

**Leon County Research and Development Authority
Audit Committee Meeting**

North Florida Innovation Labs / FSU Ignite Building
1729 West Paul Dirac Drive
Tallahassee, FL 32310

Wednesday, November 5, 2025
11:00am to 12:00pm

Wi-Fi:
"IGNITE Staff"

SSID:
IGN!TEfsu24

Agenda

Anyone wishing to submit written comments may do so by 9:00am the day before the scheduled meeting date so that the comments can be distributed to the Committee. Comments submitted after this time (up to the time of the meeting) will be accepted and included in the official record of the meeting. Email comments to: publicinput@inn-park.com and reference the meeting title and date in the subject line. Include your name and contact information. All times are approximate.

1. Call to Order

2. Introduction of Guests

3. Approval of Participation by Electronic Means (if needed)

In accordance with the Bylaws, there being a quorum of members present in person, the members of the Committee present in person are required to approve participation by those participating via Electronic Means acknowledging that the absence is due to extraordinary circumstances.

4. Agenda Modifications

5. Public Comment

Any public comment received prior to the meeting will be provided to the Committee members in addition to any in-person public comment.

6. Approval of the March 4, 2025, Audit Committee meeting minutes (Attachment A)

7. Review of Audit Committee Charter (Attachment B)

Review of audit committee role and responsibilities.

8. Audit Planning Discussion

Discussion of prior audit problems (if any), the audit schedule, any changes in operations and procedures, special audit risks, potential issues identified by accounting staff and management, and or any other pre-audit concerns by the Audit Committee or the auditor.

9. Audit Schedule (Attachment C)

10. New Business

11. Adjourn

Next Audit Committee Meeting

Thursday, March 5, 2026

11:00am – 12:00pm

**Leon County Research and Development Authority
Audit Committee Meeting**

North Florida Innovation Labs/FSU Ignite Building
1729 West Paul Dirac Drive
Tallahassee, Florida

Tuesday, March 4, 2025
10:00am – 11:00am

DRAFT Minutes

Members in Attendance: Ray Bye (Chair), Shawnta Friday-Stroud, Eric Holmes, Dave Ramsay (Non-voting).

Members not in Attendance: None.

Members in Attendance by Electronic Means: Dave Ramsay

Guests: Allison Harrell, Thomas Howell Ferguson, CPA; Kristy Wicker, NAI Talcor; Michael Kramer, Ayne Markos, Peggy Bielby, LCRDA.

1. Call to Order

Chair Ray Bye called the meeting to order at 10:05am.

2. Introduction of Guests

All present introduced themselves.

3. Approval of Participation by Electronic Means

Eric Holmes offered a motion to approve participation by electronic means. Ray Bye seconded the motion which passed unanimously with Dave Ramsay not voting.

4. Modifications to the Agenda

None.

5. Public Comment

None.

6. Approval of the March 19, 2024 Audit Committee Meeting Minutes

Eric Holmes offered a motion to approve the draft minutes. Ray Bye seconded the motion which passed unanimously.

7. Ratification of the December 11, 2024 Audit Engagement Letter

Eric Holmes offered a motion to ratify the Audit Engagement Letter. Ray Bye seconded the motion which passed unanimously.

8. Audit Presentation and Discussion

- a. Presentation of reports by auditors
- b. Any difficulties or restrictions encountered in conducting the audit
- c. Any disagreements between management and the independent auditors in the preparation of the financial statements
- d. Any significant changes in financial reporting practices or the Authority's internal control systems
- e. Any recommendations for improvements in the financial policies, procedures, and practices of the Authority

Allison Harrell presented the draft financial statements and report by the auditors, noting they did not encounter any difficulties or restrictions in conducting the audit and there were no disagreements between management and the independent auditors in the preparation of the financial statements. She reported no significant changes in financial reporting practices or the Authority's internal control systems and made no recommendations for improvements in the financial policies, procedures, and practices of the Authority.

Operating revenues for FY 23/24 were \$2,625,000, a decrease of \$11,317,000 from FY 22/23. This decrease was primarily due to the drop in grant funding related to the construction of the Incubator.

Operating expenses increased by \$2,386,000 compared to FY 22/23, largely due to the transfer of capital assets and lease hold interests, resulting in a loss of \$2,057,000, and increased depreciation and amortization expenses.

The Authority's total assets exceeded total liabilities by \$22,723,000 as of September 30, 2024. This includes the Innovation Park, TLH, Inc. (IPTLH) net position of \$1,489,000.

The net position at the end of FY 23/24 decreased by \$1,330,000 compared to FY 22/23.

The total cash balance as of September 30, 2024, was \$2,872,000, including \$717,000 held by IPTLH from furniture, fixture and equipment (FF&E) funding.

Current assets decreased by \$1,723,000 due to the collection of all Incubator-related receivables and the transfer of the 25 acres.

Non-current assets decreased by \$843,000, primarily due to the downward adjustment from the lease and building transfers.

Current liabilities decreased by \$412,000 due to the settlement of payables associated with the Incubator construction.

Non-current liabilities increased by \$1,357,000 due to the continued utilization of the line of credit from the FSU Research Foundation.

Allison explained that the statements of net position and related statements of revenues, expenses, and changes in net position and cash flows for FY 23/24 were impacted by several key developments:

The Incubator construction project was completed in April 2024 with a final cost of \$23 million. In July 2024 the Authority entered into an MOU with FSU for FSU to oversee membership, programming, and related functions. The Authority retained responsibility for maintenance, utilities and other operating costs of approximately \$40,000 p/mo.

IPTLH secured \$1.5 million to provide FF&E for the new Lab building. IPTLH is a 501c3 and a blended component unit of the Authority. The remaining balance of this funding as of Sept. 30. 2024 is \$717,000.

On Sept. 15, 2024 the Authority transferred approximately 25 acres from its master lease, which included five “legacy buildings” and undeveloped parcels, to FSU and FAMU. The annual lease revenue from these properties was approximately \$700,000.

On Dec. 17, 2024 the Authority released its ground lease rights back to the State of Florida Board of Trustees of the Internal Improvement Trust Fund for the parcels occupied by Danfoss and Avalanche that were on state land.

Dave Ramsay joined the meeting at 10:29am.

9. Audited Financial Statements for Fiscal Year 2023-2024.

Staff requests a recommendation to the Board for approval of the draft Audited Financial Statements for fiscal year 2023-2024.

Eric Holmes offered a motion to recommend approval of the audited financial statements to the Board of Governors. Shawnta Friday-Stroud seconded the motion which passed unanimously.

10. New Business

None.

11. Adjourn

The meeting was adjourned at 10:36am.

LEON COUNTY RESEARCH AND DEVELOPMENT AUTHORITY AUDIT COMMITTEE CHARTER

A. PURPOSE:

The primary purpose of the Audit Committee is to assist the Leon County Research and Development Authority (LCRDA) Board of Governors and management in fulfilling its financial and fiduciary responsibilities. In fulfilling that purpose, the Audit Committee shall oversee the processes that the LCRDA establishes in maintaining effective control systems for accounting and financial reporting.

Therefore, the Audit Committee shall:

Oversee the processes used to:

- i) assess the Authority's internal control environment, and
- ii) to identify, evaluate, and mitigate the associated risks;

Monitor the financial reporting process; and

Oversee the external audit and internal review processes.

B. COMMITTEE MEMBERSHIP:

The Audit Committee shall be comprised of not less than three members of the Board of Governors, appointed by the Chairman of the Board of Governors. The Chairman of the Board shall appoint a member to serve as Chair of the Audit Committee.

C. COMMITTEE RESPONSIBILITIES:

To fulfill its responsibilities, the Audit Committee shall:

General Responsibilities:

- Provide avenues of communication among the Board of Governors, the Executive Director, and the independent auditors.
- Review the Audit Charter at least annually, and make recommendations for modifications, if any, to the Board of Governors.
- Review the report of the independent auditors, including any recommendations for improvements in the Authority's financial management or practices.

Internal Control Systems:

- Review the adequacy and effectiveness of internal controls over the financial accounting and reporting systems.
- Receive reports from management, and the independent auditors regarding the adequacy of the Authority's financial accounting and reporting policies, procedures, and practices.
- Oversee the investigation and disposition of any suspected cases of fraud or irregularity. Ensure that appropriate actions are taken to strengthen the Authority's administrative or financial practices, where necessary.

Financial Reporting Processes:

- Review the Authority's annual financial statements.

Independent Auditors:

- Recommend to the Board of Governors the selection of the independent auditors.
- Review the performance of the independent auditors, including the adequacy of the audit scope and audit plan.
- Continually evaluate the independence of the independent auditors.
- Periodically meet with management and the independent auditors to discuss:
 - Difficulties or restrictions encountered in conducting the audit;
 - Disagreements between management and the independent auditors in the preparation of the financial statements;
 - Significant changes in financial reporting practices or the Authority's internal control systems; and
 - Recommendations for improvements in the financial policies, procedures, and practices of the Authority.

D. COMMITTEE MEETINGS:

The Audit Committee shall meet at least twice annually, but more frequently if circumstances warrant. A majority of members of the Committee constitute a quorum for meeting purposes. To foster open and effective communication, the Audit Committee shall meet at least annually with management and the independent auditors.

The meeting shall operate in accordance with Robert's Rules of Order. Minutes of Audit Committee meetings shall be prepared, distributed to the Board of Governors and management and be made available and retained in accordance with the public records laws in the state of Florida.

The Audit Committee Charter is effective as of October 1, 2010.

Amended by the Audit Committee on November 5, 2012, and approved by the Board on November 19, 2012.

Audit Schedule

Fiscal Year 2024-25

As of November 5, 2025

09/30/25 Fiscal year-ends

10/29/25 Audit Committee Agenda out

11/05/25 Pre-fieldwork Audit Committee meeting

11/17/25-11/26/25 Audit fieldwork begins (onsite Talcro 2-3 days week of 11/17 only, remaining remote at THF office)

~01/15/26 GASB 68 Info published mid-month

02/25/26 Final draft audit report due to LCRDA

02/26/26 Audit Committee Agenda out

03/05/26 Audit Committee meeting to approve

03/12/26 Executive Committee agenda packet out

03/19/26 Executive Committee meeting to approve

03/26/26 BoG agenda packet out

04/02/26 BoG meeting to approve

06/30/26 Filing deadlines (or earlier of 45 days after audit report delivered)