Max Planck Florida Corporation

d/b/a Max Planck Florida Institute for Neuroscience

Financial and Compliance Report
December 31, 2024 and 2023

Contents

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Independent Auditor's Report

Board of Trustees
Max Planck Florida Corporation
d/b/a Max Planck Florida Institute for Neuroscience
Jupiter, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Max Planck Florida Corporation d/b/a Max Planck Florida Institute for Neuroscience (the "Institute"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Institute as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Prior Year Audited by Other Auditors

The 2023 financial statements were audited by other auditors, and their report thereon, dated April 24, 2024, expressed an unmodified opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Institute's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2025 on our consideration of the Institute's 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Institute's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Institute's internal control over financial reporting and compliance.

Forvis Mazars, LLP

Fort Lauderdale, Florida
April 30, 2025

Max Planck Florida Corporation
d/b/a Max Planck Florida Institute for Neuroscience

Statements of Financial Position
December 31, 2024 and 2023

	2024	2023
Assets		
Cash	$ 2,675,544	$ 4,057,059
Investments (Note 3)	40,379,005	39,279,512
Grants receivable	4,077,800	1,766,630
Contributions receivable, net (Note 5)	1,130,192	427,363
Accounts receivable	168,241	112,499
Prepaid expenses and other assets	1,386,780	816,661
Accrued interest receivable	71,625	68,493
Property and equipment, net (Note 6)	58,701,351	59,322,836
Total assets	$ 108,590,538	$ 105,851,053
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	$ 1,835,234	$ 2,957,061
Net Assets		
Without donor restrictions	90,650,057	88,559,905
With donor restrictions (Notes 7 and 8)	16,105,247	14,334,087
Total net assets	106,755,304	102,893,992
Total liabilities and net assets	$ 108,590,538	$ 105,851,053

See Notes to Financial Statements

Max Planck Florida Corporation
d/b/a Max Planck Florida Institute for Neuroscience

Statements of Activities
Year ended December 31, 2023

	2024		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Revenue and other support:			
Federal, State and County and other grants	$ 8,278,495	$ 435,000	$ 8,713,495
Max Planck Society funding (Note 10)	19,328,825	-	19,328,825
Max Planck Foundation funding (Note 10)	-	-	-
Contributions	710,262	1,975,290	2,685,552
Instruction and other income	429,725	-	429,725
Investment income, net	3,707,559	1,356,368	5,063,927
Gain on sale of property and equipment	167,825	-	167,825
Net assets released from restrictions	1,995,498	(1,995,498)	-
Total revenue and other support	34,618,189	1,771,160	36,389,349
Expenses:			
Program services:			
Research	29,498,826	-	29,498,826
Instruction	867,965	-	867,965
Support services:			
Management and general	1,361,410	-	1,361,410
Fundraising and advancement	799,836	-	799,836
Total expenses	32,528,037	-	32,528,037
Changes in net assets	2,090,152	1,771,160	3,861,312
Net assets, beginning	88,559,905	14,334,087	102,893,992
Net assets, ending	$ 90,650,057	$ 16,105,247	$ 106,755,304

See Notes to Financial Statements

Max Planck Florida Corporation
d/b/a Max Planck Florida Institute for Neuroscience

Statements of Activities
Year ended December 31, 2023

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and other support:			
Federal, State and County and other grants	$ 5,561,189	$ 650,000	$ 6,211,189
Max Planck Society funding (Note 10)	17,195,665	-	17,195,665
Max Planck Foundation funding (Note 10)	482,747	-	482,747
Contributions	726,529	1,015,305	1,741,834
Instruction and other income	353,384	86,370	439,754
Investment income, net	3,770,057	1,227,313	4,997,370
Net assets released from restrictions	1,981,688	(1,981,688)	-
Total revenue and other support	30,071,259	997,300	31,068,559
Expenses:			
Program services:			
Research	26,288,178	-	26,288,178
Instruction	891,045	-	891,045
Support services:			
Management and general	1,297,866	-	1,297,866
Fundraising and advancement	792,611	-	792,611
Total expenses	29,269,700	-	29,269,700
Changes in net assets	801,559	997,300	1,798,859
Net assets, beginning	87,758,346	13,336,787	101,095,133
Net assets, ending	$ 88,559,905	$ 14,334,087	$ 102,893,992

See Notes to Financial Statements

Max Planck Florida Corporation
d/b/a Max Planck Florida Institute for Neuroscience

Statements of Activities
Year ended December 31, 2023

2024

	Program Services					
	Research	**Instruction**	**Total**	**Management and General**	**Fundraising and Advancement**	**Total Expenses**
Personnel	**$ 15,957,096**	**$ 680,966**	**$ 16,638,062**	**$ 519,899**	**$ 481,903**	**$17,639,864**
Scientific	**3,847,233**	**3,603**	**3,850,836**	**896**	**81**	**3,851,813**
Professional services	**989,683**	**15,762**	**1,005,445**	**82,191**	**67,310**	**1,154,946**
Information technology	**592,776**	**11,582**	**604,358**	**71,896**	**27,304**	**703,558**
Facility	**2,122,179**	**7,623**	**2,129,802**	**273,247**	**24,500**	**2,427,549**
Administrative	**346,431**	**16,897**	**363,328**	**24,629**	**39,687**	**427,644**
Insurance	**404,828**	**11,912**	**416,740**	**81,396**	**10,976**	**509,112**
Public relations	**123,338**	**3,454**	**126,792**	**7,887**	**1,063**	**135,742**
Advancement	**-**	**-**	**-**	**-**	**90,090**	**90,090**
Conference, meetings and trainings	**351,301**	**43,263**	**394,564**	**13,720**	**7,989**	**416,273**
Travel	**587,649**	**51,470**	**639,119**	**18,556**	**7,512**	**665,187**
Events	**96,779**	**4,275**	**101,054**	**10,287**	**17,948**	**129,289**
Depreciation and amortization	**4,079,533**	**17,158**	**4,096,691**	**256,806**	**23,473**	**4,376,970**
Total expenses	**$ 29,498,826**	**$ 867,965**	**$ 30,366,791**	**$ 1,361,410**	**$ 799,836**	**$32,528,037**

2023

	Program Services					
	Research	Instruction	Total	Management and General	Fundraising and Advancement	Total Expenses
Personnel	$ 15,071,658	$ 721,294	$ 15,792,952	$ 547,051	$ 451,417	$16,791,420
Scientific	2,589,279	4,901	2,594,180	839	84	2,595,103
Professional services	797,239	11,544	808,783	53,105	71,157	933,045
Information technology	569,814	13,085	582,899	77,991	21,589	682,479
Facility	1,881,252	7,273	1,888,525	235,899	21,263	2,145,687
Administrative	446,901	16,072	462,973	22,558	56,134	541,665
Insurance	377,439	12,794	390,233	80,586	11,380	482,199
Public relations	68,380	1,731	70,111	10,905	1,540	82,556
Advancement	-	-	-	-	90,090	90,090
Conference, meetings and trainings	517,730	36,796	554,526	10,936	9,926	575,388
Travel	390,574	50,431	441,005	11,644	16,343	468,992
Events	74,197	5,790	79,987	7,341	20,043	107,371
Depreciation and amortization	3,503,715	9,334	3,513,049	239,011	21,645	3,773,705
Total expenses	$ 26,288,178	$ 891,045	$ 27,179,223	$ 1,297,866	$ 792,611	$29,269,700

See Notes to Financial Statements

Max Planck Florida Corporation
d/b/a Max Planck Florida Institute for Neuroscience

Statements of Activities
Year ended December 31, 2023

		2024		2023
Cash Flows From Operating Activities				
Changes in net assets	**$**	**3,861,312**	$	1,798,859
Adjustments to reconcile changes in net assets to net cash (used in) provided by operating activities:				
Depreciation and amortization		**4,376,970**		3,773,705
Net unrealized and realized gains on investments		**(3,970,366)**		(4,189,624)
Net gains on disposal of property and equipment		**(167,825)**		-
(Increase) decrease in:				
Grants receivable		**(2,311,170)**		(1,105,412)
Contributions and accounts receivable		**(758,571)**		533,863
Prepaid expenses and other assets		**(570,119)**		(102,071)
Accrued interest receivable		**(3,132)**		(3,769)
Increase (decrease) in:				
Accounts payable and accrued expenses		**(1,121,827)**		1,714,308
Net cash (used in) provided by operating activities		**(664,728)**		2,419,859
Cash Flows From Investing Activities				
Purchase of property and equipment		**(3,843,289)**		(4,891,863)
Proceeds from sale of property and equipment		**255,630**		-
Purchases of investments		**(12,150,609)**		(17,235,266)
Sales of investments		**15,021,481**		18,078,901
Net cash (used in) investing activities		**(716,787)**		(4,048,228)
Cash Flows From Financing Activities				
Contributions restricted		**-**		43,535
Sales proceeds on contributed investments		**-**		51,690
Net cash provided by financing activities		**-**		95,225
Net decrease in cash		**(1,381,515)**		(1,533,144)
Cash:				
Beginning		**4,057,059**		5,590,203
Ending	**$**	**2,675,544**	$	4,057,059

See Notes to Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies

Nature of Organization: Max Planck Florida Corporation d/b/a Max Planck Florida Institute for Neuroscience (the "Institute") was organized on September 5, 2007 as a not-for-profit corporation under the provisions of Chapter 617 of the Florida Statutes. The Institute began operations during March 2008 upon receipt of a grant from the State of Florida. The Institute operates exclusively for scientific, charitable and educational purposes and was established to develop and operate in Florida a scientific research Institute. The Max Planck Society (the "Society"), which operates in Germany, is the sole member of the Institute.

A summary of the Institute's significant accounting policies follows:

Basis of accounting: The financial statements have been prepared on an accrual basis of accounting.

Basis of presentation: A not-for-profit organization is required to classify its net assets, its revenues and expenses, and gains and losses based on the existence or absence of donor-imposed restrictions.

The Institute's resources (net assets, revenues, gains and losses) are classified for accounting and reporting purposes into two net asset categories based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. Generally, the donors of these assets permit the Institute to use all or part of the income earned on related investments for general or specific purposes to support the Institute's programs. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Accounting estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Contributions and grants: Unconditional promises (contributions and grants) to give cash or other assets are reported at fair value at the date the agreement is entered into or promise received. Contributions and grants are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the contributed assets. When a donor/grantor restriction expires, that is, when a time restriction ends or purpose restriction is accomplished net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Conditional promises (contributions and grants) to give are reported at fair value at the date the condition has been satisfied. Donor restricted unconditional promises whose restrictions are met in the same reporting period have been reported as revenue without donor restrictions on the statements of activities.

(Continued)

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Investment income: Realized gains and losses are recognized at the date of disposition based on the difference between the net proceeds received and the purchased value of the investment sold, using the specific identification method. Unrealized gains and losses are recognized for the change in fair value between reporting periods. Interest and dividend income is recognized when earned. Investment income is included in the change in net assets without donor restrictions, unless its use is restricted by donor stipulations or law. When a donor restriction is met, the amount is reclassified and reported as released from restriction. Restricted investment returns whose restrictions are met in the same reporting period have been reported as revenue without donor restrictions on the statement of activities.

Cash: The Institute maintains its cash in bank deposit accounts with one financial institution which may, at times, exceed federally-insured limits. The Institute has not experienced any losses in such accounts.

Contributions and grants receivable: Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on contributions receivable are computed using a market rate of 3.8% which is commensurate with the risk of the contributions receivable in accordance with accounting standards. Amortization of the discount is included in contribution revenue.

Conditional contributions and grants, with a barrier and right of return, are not recognized until the conditions on which they depend are substantially met or explicitly waived by the donor. Conditional contributions and grants consist primarily of awards from contracts with the U.S. federal government or federal awards passed through third party entities. Contributions and grants received with donor-imposed conditions that are met in the same year as the gifts are received are reported in the net asset without donor restrictions class. At December 31, 2024 and 2023, respectively, the Institute had remaining available award balances on U.S. government and pass through grants and contracts of $6,266,862 and $5,167,259, respectively. These award balances are not recognized as assets and will be recognized as revenue as the projects progress and conditions are met.

Investments: Investments are reported at fair value as further discussed in Note 3. The Institute invests primarily in a combination of debt securities, equity securities, mutual funds and money market funds. Investment securities are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect the Institute's investment balance reported in the statements of financial position.

Property and equipment: Property and equipment is stated at cost and depreciated on a straight-line basis over the estimated useful lives of the assets as follows:

	Years
Buildings	40
Land under lease	47
Machinery and equipment, furniture and fixtures	5-10
Intangible Assets and software	2-5

Property and equipment are recorded at historical cost at the date of purchase or fair value at the date of donation. Assets donated with explicit restrictions regarding their use and contributions of cash that must be

(Continued)

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Institute reports the expiration of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. Upon sale or retirement, the costs and related accumulated depreciation are eliminated from the respective accounts and resulting gains or losses are included in the statements of activities. Land under lease is depreciated over the lease term.

Financial instruments: The carrying value of the Institute's cash, accounts receivable, accounts payable and accrued expenses approximates the fair value of these financial instruments as of December 31, 2024 and 2023, due to the short maturity of these instruments.

Income taxes: The Institute is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes is made in the accompanying financial statements.

Functional expenses: The cost of providing the various activities of the Institute have been summarized in the accompanying statements of activities on a functional basis. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Support services include administration, accounting, facilities, public relations, and human resources. Most expenses are directly charged to the department/function incurring the expense. The expenses that are allocated include allocation of facility costs which are allocated based on square footage used by each department/function. Administrative costs are allocated based on direct costs charged to each department/function.

Subsequent Events: The Institute has evaluated subsequent events for recording and disclosure in these financial statements through April 30, 2025, which is the date the financial statements were available to be issued.

Note 2. Liquidity and Availability

As of December 31, 2024, and 2023 financial assets available within one year of the statement of financial position date for general expenditure were as follows:

	2024	2023
Cash	**$ 2,675,544**	$ 4,057,059
Investments	**30,524,459**	30,781,334
Grants receivable	**4,077,800**	1,766,630
Contributions receivable, net	**1,130,192**	427,363
Accounts receivable	**168,241**	112,499
Accrued interest receivable	**71,625**	68,493
Total financial assets available	**$ 38,647,861**	$ 37,213,378

The Institute regularly monitors liquidity required to meet its operating needs, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenses over a 12-month period, the Institute considers all expenses related to its ongoing mission-related activities as well as the conduct of services undertaken to support those activities to be general expenses.

(Continued)

Note 2. Liquidity and Availability (Continued)

A portion of investments is set aside per donor restrictions. These investments in the amount of $9,854,546 and $8,498,178 as of December 31, 2024 and 2023, respectively, have been excluded from the schedule above.

The Institute also has assets that are pledges or investments that are donor restricted by purpose or time. Donor restricted assets budgeted for expenditure in the next 12 months are considered available as of December 31, 2024 and 2023.

The investment amount listed above represents assets which could be converted to cash on a short-term basis and thus are available to support cash flow needs and operations. However, the Institute has adopted a policy of funding administrative expenses from the total return from its investments over the long term and in practice also seeks to fund development expenses from these returns. This policy requires the Institute to maintain investment portfolios that generate sufficient returns to fund these expenses. Accordingly, the Institute has no immediate plans to liquidate investments beyond what is needed for current operations based on the respective spending policy and the operating budget approved by the Board of Trustees.

Note 3. Investments and Fair Value Disclosures

Investments consisted of the following as of December 31, 2024 and 2023:

	2024	2023
Money market funds	**$ 388,750**	$ 1,430,319
Debt securities and mutual funds:		
Corporate and government bonds	**11,088,050**	12,342,757
Equity securities and mutual funds:		
Large cap	**17,634,993**	14,911,445
Small/mid cap	**4,850,193**	4,024,879
International	**4,776,916**	5,077,561
Total equity securities and mutual funds	**27,262,102**	24,013,885
Other mutual funds	**1,640,103**	1,492,551
Total investments	**$ 40,379,005**	$ 39,279,512

As defined in GAAP, fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Institute uses various methods, including: market, income, and cost approaches. Based on these approaches, the Institute often utilizes valuation techniques that maximize the use of observable inputs and minimizes the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, the Institute is required to provide the following information according to the fair value hierarchy.

(Continued)

Note 3. Investments and Fair Value Disclosures (Continued)

The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 Quoted prices for identical assets and liabilities traded in active exchange markets, such as the New York Stock Exchange.

Level 2 Observable inputs other than Level 1 including quoted prices for similar assets or liabilities, quoted prices in less active markets, or other observable inputs that can be corroborated by observable market data.

Level 3 Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation; also includes observable inputs for nonbinding single dealer quotes not corroborated by observable market data.

While the Institute believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date. While the Institute believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

During the years ended December 31, 2024 and 2023, there were no changes to the Institute's valuation techniques that had, or are expected to have, a material impact on its financial position or results of operations.

For debt, equity and other securities, the valuation methodologies used to measure the fair value of these securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers. If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of the instrument.

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Note 3. Investments and Fair Value Disclosures (Continued)

In determining the appropriate levels, the Institute performs an analysis of the financial assets that are reported at fair value on a recurring basis. Investment levels are summarized as follows:

As of December 31, 2024:

	Level 1	Level 2	Total
Financial assets:			
Money market funds	$ 388,750	$ -	$ 388,750
Debt securities and mutual funds:			
Corporate and government bonds	8,825,857	2,262,193	11,088,050
Equity securities and mutual funds:			
Large cap	17,634,993	-	17,634,993
Small/mid cap	4,850,193	-	4,850,193
International	4,776,916	-	4,776,916
Total equity securities and mutual funds	27,262,102	-	27,262,102
Other mutual funds	1,640,103	-	1,640,103
Total investments	$ 38,116,812	$ 2,262,193	$ 40,379,005

As of December 31, 2023:

	Level 1	Level 2	Total
Financial assets:			
Money market funds	$ 1,430,319	$ -	$ 1,430,319
Debt securities and mutual funds:			
Corporate and government bonds	2,325,374	10,017,383	12,342,757
Equity securities and mutual funds:			
Large cap	14,911,445	-	14,911,445
Small/mid cap	4,024,879	-	4,024,879
International	5,077,561	-	5,077,561
	24,013,885	-	24,013,885
Other mutual funds	1,492,551	-	1,492,551
Total investments	$ 29,262,129	$ 10,017,383	$ 39,279,512

(Continued)

Note 4. Lease Agreement with Florida Atlantic University

The Institute has a sublease agreement through September 2059 with Florida Atlantic University ("FAU") for approximately six acres of land located on FAU's John D. MacArthur Campus in the form of an in-kind contribution for the site of the Institute's permanent facilities. In 2012, the Institute recorded the receipt of the temporarily restricted contribution and land under lease asset at its fair value of $6,000,000. The Institute is amortizing the asset using the straight line method over the life of the sublease agreement, which is recorded in the statement of activities as in-kind rent expense in depreciation and amortization on the statements of functional expense. The land lease amortization recognized was $126,760 during each of the years ended December 31, 2024 and 2023.

Note 5. Contributions Receivable

Anticipated collections of contributions receivable are summarized as follows as of December 31, 2024 and 2023:

	2024	2023
Contributions receivable are restricted for:		
Time	**$ 1,175,000**	$ 444,460
Total contributions receivable	**$ 1,175,000**	$ 444,460

	2024	2023
Amounts expected to be collected in:		
Less than one year	**$ 1,175,000**	$ 444,460
Subtotal	**1,175,000**	444,460
Less:		
Discount (3.8%)	**(44,808)**	(17,097)
Total contributions receivable	**$ 1,130,192**	$ 427,363

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(Continued)

Note 6. Property and Equipment

Property and equipment are summarized as follows as of December 31, 2024 and 2023:

	2024	2023
Nondepreciable fixed assets		
Artwork	$ 32,995	$ 32,995
Construction in process	-	859,218
Total nondepreciable fixed assets	**32,995**	892,213
Depreciable fixed assets		
Buildings	**66,523,162**	66,049,592
Land under lease	**6,000,000**	6,000,000
Machinery and equipment	**35,532,804**	32,017,771
Furniture and fixtures	**106,742**	106,742
Software	**759,361**	735,297
Intangible assets	**370,064**	-
Total depreciable fixed assets	**109,292,133**	104,909,402
Accumulated depreciation and amortization		
Accumulated depreciation	**49,027,692**	45,009,454
Accumulated land amortization	**1,596,085**	1,469,325
Total accumulated depreciation and amortization	**50,623,777**	46,478,779
Depreciable fixed assets, net	**58,668,356**	58,430,623
Fixed assets, net	**$ 58,701,351**	$ 59,322,836

Depreciation and amortization expense included in the statements of activities amounted to $4,376,970 and $3,773,705 for the years ended December 31, 2024 and 2023, respectively.

Intangible assets is comprised of an internal use software license from a third party.

Note 7. Endowment

The Institute's endowment consists of one fund established for the future growth and development of the Institute. In accordance with GAAP, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Endowment Spending Policy

The spending policy for the Institute’s Endowment fund is determined annually based upon the budget as approved by the Board of Trustees.

Interpretation of Relevant Law

The Board of Trustees of the Institute has interpreted the current law, Florida Uniform Prudent Management of Institutional Funds Act ("UPMIFA"), as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Institute classifies as net assets with donor restrictions the historical value of donor-restricted “true” endowment funds, which includes: (a) the original value of gifts donated to the permanent

(Continued)

Note 7. Endowment (Continued)

endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations of the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulations are added to the fund. Also included in net assets with donor restrictions is accumulated appreciation on donor restricted “true” endowment funds that has yet to be expended in accordance with the terms of the donor agreement. Endowment balances classified as net assets without donor restrictions consist of accumulated investment return in which the donor has not restricted the Institute’s use of such return or endowments where the Board of Trustees, rather than the donor, decides to retain and invest in principal with only income to be expended.

Change in Endowment Net Assets

The change in endowment net assets for the years ended December 31, 2024 and 2023, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, as of December 31, 2022	$ 352,558	$ 7,247,330	$ 7,599,888
Contribution	28,050	43,535	71,585
Release from restriction	-	(20,000)	(20,000)
Contribution, net	28,050	23,535	51,585
Investment return:			
Net realized and unrealized gains	-	1,054,132	1,054,132
Interest and dividend income	-	173,181	173,181
Investment income, net	-	1,227,313	1,227,313
Endowment net assets,		-	
as of December 31, 2023	380,608	8,498,178	8,878,786
Contribution	**-**	**-**	**-**
Release from restriction	**-**	**-**	**-**
Contribution, net	**-**	**-**	**-**
Investment return:			
Net realized and unrealized gains	**-**	**1,032,805**	**1,032,805**
Interest and dividend income	**-**	**323,563**	**323,563**
Investment income, net	**-**	**1,356,368**	**1,356,368**
Endowment net assets, as of December 31, 2024	**$ 380,608**	**$ 9,854,546**	**$ 10,235,154**

(Continued)

Note 7. Endowment (Continued)

Endowment Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Institute to retain as a fund of perpetual duration. The Institute has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. In accordance with GAAP, deficiencies of this nature are reported in unrestricted net assets. During the years ended December 31, 2024 and 2023 there were no such deficiencies.

Return Objectives and Risk Parameters

The Institute has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Institute must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner outlined in the investment policy adopted by the Board of Trustees.

The purpose of this investment policy is to provide guidance to the Investment Managers regarding the Institute's objectives and goals with regard to the endowment investing. Specifically, it outlines the risk tolerance areas of the Institute as well as defining the limitations in the portfolio of investments. The Institute expects its endowment funds, over time, to provide an average rate of return that permits a predictable and sustainable spending rate of the average market value of endowment assets by achieving annual growth in value at a rate equal to the sum of the annual spending rate and the annual rate of inflation.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Institute relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Institute targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints.

Note 8. Net Assets with Donor Restrictions and Net Assets Released from Restriction

The net assets with donor restrictions of the Institute are a result of contributions and other inflows of assets whose use by the Institute is limited by donor-imposed stipulations. Donor-imposed restrictions may pertain to the occurrence of scientific programs, certain research projects and public programs, which are classified as designated programs, or merely the passage of time, which are classified as timing. Also classified as designated programs are gifts that require, by donor restriction, that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

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Note 8. Net Assets with Donor Restrictions and Net Assets Released from Restriction (Continued)

Changes in net assets with donor restrictions are summarized as follows for the years ended December 31, 2024 and 2023:

	2024				
Nature of restriction	**Beginning balance**	**Additions**	**Investment income, net**	**Satisfaction of restrictions**	**Ending balance**
Land under lease	**$ 4,530,677**	**$ -**	**$ -**	**$ (126,760)**	**$ 4,403,917**
Designated programs	**9,598,183**	**2,390,290**	**1,356,368**	**(1,724,524)**	**11,620,317**
Timing	**205,227**	**20,000**	**-**	**(144,214)**	**81,013**
	$ 14,334,087	**$ 2,410,290**	**$ 1,356,368**	**$ (1,995,498)**	**$ 16,105,247**

	2023				
Nature of restriction	Beginning balance	Additions	Investment income, net	Satisfaction of restrictions	Ending balance
Land under lease	$ 4,657,437	$ -	$ -	$ (126,760)	$ 4,530,677
Designated programs	8,641,345	1,539,965	1,227,313	(1,810,440)	9,598,183
Timing	38,005	211,710	-	(44,488)	205,227
	$ 13,336,787	$ 1,751,675	$ 1,227,313	$ (1,981,688)	$ 14,334,087

Donor gifts restricted in perpetuity included above as designated programs amounted to $3,864,358 for the years ended December 31, 2024 and 2023.

Note 9. Contingency

Grants and contributions require the fulfillment of certain conditions as set forth in the grant agreement and by the donors. Material failure to comply with the terms of the grant and donor-imposed restrictions could result in the return of the funds to the grantors and donors. Although this is a possibility, management deems the likelihood of material noncompliance remote.

On February 7, 2025, the National Institutes of Health ("NIH") issued NOT-OD-25-068: Supplemental Guidance to the 2024 NIH Grants Policy Statement: Indirect Cost Rates (the “Guidance”). The Guidance implements a standard indirect rate of 15% across all NIH grants for indirect costs in lieu of a separately negotiated rate for indirect costs in every grant. The Guidance has since been challenged in two different motions for temporary restraining orders. It is unclear whether the Institute’s indirect rate will be limited to 15% going forward. The potential impacts of the Guidance on the Institute’s future financial assistance from NIH have not yet been evaluated.

Financial instruments which potentially subject the Institute to concentrations of credit risk principally consist of cash deposits in financial institutions and accounts receivable. The Institute maintains cash in bank deposit accounts, which, at times, may exceed federally insured limits provided by the Federal Deposit Insurance Corporation (“FDIC”) of $250,000. As a result, there is a concentration of credit risk related to amounts in excess of FDIC coverage. As of December 31, 2024, the Institute had cash in excess of FDIC limits of approximately $2,459,000. The Institute does not believe the risk is significant because the Institute does not anticipate the financial institution’s non-performance. Management believes that credit risk with respect to accounts receivable is limited since the receivables are sufficiently diversified amongst several different entities.

(Continued)

Note 10. Society and Related Party Funding

The Institute and the Society have a funding agreement whereby the Society will provide annual funding for the operations of the Institute to provide for essential core scientific and administrative operations of the Institute based on a mutually agreed budget.

The Institute and the Society also agreed to establish and fund two Research Groups located at and hosted by the Institute as a joint research effort and to provide visiting opportunities for scientists. The Society provides funding under these agreements based on a mutually approved budget.

Furthermore, starting in 2016, the Society provides funding for the International Max Planck Research School for Synapses and Circuits Graduate Program, a cooperation agreement between the Institute and FAU. The Society provides funding under this agreement based on quarterly reported actual expenses of the program.

During the year ended December 31, 2024, the Institute received $19,328,825 from the Society, which consists of $17,089,000 for operations, $1,042,231 supplemental equipment funding, $772,869 for Research Group laboratories and $424,725 for Graduate Program funding. During the year ended December 31, 2023, the Institute received $17,195,665 from the Society, which consists of $15,878,250 for operations, $368,000 supplemental equipment funding, 766,247 for Research Group laboratories and $183,168 for Graduate Program funding.

Starting in January 2018, the Max Planck Foundation (“MP Foundation”), began providing a total amount of EUR €1,354,000 (approximately $1,569,500) over the period of 5 years, to fund personnel, operating and capital expenses of the Research Group of Dr. Wang. The amount received from MP Foundation amounted to $0 and $482,747 during the years ended December 31, 2024 and 2023, respectively.

Note 11. Employee Benefit Plan

The Institute participates in a 403(b) Retirement Plan which covers substantially all employees who normally work 20 hours or more per week, excluding employees who are enrolled as students and regularly attending classes offered by the Institute. The Institute matches employee contributions up to the first 4% of the employee's salary. The Institute may make additional discretionary contributions as determined by the Board of Trustees, which for both 2024 and 2023 were 7% of the employee's salary. The amount contributed to the plan by the Institute amounted to $978,179 and $1,007,549 during the years ended December 31, 2024 and 2023, respectively, which has been included in expenses on the statements of activities.

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Max Planck Florida Corporation
d/b/a Max Planck Florida Institute for Neuroscience

Schedule of Expenditures of Federal Awards
Year ended December 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	ALN Number	Contract Number	Expenditures	Amount Provided to Subrecipient
Research and Development Cluster				
U.S. Department of Health and Human Services				
National Institutes of Health				
National Eye Institute				
Direct Programs:				
Vision Research	93.867	5R01EY011488-24	$ 448,680	$ -
Vision Research	93.867	5F32EY034024-02	$ 80,977	$ -
Vision Research	93.867	1K99-EY034936-01A1	$ 60,062	$ -
National Eye Institute Total			$ 589,719	$ -
National Institute of Mental Health				
Direct Programs:				
Mental Health Research	93.242	7F32MH125597-03	$ 69,181	$ -
Mental Health Research	93.242	1UM1MH136462-01	$ 986,498	$ -
Subrecipient: Leland Stanford Junior University	93.242	Stanford2024LT7		$ 199,751
Subrecipient: Allen Institute	93.242	Allen2024LT7		$ 243,546
Subrecipient: University of California, Davis	93.242	UCD2024LT7		$ 53,342
Subrecipient: University of Southern California	93.242	USC2024LT7		$ 54,119
Mental Health Research	94.242	1DP2MH140148-01	$ 186,715	$ -
Passed Through The University of Carolina at Chapel Hill:				
Mental Health Research	93.242	R01MH132710	$ 460,230	$ -
Passed Through Cold Spring Harbor Laboratory:				
Mental Health Research	93.242	R01MH101214	$ 119,973	$ -
Passed Through Virginia Polytechnic Institute and State Univ:				
Mental Health Research	93.242	R01MH110504	$ 323,877	$ -
Passed Through California Institute of Technology:				
Mental Health Research	93.242	UF1MH128336	$ 403,344	$ -
National Institute of Mental Health Total			$ 2,549,818	$ 550,758
National Institute of Neurological Disorders and Stroke				
Direct Programs:				
Neurological Research	93.853	5R35NS116804-04	$ 1,217,323	$ -
Neurological Research	93.853	5R01NS119503-03	$ 497,869	$ -
Neurological Research	93.853	1DP2NS132108-01	$ 590,948	$ -
Neurological Research	93.853	7U01NS120820-04	$ 836,813	$ -
Subrecipient: Massachusetts Institute of Technology	93.853	MIT2025LT1		$ 29,426
Subrecipient: University of California, Berkeley	93.853	UCB2024LT1		$ 197,192
Subrecipient: University of California, Davis	93.853	UCD2024LT1		$ 38,576
Subrecipient: University of California, San Francisco	93.853	UCSF2024LT1		$ 105,473
Passed Through Northwestern University:				
Neurological Research	93.853	1U01NS128655-01	$ 441,600	$ -
Passed Through The Salk Institute for Biological Studies:				
Neurological Research	93.853	U19NS123719	$ 671,141	$ -
Passed Through The Regents of the University of California:				
Neurological Research	93.853	R01NS129888	$ 130,438	$ -
National Institute of Neurological Disorders and Stroke Total			$ 4,386,132	$ 370,667
National Institute on Drug Abuse				
Direct Programs:				
Drug Abuse and Addiction	93.279	1DP2DA060436-01	$ 415,431	$ -
National Institute on Drug Abuse Total			$ 415,431	$ -
National Institute on Aging				
Direct Programs:				
Aging Research	93.866	1R01AG085899-01	$ 302,605	$ -
National Institute on Aging Total			$ 302,605	$ -
Total U.S. Department of Health and Human Services			8,243,705	921,425
Total Research and Development Cluster			8,243,705	921,425
Total expenditures of federal awards			$ 8,243,705	$ 921,425

See Independent Auditor's Report

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") presents the activity of all federal awards of the Institute for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Institute, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Institute.

Note 2. Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-122, *Cost Principles for Non-Profit Organizations,* or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Note 3. Indirect Cost Recovery

The Institute has elected not to use the 10-percent de minimis indirect cost rate allowed under Section 200.414 Uniform Guidance.

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Trustees
Max Planck Florida Corporation
d/b/a Max Planck Florida Institute for Neuroscience
Jupiter, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards")*, the financial statements of Max Planck Florida Corporation d/b/a Max Planck Florida Institute for Neuroscience (the "Institute"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 30, 2025.

Report on Internal Control over Financial Reporting

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Institute'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 Institute'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 Institute's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Forvis Mazars, LLP

Fort Lauderdale, Florida
April 30, 2025

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Independent Auditor's Report on Compliance for the Major Program and on Internal Control over Compliance

Board of Trustees
Max Planck Florida Corporation
d/b/a Max Planck Florida Institute for Neuroscience
Jupiter, Florida

Report on Compliance for the Major Federal Program

Opinion on Major Federal Program

We have audited Max Planck Florida Corporation d/b/a Max Planck Florida Institute for Neuroscience's (the "Institute") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Institute's major federal program for the year ended December 31, 2024. The Institute's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Institute complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2024.

Basis for Opinion on Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards")*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Institute and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Institute's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Institute's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Institute's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Institute's compliance with the requirements of the major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Institute's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Institute's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Forvis Mazars, LLP

Fort Lauderdale, Florida
April 30, 2025

Section I – Summary of Auditor's Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

   (Check each description that applies)

   ☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

2. Internal control over financial reporting:

   Material weakness(es) identified? ☐ Yes ☒ No

   Significant deficiency(ies) identified? ☐ Yes ☒ None reported

3. Noncompliance material to the financial statements noted? ☐ Yes ☒ No

Federal Awards

4. Internal control over major federal programs:

   Material weakness(es) identified? ☐ Yes ☒ No

   Significant deficiency(ies) identified? ☐ Yes ☒ None reported

5. Type of auditor's report issued on compliance for major federal program(s):

   (Check each description that applies. If any other than unmodified apply, also list the name of each major program by the type of opinion applicable to that program.)

   ☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☐ Yes ☒ No

7. Identification of major federal programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
93.242, 93.279, 93.853, 93.866, 93.867	U.S. Department of Health and Human Services National Institutes of Health Research and Development Cluster

8. Dollar threshold used to distinguish between Type A and Type B programs: $750,000

9. Auditee qualified as a low-risk auditee? ☒ Yes ☐ No

Section II – Financial Statement Findings

No findings were reported.

Section III – Federal Award Findings and Questioned Costs

No findings were reported.

Section IV – Federal Awards Summary of Prior Year Audit Findings

No findings were reported.