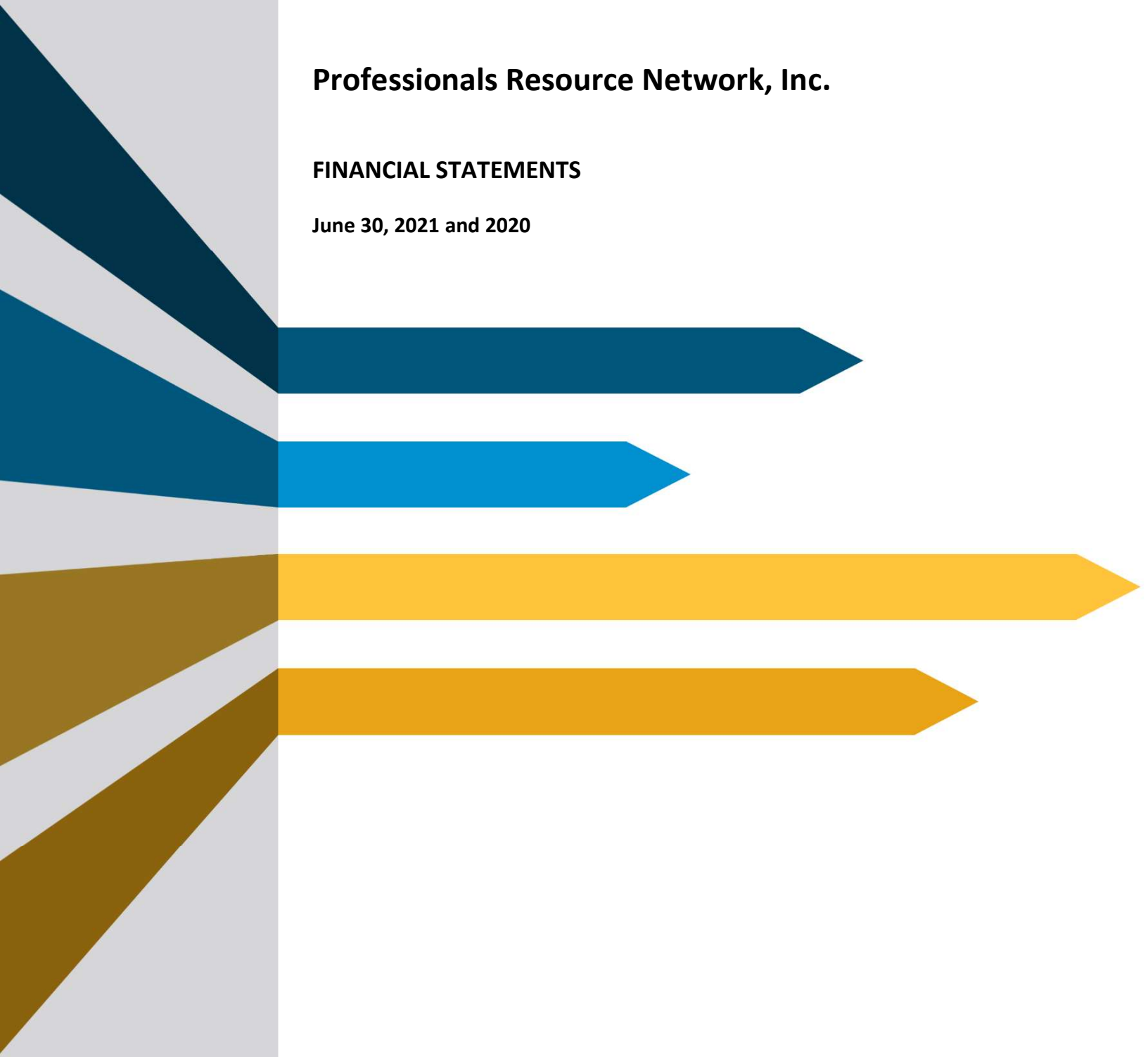
Professionals Resource Network, Inc.

FINANCIAL STATEMENTS

June 30, 2021 and 2020



Professionals Resource Network, Inc.
Table of Contents
June 30, 2021 and 2020

	Page
REPORT	
Independent Auditors' Report	1
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7
OTHER REPORTS	
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*	17
Independent Auditors' Report on Compliance for the Major State Project and on Internal Control Over Compliance Required by the Chapter 10.650, *Rules of the Auditor General*	19
SUPPLEMENTARY INFORMATION	
Schedule of Expenditures of State Financial Assistance	21
Notes to Schedule of Expenditures of State Financial Assistance	22
Schedule of Findings and Questioned Costs	23

REPORT

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
2633 Centennial Boulevard
Suite 200
Tallahassee, Florida 32308

(850) 878-8777
(850) 878-2344 (fax)
CRIcpa.com

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Professionals Resource Network, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Professionals Resource Network, Inc. (a non-profit organization) which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Professionals Resource Network, Inc., as of June 30, 2021, 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 State of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance, as required by Chapter 10.650, *Rules of the Auditor General of the State of Florida*, 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 auditing standards generally accepted in the United States of America. 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 March 3, 2022 on our consideration of Professional Resource Network, Inc.'s 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 Professional Resource Network, Inc.'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 Professional Resource Network, Inc.'s internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited Professionals Resource Network, Inc.'s 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 23, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tallahassee, FL
March 3, 2022

FINANCIAL STATEMENTS

Professionals Resource Network, Inc.
Statements of Financial Position

June 30,	**2021**	2020
Assets		
Current assets		
Cash and cash equivalents	**$ 1,053,367**	$ 894,750
Accounts receivable, net	**402,700**	418,566
Short-term investments	**237,391**	633,227
Prepaid expenses and other assets	**22,496**	21,052
Total current assets	**1,715,954**	1,967,595
Non-current assets		
Investments	**645,074**	234,659
Furniture and equipment - net	**23,018**	34,637
Total non-current assets	**668,092**	269,296
Total assets	**$ 2,384,046**	$ 2,236,891
Liabilities and Net Assets		
Current liabilities		
Accounts payable	**$ 15,727**	$ 35,312
Accrued expenses	**115,002**	109,758
Refundable advances	**41,400**	5,000
Total liabilities	**172,129**	150,070
Net assets		
Without donor restrictions	**2,194,760**	2,074,142
With donor restrictions	**17,157**	12,679
Total net assets	**2,211,917**	2,086,821
Total liabilities and net assets	**$ 2,384,046**	$ 2,236,891

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

Professionals Resource Network, Inc.
Statements of Activities

For the years ended June 30,	Without Donor Restrictions	With Donor Restrictions	2021 Total	2020 Summarized Total
Revenue and Other Support				
Grants and other contracts	$ 2,299,528	$ -	**$ 2,299,528**	$ 2,318,528
Contribution revenue	69,794	4,478	**74,272**	71,996
Other revenue	27,400	-	**27,400**	83,364
Investment income	17,246	-	**17,246**	29,266
Total revenue and other support	2,413,968	4,478	**2,418,446**	2,503,154
Expenses				
Program services				
FL Dept of Health	2,061,538	-	**2,061,538**	2,187,763
FL Dept of Business and Professional Regulation	66,114	-	**66,114**	66,784
Universities	77,353	-	**77,353**	80,508
Total program services	2,205,005	-	**2,205,005**	2,335,055
Supporting services				
General and administrative	88,345	-	**88,345**	110,108
Total supporting services	88,345	-	**88,345**	110,108
Total expenses	2,293,350	-	**2,293,350**	2,445,163
Change in net assets	120,618	4,478	**125,096**	57,991
Net assets at beginning of year	2,074,142	12,679	**2,086,821**	2,028,830
Net assets at end of year	$ 2,194,760	$ 17,157	**$ 2,211,917**	$ 2,086,821

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

Professionals Resource Network, Inc.
Statements of Functional Expenses

For the year ended June 30,	Program Services: FL Dept of Health	Program Services: FL Dept of Business and Professional Regulation	Program Services: Universities	Program Services: Total Program Subtotal	Supporting Services: General and administrative	**Total 2021**	Summarized Total 2020
Salaries and benefits	$ 1,584,220	$ 51,332	$ 60,042	$ 1,695,594	$ 4,117	**$ 1,699,711**	$ 1,753,764
Rent	115,085	3,727	4,361	123,173	-	**123,173**	117,510
Management services	74,748	2,419	2,833	80,000	-	**80,000**	80,000
Professional fees	61,983	2,010	2,349	66,342	8,106	**74,448**	67,277
Data analysis	68,884	1,798	2,118	72,800	-	**72,800**	72,800
Office expenses	53,712	1,742	2,036	57,490	-	**57,490**	46,785
Other	9,460	307	359	10,126	40,777	**50,903**	64,423
Consultants	30,266	976	1,148	32,390	-	**32,390**	33,293
Utilities	26,852	871	1,018	28,741	-	**28,741**	34,224
Insurance	23,445	760	889	25,094	-	**25,094**	25,873
Depreciation	-	-	-	-	15,869	**15,869**	16,118
Bad debt expense	-	-	-	-	15,000	**15,000**	-
Meetings and conferences	7,592	-	-	7,592	3,451	**11,043**	94,835
Travel	5,291	172	200	5,663	1,025	**6,688**	38,261
Total	$ 2,061,538	$ 66,114	$ 77,353	$ 2,205,005	$ 88,345	**$ 2,293,350**	$ 2,445,163

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

Professionals Resource Network, Inc.
Statements of Cash Flows

For the years ended June 30,	**2021**	2020
Operating Activities		
Change in net assets	**$ 125,096**	$ 57,991
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Bad debts	**15,000**	-
Depreciation	**15,869**	16,118
Changes in operating assets and liabilities:		
Accounts receivable, net	**866**	90,770
Prepaid expenses and other assets	**(1,444)**	(1,117)
Accounts payable	**(19,585)**	9,763
Accrued expenses	**5,244**	42,498
Refundable advances	**36,400**	(13,525)
Net cash provided by (used in) operating activities	**177,446**	202,498
Investing Activities		
Purchases of furniture and equipment	**(4,250)**	-
Purchases of investments	**(14,579)**	(13,007)
Net cash provided by (used in) investing activities	**(18,829)**	(13,007)
Net change in cash and cash equivalents	**158,617**	189,491
Cash and cash equivalents at beginning of year	**894,750**	705,259
Cash and cash equivalents at end of year	**$ 1,053,367**	$ 894,750

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

Note 1: DESCRIPTION OF THE BUSINESS

The Professionals Resource Network, Inc. (the Corporation) is a not-for-profit organization created in June 2006 to administer the Impaired Practitioner Program (the Program) pursuant to Florida Statutes. Historically, the Program was administered by the Florida Medical Foundation. In October 2006, the State of Florida, Department of Health approved the assignment of the Program contract to the Corporation, and the Corporation began administering the Program in November 2006.

The Program provides for the evaluation, referral, and case management of certain Florida professional licensees who may be suffering from mental or physical disability or abuse of chemical substances with dependency. The Corporation has a contract with the State of Florida, Department of Health to provide the Program to licensed Florida physicians. The Corporation also has a contract with the Florida Department of Business and Professional Regulation to provide the Program to licensed Florida harbor pilots and veterinarians.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting year. Actual results could differ from those estimates.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Corporation's financial statements for the year ended June 30, 2020, from which the summarized information was derived.

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables

Accounts receivable consists of revenues earned for services under state contracts, accrued interest, and other trade receivables. PRN Program loans receivable consists of loans that are made to admitted licensees for their initial treatment programs. Receivables are stated at unpaid balances, less an allowance for doubtful accounts. The Corporation provides for losses on accounts receivable using the allowance method. The allowance is based on experience and other circumstances, which may affect the ability of grantors, participants, and others to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Corporation's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

Investments

Investments consist of certificates of deposit. Investments maturing in less than one year are classified as short-term investments. Certificates of deposit are stated at cost, which approximate fair value. Investment income consists of interest earned on demand deposits and certificates of deposit.

Furniture and Equipment, Net

All acquisitions of furniture and equipment in excess of $1,000 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Furniture and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method.

Net Assets

The Corporation reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Corporation, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The governing board has designated, from net assets without donor restrictions, net assets for a liquidity reserve.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets (continued)

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Revenue Recognition

Fee-for-service state contracts and conference income are accounted for under ASC Topic 606, *Revenue from Contracts with Customers* (ASC 606), recognizing revenue when performance obligations under the terms of the contracts with customers are satisfied.

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

The Corporation performs administrative services for specified agencies under state grant agreements, primarily with DOH and DBPR. These services are provided by the Corporation under a fixed price agreement. The contracts are performance-based with specified program outputs and evaluation measures. No commensurate value is received by DOH or DBPR in return as the Corporation's services are provided to the agencies and ultimately the general public. Based on these factors, grants are considered conditional contributions and revenues are recognized as allowable costs for services are provided.

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses which relate to multiple programs are allocated based on number of participants served within each program.

Income Taxes

Pursuant to a determination letter received from the Internal Revenue Service, the Corporation is exempt from federal income tax under Section 501 (c)(3) of the Internal Revenue Code (IRC), and as such, is liable for tax only on business income unrelated to the purpose for which it is exempt. No provision for income taxes has been recorded in the accompanying financial statements.

Reclassifications

Certain reclassifications were made to prior year balances to conform with current year presentation.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 3, 2022. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Accounting Standards Not Yet Adopted

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). The guidance in this ASU and its amendments supersedes the leasing guidance in Topic 840, *Leases*. Under the guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. For nonpublic entities, the standard is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The Corporation is currently evaluating the impact of the guidance on its financial statements.

Note 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY

The Corporation maintains its financial assets primarily in cash and cash equivalents to provide liquidity to ensure funds are available as the Corporation's expenditures come due. The following reflects the Corporation's financial assets as of the statement of financial positon date, reduced by amounts not available for general use within one year of the statement of financial positon date because of contractual or donor-imposed restrictions.

June 30,	**2021**	2020
Total assets at year end	**$ 2,384,046**	$ 2,236,891
Less non-financial assets:		
Prepaid expenses and other assets	**(22,496)**	(21,052)
Furniture and equipment, net	**(23,018)**	(34,637)
Financial assets at year-end	**2,338,532**	2,181,202
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions		
Restricted by donor with time or purpose restrictions	**(17,157)**	(12,679)
Board designations	**(260,781)**	(255,874)
Financial assets available to meet cash needs for general expenditures within one year	**$ 2,060,594**	$ 1,912,649

Note 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY (Continued)

As part of the Corporation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The board designated net assets may be drawn upon, after board authorization, in the event of financial distress or an immediate need resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities.

Note 4: ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

June 30,	**2021**	2020
State contracts receivable	**$ 367,661**	$ 409,328
Other trade receivables	**35,039**	9,238
Accounts receivable, net	**$ 402,700**	$ 418,566

Bad debt expense related to accounts receivable for the years ended June 30, 2021 and 2020 was $15,000 and $-0-, respectively.

Note 5: PRN PROGRAM LOANS RECEIVABLE

PRN Program loans receivable consists of the following:

June 30,	**2021**	2020
Loans receivables	**$ 19,767**	$ 32,270
Less allowance for doubtful accounts	**(19,767)**	(32,270)
Total PRN program loans receivable, net	**$ -**	$ -

Bad debt expense related to the PRN program loans for the years ended June 30, 2021 and 2020 was $-0- and $7,662, respectively.

Note 6: INVESTMENTS

Due to the nature of the certificates of deposit, they are not subject to the disclosure requirements under the Fair Value Measurement and Disclosure Topic of the FASB Accounting Standards Codification.

Note 6: INVESTMENTS (Continued)

Investments consist of the following:

June 30, 2021	Cost	Market Value
Certificates of deposit, current	$ 237,391	$ 237,391
Certificates of deposit, noncurrent	645,074	645,074
Total investments	$ 882,465	$ 882,465

June 30, 2020	Cost	Market Value
Certificates of deposit, current	$ 633,227	$ 633,227
Certificates of deposit, noncurrent	234,659	234,659
Total investments	$ 867,886	$ 867,886

Total investments consist of short-term investments and investments as presented in the statements of financial position.

Note 7: FURNITURE AND EQUIPMENT

Furniture and equipment consist of the following:

June 30,	Estimated Useful Lives (in years)	**2021**	2020
Furniture and equipment	5 - 10	**$ 127,405**	$ 123,155
Leasehold improvements	5 - 10	**46,027**	46,027
Total furniture and equipment		**173,432**	169,182
Less accumulated depreciation		**(150,414)**	(134,545)
Total furniture and equipment, net		**$ 23,018**	$ 34,637

Depreciation expense for the years ended June 30, 2021 and 2020 was $15,869 and $16,118, respectively.

Note 8: NET ASSETS

Net assets without donor restrictions consist of the following:

June 30,	**2021**	2020
Undesignated	**$ 1,933,979**	$ 1,818,268
Board designated	**260,781**	255,874
Total net assets without donor restrictions	**$ 2,194,760**	$ 2,074,142

Net assets with donor restrictions consist of the following:

June 30,	**2021**	2020
Purpose restricted		
Loans to participants fund	**$ 17,157**	$ 12,679
Total net assets with donor restrictions	**$ 17,157**	$ 12,679

Note 9: REVENUE

The Corporation's primary revenue source is from state grants. The Corporation's revenue from contracts with customers primarily relates to state universities.

Revenue from contracts with state universities consists of annual access fees and student fees, where revenue is recognized over time during the fiscal year.

Revenue from conference income is recognized at the point when the related event occurs.

The Corporation recognizes revenue at the time the performance obligations are met and at the time contributions are received.

Note 9: REVENUE (Continued)

Disaggregated Revenue

A summary of disaggregated revenue information follows:

For the years ended June 30,	**2021**	2020
Revenue from contracts with customers		
Recognized over time		
Contracts with universities	**$ 85,000**	$ 104,000
Recognized at a point in time		
Conference income	**18,200**	45,314
Other revenue and support		
Grants	**2,214,528**	2,214,528
Contributions	**74,272**	71,996
Conference sponsorships	**8,000**	37,550
Investment income	**17,246**	29,266
Other income	**1,200**	500
Total revenue and other support	**$ 2,418,446**	$ 2,503,154

Contract Balances

June 30,	**2021**	2020
Receivable from contracts, beginning of year	**$ 49,000**	$ 96,000
Receivable from contracts, end of year	**$ 33,000**	$ 49,000

Receivable from contracts is included in accounts receivable, net in the statements of financial position.

Note 10: CONCENTRATIONS OF RISK

The Corporation maintains cash with a financial institution which exceeds the FDIC limit of $250,000 by $339,153 and $159,849 at June 30, 2021 and 2020, respectively. The Corporation manages these risks by maintaining deposits in high quality financial institutions.

The Corporation received approximately 90% and 87% of its revenues from a Florida Department of Health contract for the fiscal years ended June 30, 2021 and 2020, respectively. At June 30, 2021 and 2020, approximately 90% and 86%, respectively, of accounts receivable relate to this contract.

Note 11: COMMITMENTS

The Corporation leases its office facility and certain equipment under various operating leases. Minimum future lease payments required under the terms of the leases including sales tax are as follows:

For the years ending June 30,	
2022	**$ 108,208**
2023	**88,330**
2024	**11,940**
2025	**11,940**
2026	**10,945**
Total future minimum lease payments	**$ 231,363**

Rental expense was $123,173 and $117,510 in fiscal 2021 and 2020, respectively.

Note 12: CONTINGENCIES

The Corporation assesses potential liabilities in connection with lawsuits and threatened lawsuits under FASB ASC 450. The filing of a suit or formal assertion of a claim or assessment does not automatically indicate that accrual of a loss is appropriate. An accrual would be inappropriate, but disclosure would be required, if an unfavorable outcome is determined to be reasonably possible but not probable, or if the amount of loss cannot be reasonably estimated. If an unfavorable outcome is assessed as probable, an accrual would be appropriate if the amount of loss can be reasonably estimated, and disclosure would be required. The Corporation is currently a party to arbitrations in the normal course of operations; however, an accrual is not appropriate based on the unknown outcome of the arbitrations.

Note 13: PENSION PLAN

Eligible Corporation employees may participate in a safe harbor matching contribution plan equal to 100% of the participant's salary deferrals that do not exceed 3% of the participant's compensation plus 50% of the participant's salary deferrals between 3% and 5% of the participant's compensation. The safe harbor matching contribution is 100% vested. The Corporation also provides another 4% profit sharing match. Total employer contributions charged to expense for the years ended June 30, 2021 and 2020, was $72,934 and $72,533, respectively.

Note 14: RELATED PARTY TRANSACTIONS

The Corporation has an agreement with the Florida Medical Association (FMA) for FMA to perform certain administrative services. The FMA President, with the approval of the FMA board, appoints the members of the Corporation's board of directors. The Corporation paid FMA $80,000 for services for each of the years ended June 30, 2021 and 2020, respectively.

The Corporation made contributions of $20,000 to the Foundation for Healthy Floridians during each of the years ended June 30, 2021 and 2020. The Foundation for Healthy Floridians is considered a related party of FMA due to FMA's control and economic interest in the Foundation for Healthy Floridians. As of June 30, 2021 and 2020, the Corporation had a payable due to Foundation for Healthy Floridians in the amounts of $-0- and $20,000, respectively. There were no contributions to or receivables due from Foundation for Healthy Floridians for the years ended June 30, 2021 and 2020.

Note 15: UNCERTAINTIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Corporation. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

OTHER REPORTS

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
2633 Centennial Boulevard
Suite 200
Tallahassee, Florida 32308

(850) 878-8777
(850) 878-2344 (fax)
CRIcpa.com

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*

The Board of Directors
Professionals Resource Network, Inc.

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, the financial statements of the Professionals Resource Network, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2021, 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 March 3, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Professional Resource Network, Inc.'s internal control over financial reporting (internal control) to determine the 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 Professional Resource Network, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Professional Resource Network, 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.

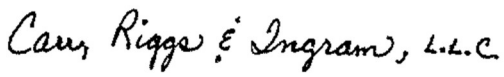
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Professional Resource Network, 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 determination of financial statement amounts. 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.



Carr, Riggs & Ingram, LLC

Tallahassee, Florida
March 3, 2022

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
2633 Centennial Boulevard
Suite 200
Tallahassee, Florida 32308

(850) 878-8777
(850) 878-2344 (fax)
CRIcpa.com

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CHAPTER 10.650, *RULES OF THE AUDITOR GENERAL*

The Board of Directors
Professionals Resource Network, Inc.

Report on Compliance for the Major State Project

We have audited Professionals Resource Network, Inc.'s (the Corporation's) compliance with the types of compliance requirements described in the Department of Financial Service's State Projects Compliance Supplement that could have a direct and material effect on Professional Resource Network, Inc.'s major state project for the year ended June 30, 2021. Professional Resource Network, Inc.'s major state project is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the state statutes, and the terms and conditions of its state awards applicable to its state project.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for Professional Resource Network, Inc.'s major state project based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and Chapter 10.650, *Rules of the Auditor General.* Those standards and Chapter 10.650, *Rules of the Auditor General,* require that we plan and perform the audit to obtain reasonable assurances about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state project occurred. An audit includes examining, on a test basis, evidence about the Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major state project. However, our audit does not provide a legal determination of Professional Resource Network, Inc.'s compliance.

Opinion on the Major State Project

In our opinion, Professional Resource Network, Inc. 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 state project for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of Professional Resource Network, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Professional Resource Network, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on the major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major state project and to test and report on internal control over compliance in accordance with Chapter 10.650, *Rules of the Auditor General,* but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Professional Resource Network, Inc.'s 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 state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 state project 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 state project 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 Chapter 10.650, *Rules of the Auditor General.* Accordingly, this report is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

Carr, Riggs & Ingram, LLC

Tallahassee, Florida
March 3, 2022

SUPPLEMENTARY INFORMATION

Professionals Resource Network, Inc.
Schedule of Expenditures of State Financial Assistance
Year Ended June 30, 2021

Grantor/Project Title	Assistance Listing Number	Award Amount	Contract Number	Expenditures	Amount Provided to Subrecipients
STATE					
Florida Department of Health					
Impaired Practitioner Program	64.046	$ 2,169,907	COMX7	$ 2,061,538	$ -
Total expenditures of state financial assistance				$ 2,061,538	$ -

See Independent Auditors' Report.
See accompanying notes to the schedule of expenditures of state financial assistance.

Note 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of state financial assistance includes the state grant activity of the Professionals Resource Network, Inc. (the Corporation). The information in the schedule is presented in accordance with the requirements of Chapter 10.650, *Rules of the Auditor General*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the financial statements.

Note 2: BASIS OF ACCOUNTING

The schedule was prepared on the accrual basis of accounting.

Note 3: CONTINGENCIES

Grant monies received and disbursed by the Corporation are subject to review by the grantor agency. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the Corporation does not believe that such disallowance, if any, would have a material effect on the financial position of the Corporation. As of June 30, 2021, there were no material questioned or disallowed costs as a result of grant audits in process or completed.

Note 4: NONCASH ASSISTANCE

The Corporation did not receive any state noncash assistance for the year ended June 30, 2021.

SECTION I - SUMMARY OF AUDIT RESULTS

Financial Statements:

1.	Type of auditors' report issued	Unmodified
2.	Internal control over financial reporting:	
	a. Material weaknesses identified?	No
	b. Significant deficiencies identified not considered to be material weaknesses?	None noted
	c. Noncompliance material to the financial statements noted?	No

State Financial Assistance:

1.	Type of auditors' report issued on compliance for major projects	Unmodified
2.	Internal control over major projects:	
	a. Material weaknesses identified?	No
	b. Significant deficiencies identified not considered to be material weaknesses?	None noted
3.	Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650, *Rules of Auditor General*?	No
4.	Identification of major projects:	

Assistance Listing Number	State Project
64.046	Impaired Practitioner Program

5.	Dollar threshold used to distinguish between type A and type B projects:	$618,461

SECTION II – FINANCIAL STATEMENT FINDINGS

None noted

SECTION III – STATE FINANCIAL ASSISTANCE FINDINGS

None noted

SECTION IV – SUMMARY OF PRIOR YEAR FINDINGS

None noted

SECTION V – OTHER MATTERS

(a) No management letter is required because there were no findings required to be reported in the management letter (see AG Rule Section 10.656(3)(e)).