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GATOR BOOSTERS, INC. FINANCIAL STATEMENTS JUNE 30, 2023

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors,
Gator Boosters, Inc.:

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Gator Boosters, Inc. (Gator Boosters), a direct support organization and component unit of the University of Florida, as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Gator Boosters as of and for the years ended June 30, 2023 and 2022, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Gator Boosters 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 opinion.

Responsibilities of Management for the Financial Statements

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

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 Gator Boosters' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibility 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, 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 Gator Boosters' 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 Gator Boosters' 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

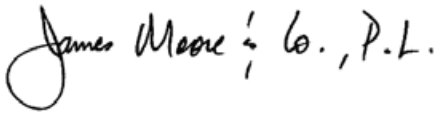
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required 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 auditing standards generally accepted in the United States of America, 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.

Supplementary Information

Our audit was conducted for the purpose of forming and opinion on the financial statements that collectively comprise Gator Boosters' basic financial statements. The accompanying Supplementary Schedule, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying Supplementary Schedule has not been subjected to auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 12, 2023, on our consideration of Gator Boosters' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Gator Boosters' internal control over financial reporting and compliance.



Gainesville, Florida
September 12, 2023

SUPPORT

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MANAGEMENT'S DISCUSSION & ANALYSIS

JUNE 30, 2023

GATOR BOOSTERS, INC. *Gator Boosters, Inc. (Gator Boosters), a not-for-profit corporation, is a Direct Support Organization of the University of Florida (the University). The mission of Gator Boosters is to strengthen the University's athletic program by encouraging private giving and volunteer leadership from Gators everywhere. Gator Boosters is the University's athletic fund-raising arm. Its goals are to fully fund the scholarship needs for the University's student-athletes and provide them with the resources necessary to compete at the highest level in athletics and academics. The success of Gator Boosters' fund-raising efforts is a testament to the accomplishments of our athletes, the generosity of our membership and the hard work of our fundraisers and support staff.*

OVERVIEW OF THE FINANCIAL STATEMENTS

This report is provided for your convenience and understanding of Gator Boosters' financial condition and operating activities as of and for the fiscal years ended June 30, 2023 and 2022. This discussion and analysis is a narrative explanation of Gator Boosters' financial condition and operating activities for the year. The overview presented below highlights the significant financial activities that occurred during the past year and describes changes in financial activity from the prior year. Please read this overview in conjunction with the comparative summaries of net position and revenues, expenses and changes in net position and Gator Boosters' financial statements, which begin on Page 18.

USING THESE FINANCIAL STATEMENTS

This report consists of a series of financial statements, prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* and Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Colleges and Universities.*

There are three financial statements presented: the Statements of Net Position, the Statements of Revenues, Expenses and Changes in Net Position and the Statements of Cash Flows. The Statements of Net Position and the Statements of Revenues, Expenses, and Changes in Net Position help to answer the question of whether Gator Boosters is better or worse off as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

SUMMARY OF NET POSITION

The Statements of Net Position presents the assets, liabilities and net position of Gator Boosters as of the end of the last two fiscal years. A Statement of Net Position is a point-in-time financial statement. Its purpose is to present to the readers of the financial statements a fiscal snapshot of Gator Boosters. The Statements of Net Position present end-of-the-year data concerning Assets (what Gator Boosters owns and how much is owed by others), Liabilities (what Gator Boosters owes to others and has collected from others before the service has been provided), and Net Position (Assets minus Liabilities). The statements are prepared using the economic resources measurement focus and the accrual basis of accounting, where revenues are recorded when earned and expenses are recognized when they are incurred.

From the data presented, readers of the Statements of Net Position are able to determine the assets available to continue the operations of Gator Boosters. They are able to determine how much Gator Boosters owes vendors and other entities. Finally, the Statements of Net Position provide a picture of the net position and availability for expenditure by Gator Boosters.

Net Position is divided into three major categories. The first category is "unrestricted" net position. Unrestricted net position is available to Gator Boosters for any legal purpose. The next net position category, "net investment in capital assets", presents Gator Boosters' equity in property and equipment. The final category is "restricted" net position for permanent endowments. Gator Boosters' restricted net position includes the cash surrender value of life insurance policies, which are restricted by contributors for permanent endowments.

Condensed Summary of Net Position *(thousands of dollars)*

	2023	2022	2022-2023 Increase (decrease)	2022-2023 Percent change	2021	2021-2022 Increase (decrease)	2021-2022 Percent change
Assets							
Current assets	$34,850,751	$38,902,272	$ (4,051,521)	(10.41)%	$34,860,977	$ 4,041,295	11.59%
Other assets	553,084	567,527	(14,443)	(2.54)%	584,381	(16,854)	(2.88)%
Total assets	35,403,835	39,469,799	(4,065,964)	(10.30)%	35,445,358	4,024,441	11.35%
Liabilities	35,841,433	39,922,809	(4,081,376)	(10.22)%	35,894,115	4,028,694	11.22%
Net Position							
Unrestricted	(970,168)	(970,137)	(31)	0.00%	(970,138)	1	0.00%
Net investment in capital assets	29	-	29	0.00%	-	-	0.00%
Restricted for permanent endowments nonexpendable	532,541	517,127	15,414	2.98%	521,380	(4,253)	(0.82)%
Total net positio	**$ (437,598)**	**$ (453,010)**	**$ 15,412**	**3.40%**	**$ (448,758)**	**$ (4,252)**	**(0.95)%**

HIGHLIGHTS

- Gator Boosters transfers its earned operating income in the form of contributions to The University Athletic Association, Inc. (the Athletic Association) for scholarships, capital improvements, and also transfers non-operating income earned from endowment funds held at the University of Florida Foundation, Inc. (the Foundation). As a result, net position remains relatively unchanged from year to year, and this year Gator Boosters had no exceptions similar to the prior year.
- Total assets decreased by $4.1 million in 2023 and increased by $4.0 million in 2022 due to the timing of transfers to the University Athletic Association.
- Liabilities decreased by $4.1 million in 2023 and increased by $4.0 million in 2022 due to the timing of transfers to the University Athletic Association.

SUMMARY OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The Statements of Revenues, Expenses and Changes in Net Position present the revenues and expenses incurred during each year. Revenues and expenses are reported as operating and nonoperating. Operating revenue consists of contributions from a 12,000 plus-person membership and major gifts. Operating expenses are related to the necessary administrative and personnel needs to manage and promote the membership program.

Nonoperating revenues are revenues received for which goods or services are not provided. Investment income generated on the endowment funds held at the Foundation and on Gator Boosters operating funds are classified as nonoperating revenues. Nonoperating expenses are investment and gift fees related to the management of the endowment funds, and the transfers of contributions to the Athletic Association and the Foundation.

Condensed Summary of Revenues, Expenses and Changes in Net Position *(thousands of dollars)*

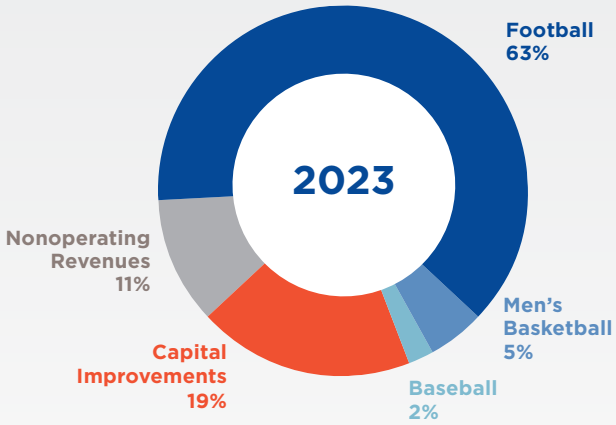
	2023	2022	2022-2023 Increase (decrease)	2022-2023 Percent change	2021	2021-2022 Increase (decrease)	2021-2022 Percent change
Operating revenues:							
Football-related contributions	$ 34,251,176	$ 33,837,511	$ 413,665	1.22%	$ 5,582,327	$ 28,255,184	506.15%
Basketball-related contributions	2,836,141	2,863,904	(27,763)	(0.97)%	597,090	2,266,814	379.64%
Baseball-related contributions	1,128,468	1,125,550	2,918	0.26%	391,840	733,710	187.25%
Capital improvement contributions	10,448,602	21,864,501	(11,415,899)	(52.21)%	8,095,738	13,768,763	170.07%
Special events and other	3,085,245	1,696,267	1,388,978	81.88%	292,289	1,403,978	480.34%
Total operating revenues	51,749,632	61,387,733	(9,638,101)	(15.70)%	14,959,284	46,428,449	310.37%
Nonoperating revenues:							
Allocation of earnings from endowments at the Foundation	2,587,352	2,539,723	47,629	1.88%	2,214,362	325,361	14.69%
Investment income (expense)	60,771	(127,016)	187,787	147.85%	(2,060)	(124,956)	(6,065.83)%
Total nonoperating revenues	2,648,123	2,412,707	235,416	9.76%	2,212,302	200,405	9.06%
Total revenues	54,397,755	63,800,440	(9,402,685)	(14.74)%	17,171,586	46,628,854	271.55%
Operating expenses	4,578,951	4,170,047	408,904	9.81%	2,581,481	1,588,566	61.54%
Nonoperating expenses:							
Contributions to the Athletic Association	49,196,656	58,542,640	(9,345,984)	(15.96)%	14,234,478	44,308,162	311.27%
Contributions to the Foundation	4,700	28,700	(24,000)	(83.62)%	17,700	11,000	62.15%
Gift fees	603,402	1,072,345	(468,943)	(43.73)%	318,859	753,486	236.31%
Total nonoperating expenses	49,804,758	59,643,685	(9,838,927)	(16.50)%	14,571,037	45,072,648	309.33%
Total expenses	54,383,709	63,813,732	(9,430,023)	(14.78)%	17,152,518	46,661,214	272.04%
Contributions from donors for permanent endowment	1,366	9,039	(7,673)	(84.89)%	6,472	2,567	39.66%
Increase (decrease) in net position	15,412	(4,253)	19,665	(462.38)%	25,540	(29,793)	(116.65)%
Net position, end of year	**$ (437,598)**	**$ (453,010)**	**$ 15,412**	**(3.40)%**	**$ (448,757)**	**$ (4,253)**	**0.95%**

HIGHLIGHTS

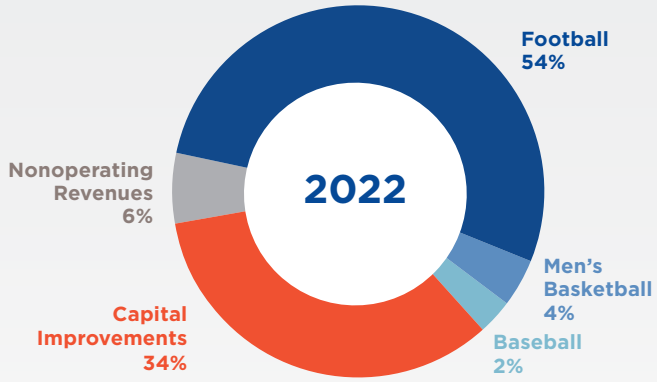
- Football related contributions remain relatively flat year over year for 2023 and increased by $28.3 million in 2022 mainly due to being back to pre-COVID-19 capacity levels.
- Basketball related contributions remain flat year over year for the 2022-2023 season and increased by $2.3 million year over year for the 2021-2022 season mainly due to being back to pre-COVID-19 capacity levels.
- Baseball related contributions remain flat year over year for the 2023 season and increased by $734 thousand in 2022 mainly due to being back to pre-COVID-19 capacity levels.
- Capital improvement contributions are major gifts designated by the donors for facility construction and renovation. In 2023, these contributions decreased by $11.4 million and increased in 2022 by $13.8 million due to the timing of pledge payments.
- Earnings from endowments at the Foundation remained relatively flat in both 2023 and 2022.
- Investment income increased by $188 thousand and decreased by $125 thousand in 2023 and 2022, respectively due to a present value adjustment to investments held in the State of Florida's Special Purpose Investment Account along with donated stock sale gains and losses on major giving.
- In 2023 contributions to the Athletic Association decreased by $9.3 million due to the decrease in capital improvement giving. Contributions to the Athletic Association increased in 2022 by $44.3 million due to a return to full capacity seating for all sports where a contribution is required and increased capital improvement contributions.
- Gift fees paid to the Foundation fluctuate yearly due to those fees being based on capital contributions received during the year.

REVENUES

A graphical representation of the composition of our revenues for the years ended June 30, 2023 and 2022 follows:



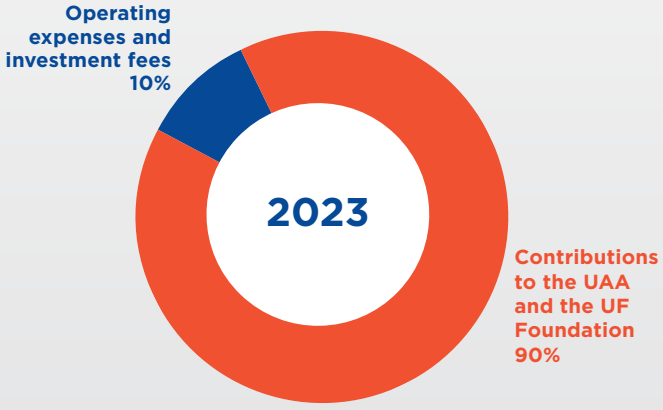
Total: $54,399,121



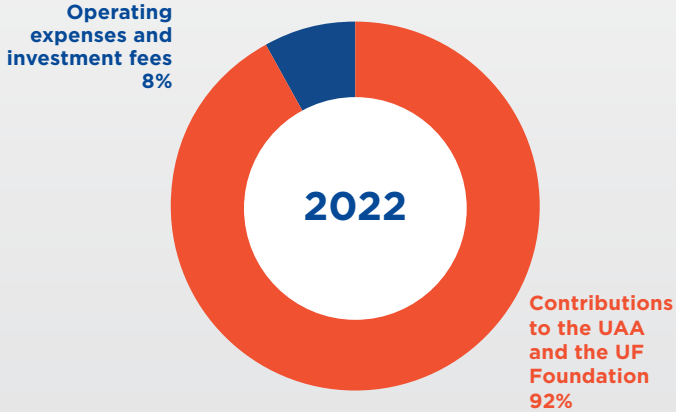
Total: $63,809,479

EXPENSES

A graphical representation of the composition of our expenses for the years ended June 30, 2023 and 2022 follows:



Total: $54,383,709



Total: $63,813,732

SUMMARY OF THE STATEMENTS OF CASH FLOWS

The final statements presented are the Statements of Cash Flows. The primary purpose of the Statements of Cash Flows is to provide detailed information about the cash receipts and cash payments of Gator Boosters during the years shown. The statements classify cash receipts and cash payments as they result from operating, noncapital financing, capital and related financing, or investing activities. The first section, cash flows from operating activities, presents the cash effects of transactions and other events that enter into the determination of Gator Boosters' operating income. The second section, cash flows from noncapital financing activities, shows the cash received and spent for nonoperating, noninvesting, and noncapital financing purposes and includes contributions to the Athletic Association and Foundation. The next section, cash flows from capital and related financing activities, provides information about cash used for the acquisition of capital assets and related items. The fourth section, cash flows from investing activities, details the proceeds and income received from investing activities. The final section reconciles the net cash provided (used) by operating activities to the operating income reflected on the Statements of Revenues, Expenses and Changes in Net Position.

Condensed Summary of Cash Flows *(thousands of dollars)*

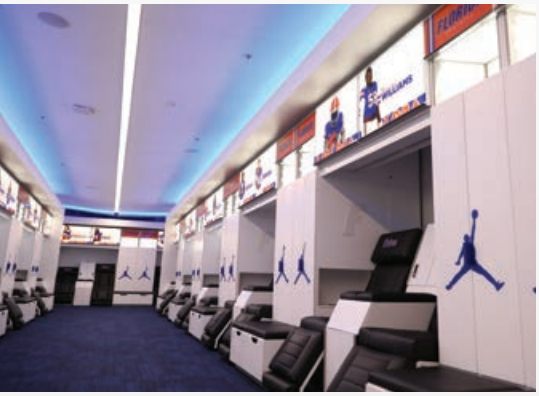
			2022-2023			2021-2022	
	2023	2022	Increase (decrease)	Percent change	2021	Increase (decrease)	Percent change
Cash flows from:							
Operating activities	$47,688,122	$55,120,683	$ (7,432,560)	(13.48)%	$12,017,414	$43,103,269	358.67%
Noncapital financing activities	(53,484,389)	(51,928,912)	(1,555,478)	(3.00)%	(12,779,192)	(39,149,720)	(306.36)%
Capital and related financing activities	(444)	-	(444)	(100.00)%	-	-	0.00%
Investing activities	3,315,963	(349,147)	3,665,110	1,049.73%	2,073,684	(2,422,831)	(116.84)%
Net change in cash and cash equivalents	(2,480,748)	2,842,624	(5,323,372)	(187.27)%	1,311,906	1,530,718	116.68%
Cash and cash equivalents, beginning of year	4,631,318	1,788,694	2,842,624	158.92%	476,788	1,311,906	275.15%
Cash and cash equivalents, end of year	**$ 2,150,570**	**$ 4,631,318**	**$ (2,480,748)**	**(53.56)%**	**$ 1,788,694**	**$ 2,842,624**	**158.92%**

HIGHLIGHTS

- Cash provided by operating activities decreased by $7.4 million in 2023 mainly due to the decrease in facility giving as compared to 2022 and increased by $43.1 million in 2022 due to full capacity seating in Football, Men's Basketball, and Baseball as well as increased major giving.
- Cash used for noncapital financing activities increased by $1.6 million in 2023 and increased by $39.1 million in 2022 due to fluctuations in the contributions transferred to the Athletic Association.
- Cash provided by investing activities increased by $3.7 million in 2023 and decreased by $2.4 million in 2022 due to the timing of transfers from the Foundation to Gator Boosters.

NEXT YEAR

The main focus of gator Boosters in 2023-2024 will be on soliciting major gifts for capital projects and the continual growth of the University's athletic facilities. Gator Boosters will also focus on our donor pipeline and fundraising for various non-capital athletic programs.



CONTACTING MANAGEMENT

This financial narrative is designed to provide the reader with a general overview of Gator Boosters' finances and to show Gator Boosters' accountability for the contributions it receives. If you have questions about this report or need additional financial information, contact the Gator Boosters Office at Ben Hill Griffin Stadium, Gainesville, Florida: Gator Boosters, Inc., PO Box 13796, Gainesville, FL 32604, (352) 375-4683

BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

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Statements of Net Position

(As of June 30, 2023 and 2022)

	2023	2022
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 2,150,570	$ 4,631,318
Short-term investments	1,051,326	1,015,208
Funds held and invested by the University of Florida Foundation, Inc. on behalf of Gator Boosters, Inc., current portion	474,040	1,615,351
Accounts receivable	2,098	918
Due from the University Athletic Association, Inc.	28,782,154	29,135,396
Due from the University of Florida Foundation, Inc., current portion	2,350,340	2,482,454
Prepaid expenses	40,223	21,627
Total current assets	34,850,751	38,902,272
Noncurrent Assets		
Cash surrender value of life insurance, restricted	532,541	517,127
Right of use lease asset, net of accumulated amortization	19,493	-
Funds held and invested by the University of Florida Foundation, Inc on behalf of Gator Boosters, Inc., noncurrent portion	1,050	50,400
Total noncurrent assets	553,084	567,527
Total assets	**$ 35,403,835**	**$ 39,469,799**
LIABILITIES		
Current Liabilities		
Accounts payable and accrued expenses	$ 174,375	$ 195,777
Due to the University Athletic Association, Inc., current portion	4,384,766	8,639,736
Accrued compensated absences, current portion	10,000	10,000
Long-term lease payable, current portion	4,712	-
Unearned revenue	30,739,092	30,411,489
Total current liabilities	35,312,945	39,257,002
Noncurrent Liabilities		
Due to the University Athletic Association, Inc., noncurrent portion	1,050	30,479
Unearned Revenue, noncurrent portion	388,782	534,275
Accrued compensated absences, noncurrent portion	123,904	101,053
Long-term lease payable, noncurrent portion	14,752	-
Total noncurrent liabilities	528,488	665,807
Total liabilities	**$ 35,841,433**	**$ 39,922,809**
NET POSITION		
Net investment in capital assets	$ 29	$ -
Restricted for permanent endowments - nonexpendable	532,541	517,127
Unrestricted	(970,168)	(970,137)
TOTAL NET POSITION	**$ (437,598)**	**$ (453,010)**

The accompanying notes are an integral part of these financial statements.

Statements of Revenues, Expenses and Changes In Net Position

(for the years ended June 30, 2023 and 2022)

	2023	2022
Operating Revenues		
Football-related contributions	$ 34,251,176	$ 33,837,511
Basketball-related contributions	2,836,141	2,863,904
Baseball-related contributions	1,128,468	1,125,550
Capital improvement contributions	10,448,602	21,864,501
Special events	29,600	68,817
Other contributions	3,055,645	1,627,450
Total operating revenues	51,749,632	61,387,733
Operating Expenses		
Salaries and benefits	2,123,760	1,776,059
Publication expenses	4,572	21,510
Promotion	1,898,748	1,819,863
Meeting and travel	127,580	133,107
General and administrative	393,819	382,944
Special events	30,472	36,564
Total operating expenses	4,578,951	4,170,047
Operating Income	47,170,681	57,217,686
Nonoperating revenues (expenses)		
Contributions to the University Athletic Association, Inc.	(49,196,656)	(58,542,640)
Contributions to the University of Florida Foundation, Inc.	(4,700)	(28,700)
Allocation of earnings from endowments at the University of Florida Foundation, Inc.	2,587,352	2,539,723
Investment income (loss)	60,771	(127,016)
Gift and overhead fees	(603,402)	(1,072,345)
Net nonoperating revenues (expenses)	(47,156,635)	(57,230,978)
Income (loss) before contributions for permanent endowments	14,046	(13,292)
Contributions from donors for permanent endowments	1,366	9,039
Increase (decrease) in net position	15,412	(4,253)
Net position, beginning of year	(453,010)	(448,757)
Net position, end of year	**$ (437,598)**	**$ (453,010)**

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows

(for the years ended June 30, 2023 and 2022)

	2023	2022
Cash flows from operating activities		
Receipts from contributors and others	$ 52,283,805	$ 59,212,542
Payments to employees for services	(2,120,013)	(1,777,544)
Payments to suppliers	(2,475,670)	(2,314,315)
Net cash provided by operating activities	47,688,122	55,120,683
Cash flows from noncapital financing activities		
Receipts from contributors for permanent endowments	2,508	2,977
Contributions to the University of Florida Foundation, Inc.	(4,700)	(28,700)
Contributions to the University Athletic Association, Inc.	(53,482,197)	(51,903,189)
Net cash used in noncapital financing activities	(53,484,389)	(51,928,912)
Cash flows from capital and related financing activities		
Purchases of capital assets	(444)	-
Cash flows from investing activities		
Redemption of funds held and invested by the University of Florida Foundation, Inc. on behalf of Gator Boosters, Inc.	14,733,156	22,686,077
Investment of funds held and invested by the University of Florida Foundation, Inc. on behalf of Gator Boosters, Inc.	(13,533,220)	(23,051,226)
Gift and overhead fees	(603,402)	(1,072,345)
Premiums paid on life insurance policies	(2,508)	(2,977)
Proceeds from life insurance policies	-	400
Allocation of earnings from endowments at the University of Florida Foundation, Inc.	2,719,466	1,089,665
Purchases of investment securities	(16,535)	(7,809)
Cash received for interest	19,006	9,068
Net cash provided by investing activities	3,315,963	(349,147)
Increase (decrease) in cash and cash equivalents	(2,480,748)	2,842,624
Cash and cash equivalents, beginning of year	4,631,318	1,788,694
Cash and cash equivalents, end of year	**$ 2,150,570**	**$ 4,631,318**

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows

(for the years ended June 30, 2023 and 2022)

	2023	2022
Reconciliation of operating income to net cash provided by operating activities		
Operating income	$ 47,170,681	$ 57,217,686
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	415	-
Changes in assets and liabilities:		
Accounts receivables	(1,180)	22
Prepaid expenses	(18,596)	61,875
Accounts payable and accrued expenses	(21,402)	24,669
Due from the University Athletic Association, Inc.	353,242	445,794
Accrued compensated absences	22,851	(8,353)
Unearned revenue	182,111	(2,621,010)
Net cash provided by operating activities	**$ 47,688,122**	**$ 55,120,683**
Supplemental disclosure of noncash investing and financing activities		
Right to use asset obtained in exchange for lease liability	$ 19,908	$ -

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies of Gator Boosters, Inc. (Gator Boosters), which affect significant elements of the accompanying basic financial statements:

(a) Reporting entity—Gator Boosters is a not-for-profit organization established solely to solicit funds for the benefit of the University of Florida (the University) athletic programs. The accompanying financial statements are intended to present the results of these fund raising efforts and the resources available to support the University's athletic programs. Gator Boosters is a direct support organization and component unit (for accounting purposes only) of the University.

(b) Measurement focus, basis of accounting, and financial statement presentation—The financial statements of Gator Boosters have been prepared using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recognized when they are incurred.

Gator Boosters distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses for Gator Boosters are those that result from the solicitation of funds for the benefit of the University athletic programs. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities. As required by GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments,* contributions to permanent endowments are not considered operating revenues and are reported after nonoperating revenues and expenses in the accompanying statements of revenues, expenses, and changes in net position.

(c) Cash and cash equivalents—For purposes of reporting cash flows, cash and cash equivalents include only highly liquid investments with original maturities of three months or less.

(d) Accounts receivable—Accounts receivable are stated at the amount management expects to collect from balances at year-end. Based on management's assessment of the credit history with organizations and individuals having outstanding balances and current relationships with them, it has concluded that realized losses on balances outstanding at year-end will likely be immaterial. Gator Boosters has no policy requiring collateral or other security to support its accounts receivable.

(e) Fair value measurements—Gator Boosters 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; Level 3 inputs are significant unobservable inputs.

(f) Capital assets—Capital assets purchased with an original cost of $5,000 or more are recorded at cost and depreciated utilizing the straight-line method over the estimated useful lives of assets (generally 5 years for furniture, fixtures and equipment and 10 to 15 years for capital improvements, except for improvements to buildings which range from 20 to 50 years). Costs to maintain or repair these assets are expensed as incurred. Right to use lease assets with annual payments exceeding $5,000 for equipment and $100,000 for real estate are amortized over the shorter of the lease term or the useful life of the asset.

(g) Restricted assets—Restricted assets include the cash surrender value of life insurance policies, which are restricted by contributors for permanent endowments.

(h) Accrued compensated absences—Eligible employees are entitled to annual and sick leave with pay. Gator Boosters accrues accumulated unpaid annual vacation leave and associated employee-related costs, these amounts are included in the accompanying statement of net position. Vacation pay is expensed when earned by the employee up to the maximum payout. Sick leave payments are expensed when used, as sick leave is not eligible for payout.

(i) Unearned revenue—Current unearned revenues consist of contributions for sport seasons in the next fiscal year. The unearned items are recognized as revenue when the related games are played.

(j) Net position—Net position is classified and displayed in three components:

- Net investment in capital assets – consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any debt that is attributable to those assets.
- Restricted – consists of assets that have constraints placed upon their use either by external donors or creditors or through laws, regulations or constraints imposed by law through constitutional provisions or enabling legislation, reduced by any liabilities to be paid from these assets.
- Unrestricted – consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted net position is available for use, it is Gator Boosters' policy to use restricted resources first, then unrestricted resources as they are needed.

(k) Use of estimates—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

(l) Income taxes—Gator Boosters is generally exempt from Federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the accompanying financial statements.

Gator Boosters files tax returns in the U.S. federal jurisdiction. Management of Gator Boosters considers the likelihood of changes by taxing authorities in its filed income tax returns and recognizes a liability for or discloses potential significant changes that management believes are more likely than not to occur, including changes to Gator Boosters' status as a not-for-profit entity. Management believes Gator Boosters met the requirements to maintain its tax-exempt status and has no income subject to unrelated business income tax, therefore no provision for income taxes has been provided in these financial statements. Gator Boosters' income tax returns for the past three years are subject to examination by tax authorities, and may change upon examination.

(m) Recently issued accounting pronouncements— GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements, in May 2020. GASB 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset -an intangible asset- and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in GASB 87, as amended. The provisions in GASB 96 are effective for periods beginning after June 15, 2022. Gator Boosters evaluated the effect of the implementation of the new standard and determined that it does not have a significant impact on the financial statements.

2. CASH AND SHORT-TERM INVESTMENTS

(a) Cash and cash equivalents—Gator Boosters had demand deposits with a regional bank with bank balances amounting to $2,175,800 and $4,658,026 at June 30, 2023 and 2022, respectively. Custodial credit risk for deposits is the risk that in the event of a bank failure, Gator Boosters' deposits may not be returned. Gator Boosters does not have a deposit policy for custodial credit risk, although all demand deposits with banks are federally insured up to $250,000 under FDIC protection. As of June 30, 2023 and 2022, $1,925,800 and $4,408,026, respectively, of Gator Boosters' bank balances was exposed to custodial credit risk.

(b) Short-term investments—Short-term investments are comprised of funds invested in the Special Purpose Investment Account (SPIA) within the Florida Treasury Investment Pool (FTIP). Funds within the FTIP are subject to various risks including credit risk and interest rate risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. This risk can be evaluated based on the rating assigned to an issuer or other counterparty by an independent rating agency. Interest rate risk is the risk that arises for holders of fixed income securities due to fluctuations in interest rates. This risk increases as the time to maturity or duration of these securities increase. The FTIP is not exposed to foreign currency risk as State law and investment policy do not authorize the FTIP to purchase investments in foreign currencies.

Gator Boosters reported short-term investments in SPIA at fair value totaling $1,051,326 and $1,015,208 at June 30, 2023 and 2022, respectively, representing ownership of a share of the pool, not the underlying securities. Pooled investments with the State Treasury are not registered with the Securities and Exchange Commission. Oversight of the pooled investments with the State Treasury is provided by the Treasury Investment Committee per Section 17.575, Florida Statutes. The authorized investment types are set forth in Section 17.57, Florida Statutes. The SPIA carried a credit rating of AA-f and AA-f by Standard & Poor's, had an effective duration of 3.02 years and 2.66 years and a fair value factor of 0.9967 and 0.9479 as of June 30, 2023 and 2022, respectively. Participants contribute to the Treasury Pool on a dollar basis. These funds are commingled and a fair value of the pool is determined from the individual values of the securities. The fair value of the securities is summed and a total pool fair value is determined. A fair value factor is calculated by dividing the pool's total fair value by the pool participant's total cash balances. The fair value factor is the ratio used to determine the fair value of an individual participant's pool balance. Gator Boosters relies on policies developed by the State Treasury for managing interest rate risk or credit risk for this investment pool. Disclosures for the State Treasury investment pool are included in the notes to financial statements of the State's Comprehensive Annual Financial Report.

The fair value of Gator Boosters investment in SPIA is measured on a recurring basis, which is valued based on Gator Boosters share of the pool, using significant unobservable inputs (Level 3).

3. CAPITAL ASSETS

Capital asset activity for the years ended June 30, 2023 and 2022, respectively was as follows below:

4. CAPITAL AND RIGHT TO USE LEASE ASSETS

Capital and right to use lease asset activity for the year ended June 30, 2023 was as follows on the next page:

Table 1. Capital Assets - June 30, 2023 and 2022 *(Note 3)*

	Beginning Balance	Additions	Decreases	Ending Balance
Furniture and equipment	$ 90,061	$ -	$ -	$ 90,061
Leasehold improvements	50,018	-	-	50,018
Total capital assets being depreciated	140,079	-	-	140,079
Less accumulated depreciation for:				
Furniture and equipment	(90,061)	-	-	(90,061)
Leasehold improvements	(50,018)	-	-	(50,018)
Total accumulated depreciation	(140,079)	-	-	(140,079)
Capital assets, net	**$ -**	**$ -**	**$ -**	**$ -**

Table 2. Capital and Right to Use Lease Assets - June 30, 2023 *(Note 4)*

	Beginning Balance	Additions	Decreases	Ending Balance
Right to Use Lease Assets Being Amortized:				
Leased Equipment	$ -	$ 19,908	$ -	$ 19,908
	-	19,908	-	19,908
Less Accumulated Amortization For:				
Leased Equipment	-	415	-	415
		415		415
Total Right to Use Lease Assets Being Amortized, net:	**$ -**	**$ 19,493**	**$ -**	**$ 19,493**

Depreciation and amortization expense was $415 for the year ended June 30, 2023. There were no capital and right to use lease assets for the year ended June 30, 2022.

5. FUNDS HELD AND INVESTED BY THE UNIVERSITY OF FLORIDA FOUNDATION, INC. ON BEHALF OF GATOR BOOSTERS

Endowment fund investments are held and invested by the University of Florida Foundation, Inc. (the Foundation) to be managed on behalf of Gator Boosters. Endowment fund contributions made to the Foundation and any appreciation on all of the endowment funds are considered to be assets and net position of the Foundation. These amounts are not included in the accompanying financial statements of Gator Boosters as they are not considered to be the property of Gator Boosters. The total amount of endowment and deferred endowment assets held by the Foundation on behalf of Gator Boosters was $75,209,702 and $73,929,841 for the years ended June 30, 2023 and 2022, respectively.

In addition to endowment and deferred endowment funds, Gator Boosters maintains operating accounts with the Foundation. These amounts are included in the accompanying financial statements of Gator Boosters as "Funds held and invested by the University of Florida Foundation, Inc. on behalf of Gator Boosters, Inc." and were comprised of the following at June 30, 2023 and 2022:

Table 3. Funds held and invested by the University of Florida Foundation, Inc. on behalf of Gator Boosters, Inc. June 30, 2023 *(Note 5)*

	Major Gifts	Ticket Related	Admin O/H	Total
Assets:				
Cash	$ 471,483	$ -	$ 2,557	$ 474,040
Real estate held for resale	1,050	-	-	1,050
Total Assets	472,533	-	2,557	475,090
Liabilities	-	-	-	-
Net funds held	**$ 472,533**	**$ -**	**$ 2,557**	**$ 475,090**

Table 3b. Funds held and invested by the University of Florida Foundation, Inc. on behalf of Gator Boosters, Inc. June 30, 2022 *(Note 5)*

	Major Gifts	Ticket Related	Admin O/H	Total
Assets:				
Cash	$ 1,597,594	$ -	$ 2,557	$ 1,615,351
Real estate held for resale	50,400	-	-	50,400
Total Assets	1,647,994	15,200	2,557	1,665,751
Liabilities	-	-	-	-
Net funds held	**$ 1,647,994**	**$ 15,200**	**$ 2,557**	**$ 1,665,751**

Donations of real estate held for resale received by the Foundation on behalf of Gator Boosters are initially recorded at the appraised value and annually the Director of Real Estate at the Foundation reviews all properties for any material impairment. The real estate held for resale component of these funds are considered noncurrent assets, all other items are considered current assets in the accompanying financial statements.

The Foundation distributes an earnings allocation (roughly 4.00% for the years ended June 30, 2023 and 2022) on endowment funds to Gator Boosters annually. These earnings allocations totaled $2,587,352 and $2,539,723 for the years ended June 30, 2023 and 2022, respectively. Gator Boosters must use the cash payout for the purposes designated by the donor. Any investment income and realized or unrealized gains in excess of the earnings allocation is retained by the Foundation and reinvested in the Foundation endowment pool.

6. UNEARNED REVENUES:

Gator Boosters only recognizes revenue for contributions received that are applicable to athletic events that are held during the fiscal year. All other contributions received for athletic events that will be held in future fiscal years are deferred. The unearned revenues for the years ended June 30, 2023 and 2022 are as follows:

Table 4. Unearned Revenues - June 30, 2023 *(Note 6)*

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Unearned Gator Boosters Revenues	$ 30,945,764	$ 30,785,910	$ (30,603,799)	$ 31,127,875	$ 30,739,093

Table 4b. Unearned Revenues - June 30, 2022 *(Note 6)*

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Unearned Gator Boosters Revenues	$ 33,566,774	$ 35,223,966	$ (37,844,976)	$ 30,945,764	$ 30,411,489

7. LONG-TERM LIABILITIES

Long-term liability activity for the years ended June 30, 2023 and 2022, was as follows:

Table 5. Long-Term Liabilities June 30, 2023 *(Note 7)*

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Accrued compensated absences	$ 111,053	$ 154,202	$ (131,351)	$ 133,904	$ 10,000

Long-term liability activity for the year ended June 30, 2022, was as follows:

Table 5b. Long-Term Liabilities June 30, 2022 *(Note 7)*

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Accrued compensated absences	$ 119,406	$ 100,668	$ (109,021)	$ 111,053	$ 10,000

8. RELATED-PARTY TRANSACTIONS

Gator Boosters solicits contributions in support of the University's athletic programs, which are administered by The University Athletic Association, Inc. (the Athletic Association). Support is provided for scholarships and athletic facilities. Amounts transferred to the Athletic Association are reflected in the accompanying financial statements as expense in the amount of $49,196,656 and $58,542,640 for the years ended June 30, 2023 and 2022, respectively. This amount is also reflected as contribution income from Gator Boosters in the financial statements of the Athletic Association.

During 2004, Gator Boosters entered into an agreement with the Athletic Association whereby the Athletic Association would provide accounting services to Gator Boosters. Additionally, Gator Boosters annually reimburses the Athletic Association for sports information and computer support services. For the years ended June 30, 2023 and 2022, Gator Boosters paid $190,000 to the Athletic Association for accounting and other support services.

9. DONATED MATERIALS, FACILITIES AND SERVICES

Gator Boosters records the value of donated materials, facilities and services at their fair market value at the date of donation. For the years ended June 30, 2023 and 2022, Gator Boosters received $25,500 and $22,500 for donated materials, facilities and services.

10. PENSION PLAN

Beginning July 1, 2013, the Gator Boosters Board of Directors elected to adopt the University of Florida Athletic Association, Inc. Employees' Money Purchase Pension Plan and Trust, a defined contribution pension plan covering substantially all full-time employees. Total pension expense for the plan was $127,618 and $99,039 for the years ended June 30, 2023 and 2022, respectively. Contributions are made by Gator Boosters to the pension plan based on 10% of an eligible employee's earnings. During the years ended June 30, 2023 and 2022, total pension applicable payroll for employees covered under the plan was $1,271,107 and $975,712, respectively, which represented approximately 78% and 71% of total payroll for the years ended June 30, 2023 and 2022.

11. RISK MANAGEMENT

Gator Boosters is exposed to various risks of loss including general liability, property and casualty, group health and life, auto and physical damage, and workers' compensation. Conventional, commercial insurance coverage has been purchased from various independent carriers to insure against such risks and minimize Gator Boosters' financial exposure to such risks. Claims have not exceeded coverage in the past three years.

Gator Boosters is not involved in any risk pools with other governmental entities.

ADDITIONAL INFORMATION

JUNE 30, 2023

Schedule of Funds Held and Invested by The University of Florida Foundation, Inc. On Behalf Of Gator Boosters, Inc. (Unaudited)

(for the years ended June 30, 2023 and 2022)

	Operating Funds	Endowment Income Funds**	Unearned Endowments Owned by the UF Foundation, Inc.*	Endowment Funds Owned by the UF Foundation, Inc.*	Total
Balance, June 30, 2021	$ 1,391,065	$ 1,111,939	$ 115,229	$ 77,805,995	$ 80,424,228
Contributions	23,224,313	5,313	-	1,543,296	24,772,922
Gift, credit card, and overhead fees	(1,076,079)	(79,868)	34,956	(875,041)	(1,996,032)
Beneficiary distributions	173	-	(388,440)	-	(388,267)
Investment earnings (losses)	(94,662)	-	(162,658)	(1,678,746)	(1,936,066)
Real estate gains (losses)	(12,720)	-	-	(43,200)	(55,920)
Change in valuation methodology by the UF Foundation, Inc.***	-	-	172,494	-	172,494
Allocation of earnings from endowments at the UF Foundation, Inc.	-	2,594,042	-	-	2,594,042
Transfer of operating funds to other accounts	(22,383,057)	(1,165,151)	-	(2,594,044)	(26,142,252)
Balance, June 30, 2022	**$ 1,049,033**	**$ 2,466,275**	**$ (228,419)**	**$ 74,158,260**	**$ 77,445,149**
Contributions	12,889,345	75	-	1,647,237	14,536,822
Gift, credit card, and overhead fees	(198,168)	(93,258)	62,823	(891,992)	(1,120,595)
Beneficiary distributions	-	-	(161,898)	-	(161,898)
Investment earnings (losses)	10,462	-	65,868	2,944,690	3,021,020
Real estate gains (losses)	(6,856)	-	-	(18,013)	(24,869)
Allocation of earnings from endowments at the UF Foundation, Inc.	-	2,649,415	280,561	-	2,929,976
Transfer of operating funds to other accounts	(13,268,726)	(2,539,723)	-	(2,649,415)	(18,457,864)
Balance, June 30, 2023	**$ 475,090**	**$ 2,482,784**	**$ 18,935**	**$ 75,190,767**	**$ 78,167,741**

** Amounts owned by the University of Florida Foundation, Inc. are not included in the accompanying financial statements.*

*** The balance of endowment income funds at year-end is included in "Due from the University of Florida Foundation, Inc." in the accompanying statement of net position.*

****The University of Florida Foundation, Inc. is utilizing a more recent mortality table for discounting the present value of the trust liability based on extended life expectancies.*

INDEPENDENT AUDITORS' 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*

To the Board of Directors,
Gator Boosters, Inc.:

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Gator Boosters, Inc., which comprise the statement of net position as of June 30, 2023 and 2022, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated September 12, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Gator Boosters, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Gator Boosters, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Gator Boosters, Inc.'s internal control.

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

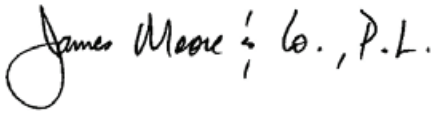
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given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

Report on Compliance and Other Matters

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

Purpose of This Report

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



Gainesville, Florida
September 12, 2023

LOYALTY
starts here

FLORIDA

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