt Organization Return was presented. **A motion was made by Daniel Powell to approve submitting the application for Extension of Time to File an Exempt Organization Return and Ken Burdzinski seconded. The motion was approved.**
 - e) Dr. Lisa Richardson gave an update on donations from Orlando Health and Tim Moore that are in the works for the College and the Foundation.

ADJOURNMENT – There being no further business the meeting was adjourned at 4:29 p.m.



Members:
Florida Institute of CPAs
American Institute of CPAs
Government Audit Quality Center

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January 15, 2026

Barbara-Jo Bell, Board Chair
PHSC Foundation, Inc.
10230 Ridge Road
New Port Richey, FL 34654

We are pleased to confirm our understanding of the services we are to provide PHSC Foundation, Inc. for the year ended December 31, 2025. We will audit the financial statements of PHSC Foundation, Inc., which comprise the statement of net position as of December 31, 2025, and the related statements of revenue, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements (the financial statements). Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement PHSC Foundation, Inc.'s financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to PHSC Foundation, Inc.'s RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding 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 will 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. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of PHSC Foundation, Inc. and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of PHSC Foundation, Inc.'s financial statements. Our report will be addressed to the Board of Directors of PHSC Foundation, Inc. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add

emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that PHSC Foundation, Inc. is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial

statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of PHSC Foundation, Inc.'s compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will assist in preparing the financial statements and related notes of PHSC Foundation, Inc. in conformity with U.S. generally accepted accounting principles based on information provided by you. We will also prepare the federal information return Form 990 for the year ended December 31, 2025 based on information provided by you. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

We will perform the services in accordance with applicable professional standards, including the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants. The other services are limited to the financial statement and tax services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. We will advise management with regard to tax positions taken in the preparation of the tax return, but management must make all decisions with regard to those matters.

Management Responsibilities

Management is responsible for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying

information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, and contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other non-audit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have

accepted responsibility for them. Further, you agree to oversee the non-audit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to PHSC Foundation, Inc.; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of King & Walker, CPAs and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Florida Auditor General or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of King & Walker, CPAs personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Foundation. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Robert Walker, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on approximately February 2026 and to complete your information returns and issue our report no later than April 30, 2026.

Our fee for these services will be **\$15,000** (fee will remain the same for a three year period), which will be billed upon delivery of the audit report. This agreement can be renewed upon mutual agreement of both parties. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant

additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to PHSC Foundation, Inc. and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Best regards,

King & Walker, CPAs

King & Walker, CPAs

RESPONSE:

This letter correctly sets forth the understanding of PHSC Foundation, Inc.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____



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January 15, 2026

Dr. Lisa Richardson, Executive Director
Pasco-Hernando State College Foundation, Inc.
10230 Ridge Road
New Port Richey, FL 34654-5199

Dear Dr. Richardson,

This letter is to confirm our understanding of the arrangements for, and the nature and limitations of, services to the Pasco-Hernando State College Foundation, Inc. (Foundation) in our performance of internal reviews of select financial transactions for 2025. We ask that you either confirm or amend that understanding.

UNDERSTANDING OF THE SCOPE OF SERVICES

The Foundation has requested King & Walker, CPAs, PL, ("K&W CPAs") to perform agreed upon procedures of certain areas of the Foundation's procedures. The scope of work to be performed is listed below. Based on work performed by K&W CPAs, we will issue a report for the review.

SCOPE OF WORK

- Review the practice, procedures and compliance of selected restricted fund uses.
- Review the allocations and methodology of earned and unearned interest on investments.
- Conduct an in-depth review of the job duties and functions performed by Foundation employees relating to its fiscal operations in order to evaluate proper segregation of duties.

The scope of work within this engagement letter is based on representations by Foundation management as to the work the Foundation desires K&W CPAs to undertake. We will perform all work in accordance with the Statement on Standards for Consulting Services set forth by the American Institute of Certified Public Accountants.

DOCUMENT REQUESTS

It is understood that the deliverables as a result of this engagement are solely for the use of Foundation management and are not intended for any other parties. In the event K&W CPAs is required pursuant to legal process to produce its documents relating to this engagement in judicial or administrative proceedings to which K&W CPAs is not a party, the Foundation shall reimburse K&W CPAs for its professional time and expenses, including reasonable attorney fees, included in responding to such requests.

COORDINATION AND DELIVERABLES

The Foundation is responsible for the appointment of a designated individual to serve as a liaison with K&W CPAs in coordinating the conduct of these services and communicating the results. We understand that contact person to be Dr. Lisa Richardson, Executive Director.

K&W CPAs will submit a report to the Foundation which summarizes the procedures performed and the results of those procedures as it relates to the objectives of the engagement. These reports will be issued solely for the information of Foundation management and is not intended to be used by any other parties because of the restricted nature of our work.

LIMITATION ON DAMAGES

Since the services of K&W CPAs are based on representations of Foundation management and documentation provided by the Foundation, in no event will K&W CPAs be liable for damages in which incorrect, incomplete, or inaccurate information was provided to us.

The Foundation agrees that K&W CPAs and its personnel shall not be liable to the Foundation for any claims, liabilities or expenses relating to this engagement for an aggregate in excess of the fees paid by the Foundation pursuant to this agreement, except to the extent finally judicially determined to have resulted from bad faith or intentional misconduct of K&W CPAs. In no event shall K&W CPAs or its personnel be liable for consequential, special, indirect, incidental, punitive or exemplary loss, damage or expense relating to this engagement.

TERMS AND CONDITIONS SUPPORTING FEE

Our fee for this engagement will be **\$3,000** payable upon delivery of the report. We have exercised care in preparing this estimate and believe it accurately indicates the scope of the work. This fee is based on anticipated cooperation from Foundation personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Any modification to the fee shall be in writing and signed by both parties.

ENGAGEMENT ACCEPTANCE

We will be pleased to discuss this letter with you at any time. If the terms outlined here are acceptable to you, please sign and date this letter and return one copy to us. If you have any questions, please do not hesitate to contact us.

Regards,

A handwritten signature in black ink that reads "King & Walker, CPAs". The signature is cursive and fluid, with "King" and "Walker" connected by a flourish.

Accepted and agreed to:

By: _____

Title: _____

Date: _____