FAMILY SUPPORT SERVICES OF SUNCOAST, LLC

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023
AND
PERIOD ENDED JUNE 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Family Support Services of Suncoast, LLC
Largo, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Family Support Services of Suncoast, LLC (a nonprofit organization) which comprise the statement of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the year and period then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Family Support Services of Suncoast, LLC as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the year and period 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Family Support Services of Suncoast, LLC 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.

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 Family Support Services of Suncoast, LLC'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 (continued)

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 generally accepted auditing standards 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 generally accepted auditing standards 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 Family Support Services of Suncoast, LLC'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 Family Support Services of Suncoast, LLC'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 accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*, *Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.650, *Rules of the Auditor General*, 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 schedule of expenditures of federal awards and state financial assistance 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 February 13, 2024, on our consideration of Family Support Services of Suncoast, LLC'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 Family Support Services of Suncoast, LLC'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 Family Support Services of Suncoast LLC's internal control over financial reporting and compliance.

Moss, Krusick & Associates, LLC

Winter Park, Florida
February 13, 2024

FAMILY SUPPORT SERVICES OF SUNCOAST, LLC

STATEMENTS OF FINANCIAL POSITION (DEFICIT)

YEAR ENDED JUNE 30, 2023 AND PERIOD ENDED JUNE 30, 2022

ASSETS

CURRENT ASSETS	**2023**	**2022**
Cash and cash equivalents	$ 14,212,834	$ 1,940,230
Accounts receivable	729,746	427,801
Due from DCF	-	2,012,727
Prepaid expenses	2,875	9,966
TOTAL CURRENT ASSETS	14,945,455	4,390,724
Property and equipment, net	831,350	51,608
Other non-current assets	71,000	-
Deposits	20,000	20,000
Operating lease right-of-use asset	14,310,668	-
TOTAL NON-CURRENT ASSETS	15,233,018	71,608
TOTAL ASSETS	$ 30,178,473	$ 4,462,332

LIABILITIES AND NET ASSETS (DEFICIT)

CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 6,874,767	$ 5,495,946
Refundable advances	10,598,562	1,027,098
Operating lease liability	904,182	-
TOTAL CURRENT LIABILITIES	18,377,511	6,523,044
Non-current operating lease liability	13,442,198	-
TOTAL LIABILITIES	31,819,709	6,523,044
NET ASSETS (DEFICIET)		
Without donor restrictions	(1,735,151)	(2,153,075)
With donor restrictions	93,915	92,363
TOTAL NET ASSETS (DEFICIT)	(1,641,236)	(2,060,712)
TOTAL LIABILITIES AND NET ASSETS	$ 30,178,473	$ 4,462,332

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

FAMILY SUPPORT SERVICES OF SUNCOAST, LLC

STATEMENT OF ACTIVITIES (DEFICIT)

YEAR ENDED JUNE 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Public Support			
State and federal support	$ 131,461,178	$ -	$ 131,461,178
Local support	824,246	19,113	843,359
Total public support	132,285,424	19,113	132,304,537
Revenues			
Contributed non-financial assets	11,628	-	11,628
Other income	11,840	-	11,840
Total support and revenues before net assets released from restrictions	132,308,892	19,113	132,328,005
Net assets released from restrictions - satisfaction of purpose restrictions	17,561	(17,561)	-
Total revenue and other support	132,326,453	1,552	132,328,005
EXPENSES			
Program services			
Child welfare services	129,499,824	-	129,499,824
Total program services	129,499,824	-	129,499,824
Supporting services			
General and administrative	2,408,705	-	2,408,705
Total supporting services	2,408,705	-	2,408,705
Total expenses	131,908,529	-	131,908,529
Changes in net assets	417,924	1,552	419,476
NET ASSETS (DEFICIT), BEGINNING OF YEAR	(2,153,075)	92,363	(2,060,712)
NET ASSETS (DEFICIT), END OF YEAR	$ (1,735,151)	$ 93,915	$ (1,641,236)

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

FAMILY SUPPORT SERVICES OF SUNCOAST, LLC

STATEMENT OF ACTIVITIES (DEFICIT)

PERIOD ENDED JUNE 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Public Support			
State and federal support	$ 51,851,526	$ -	$ 51,851,526
Local support	282,842	95,363	378,205
Total public support	52,134,368	95,363	52,229,731
Revenues			
Contributed non-financial assets	13,245	-	13,245
Total support and revenues before net assets released from restrictions	52,147,613	95,363	52,242,976
Net assets released from restrictions - satisfaction of purpose restrictions	3,000	(3,000)	-
Total revenue and other support	52,150,613	92,363	52,242,976
EXPENSES			
Program services			
Child welfare services	53,801,631	-	53,801,631
Total program services	53,801,631	-	53,801,631
Supporting services			
General and administrative	502,057	-	502,057
Total supporting services	502,057	-	502,057
Total expenses	54,303,688	-	54,303,688
Changes in net assets	(2,153,075)	92,363	(2,060,712)
NET ASSETS, BEGINNING OF YEAR	-	-	-
NET ASSETS (DEFICIT), END OF YEAR	$ (2,153,075)	$ 92,363	$ (2,060,712)

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

FAMILY SUPPORT SERVICES OF SUNCOAST, LLC

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2023

	Program Services	Supporting Services	
	Child Welfare Services	General and Adminisrative	Total
Salaries and related expenses			
Salaries	$ 16,574,169	$ 1,330,351	$ 17,904,520
Payroll taxes and benefits	4,355,374	312,670	4,668,044
Total salaries and related expenses	20,929,543	1,643,021	22,572,564
Occupancy			
Rent	1,589,752	66,104	1,655,856
Office space services	331,380	-	331,380
Telephone and data lines	93,460	2,013	95,473
Repairs and maintenance	53,979	493	54,472
Office equipment	261,011	1,049	262,060
Depreciation	57,024	-	57,024
Total occupancy	2,386,606	69,659	2,456,265
Operating expenses			
Professional services	197,956	59,274	257,230
Contributed non-financial expenses	11,628	-	11,628
Licenses	33,001	2,302	35,303
Liability insurance	13,782	491,323	505,105
Printing and publications	10,751	1,169	11,920
Postage	24,905	929	25,834
Office supplies	1,818,464	42,411	1,860,875
Professional development	52,064	21,736	73,800
Employee expenses	213,222	977	214,199
Advertising	155,711	-	155,711
Dues and subscriptions	30,500	17,229	47,729
Staff recruiting	4,414	15,994	20,408
Staff travel	406,672	34,852	441,524
Staff cell phones	165,845	7,829	173,674
Vehicle expenses	51,072	-	51,072
Other expenses	17,561	-	17,561
Total operating expenses	3,207,548	696,025	3,903,573
Contract services			
Contract professional services	29,851,271	-	29,851,271
Client training services	2,348,348	-	2,348,348
Direct client assistance	2,116,002	-	2,116,002
Provider services - direct support (FSFN)	68,660,506	-	68,660,506
Total contract services	102,976,127	-	102,976,127
TOTAL EXPENSES	$ 129,499,824	$ 2,408,705	$ 131,908,529

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

FAMILY SUPPORT SERVICES OF SUNCOAST, LLC

STATEMENT OF FUNCTIONAL EXPENSES

PERIOD ENDED JUNE 30, 2022

	Program Services	Supporting Services	
	Child Welfare Services	General and Adminisrative	Total
Salaries and related expenses			
Salaries	$ 5,704,128	$ 379,283	$ 6,083,411
Payroll taxes and benefits	1,198,004	52,746	1,250,750
Total salaries and related expenses	6,902,132	432,029	7,334,161
Occupancy			
Rent	792,105	3,417	795,522
Telephone and data lines	65,030	65	65,095
Repairs and maintenance	28,521	-	28,521
Office equipment	103,334	-	103,334
Depreciation	4,692	-	4,692
Total occupancy	993,682	3,482	997,164
Operating expenses			
Professional services	213,034	14,905	227,939
Contributed non-financial expenses	13,245	-	13,245
Liability insurance	167,675	-	167,675
Postage	3,687	-	3,687
Office supplies	886,248	1,638	887,886
Professional development	8,566	1,158	9,724
Employee expenses	27,914	748	28,662
Dues and subscriptions	45,264	-	45,264
Staff recruiting	11,671	25,281	36,952
Staff travel	228,262	22,661	250,923
Staff cell phones	69,194	-	69,194
Vehicle expenses	9,254	155	9,409
Other expenses	3,000	-	3,000
Total operating expenses	1,687,014	66,546	1,753,560
Contract services			
Contract professional services	13,153,888	-	13,153,888
Client training services	206,187	-	206,187
Direct client assistance	40,426	-	40,426
Provider services - direct support (FSFN)	30,818,302	-	30,818,302
Total contract services	44,218,803	-	44,218,803
TOTAL EXPENSES	$ 53,801,631	$ 502,057	$ 54,303,688

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

FAMILY SUPPORT SERVICES OF SUNCOAST, LLC

STATEMENTS OF CASH FLOWS

YEAR ENDED JUNE 30, 2023 AND PERIOD ENDED JUNE 30, 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	$ 419,476	$ (2,060,712)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	57,024	4,692
Non-cash rent	35,712	-
Changes in operating assets and liabilities:		
Accounts receivable	(301,945)	(427,801)
Due from DCF	2,012,727	(2,012,727)
Prepaid expenses	7,091	(9,966)
Deposits	-	(20,000)
Accounts payable and accrued expenses	1,378,821	5,495,946
Refundable advances	9,571,464	1,027,098
Cash provided by operating activities	13,180,370	1,996,530
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(836,766)	(56,300)
Purchase of non-current assets	(71,000)	-
Cash used in investing activities	(907,766)	(56,300)
Increase in cash and cash equivalents	12,272,604	1,940,230
Cash and cash equivalents, beginning of year	1,940,230	-
Cash and cash equivalents, end of year	$ 14,212,834	$ 1,940,230
SIGNIFICANT NON-CASH TRANSACTIONS - OPERATING LEASES		
Operating lease right-of-use asset	$ 14,518,344	$ -
Operating lease liability	$ 14,518,344	$ -

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

NOTE 1 – ORGANIZATION AND OPERATIONS

Family Support Services of Suncoast, LLC (the "Organization") became a private not-for-profit limited liability company under the laws of the State of Florida on December 10, 2021. The Organization acts as lead agency in providing protective services for children and their families in Pasco and Pinellas counties.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

   The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles 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).

2. Use of Estimates

   The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and changes there in, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to useful lives of depreciable assets, fair value measurements of investments, accrual of compensated absences, and the allocation of functional expenses.

3. Cash and Cash Equivalents

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

4. Accounts Receivable

   Accounts receivable consist primarily of grant revenues earned but not received and are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of grantors to meet their obligations.

   Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. Management considers all receivables to be fully collectible; therefore no allowance has been made.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

5. Property and Equipment

All acquisitions of property 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 expenses as incurred. Property 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.

6. Net Assets

The Organization 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 assts 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 Organization, 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 the course of its operations.

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.

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.

7. Revenue Recognition

Program services fees 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. Prior to the adoption of ASC 606, the Organization recognized revenue when persuasive evidence of an arrangement existed, delivery of the products had occurred, the sales price was fixed or determinable and was reasonably assured.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

7. Revenue Recognition (continued)

A significant portion of the Organization's grants and contracts are from government agencies. These benefits received by the public as a result of the assets transferred is not equivalent to commensurate value received by the government agencies and are therefore not considered exchange transactions. Grants and contracts are analyzed for measurable performance-related barriers or other barriers. Revenue is recognized as barriers are met. Funds received from non-exchange transactions in advance of barriers being met are recorded as refundable advances.

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.

8. Functional Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses related to payroll, payroll taxes, and employee benefits are allocated based on actual percentage of time spent in each functional area. Rent and utilities are allocated based on square footage and insurance and equipment leases are allocated based on the number of full-time equivalent positions. Depreciation is allocated based on specific department or program that utilizes the equipment. Office equipment, office supplies, general postage and printing, certain professional fees and information technology are allocated based on a fixed percentage.

9. Income Taxes

Under section 501(c)(3) of the Internal Revenue Code, Family Support Services of Suncoast, LLC is exempt from tax on income other than unrelated business income. No unrelated business income has been identified.

The Organization utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of FASB ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest, penalties, accounting in interim periods, disclosure and transition. As of June 30, 2023 and 2022, the Organization has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements.

10. Reclassifications

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

11. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, February 13, 2024. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

12. Recent Accounting Pronouncements

Implemented:

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities* (Topic 958)*: Presentation and Disclosures by Not-for-Profit Entities for Contributed Non-financial Assets*, which requires the monitoring and tracking of gifts in kind by asset category, while also noting any donor-imposed restrictions. The Organization adopted ASU No. 2020-07 effective July 1, 2021. The adoption has no significant impact on the Organization's financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases* (ASC 842), that requires lessees to put most leases on their balance sheets and recognize expenses on their income statements in a manner similar to today's capital lease accounting. For lessors, the guidance modifies the classification criteria for accounting for sales-type and direct financing leases. The Organization adopted ASC 842 effective July 1, 2022 using the optional transition method. See Note 10 for a summary of the Organization's operating lease assets and liabilities.

NOTE 3 – FINANCIAL ASSET AVAILABILITY

The Organization maintains its financial assets primarily in cash and cash equivalents, accounts receivable, and investments to provide liquidity to ensure funds are available as the Organization's expenditures come due. The following reflects the Organization's financial assets as of the statement of financial position date because of contractual or donor-imposed restrictions.

	2023	2022
Total assets at year end	$ 30,178,473	$ 4,462,332
Less non-financial assets		
Prepaid expenses	(2,875)	(9,966)
Property and equipment, net	(831,350)	(51,608)
Deposits	(20,000)	(20,000)
Operating lease right-of-use asset	(14,310,668)	-
Financial assets available to meet cash needs for general expenditures within one year	$ 15,013,580	$ 4,380,758

NOTE 4 – ACCOUNTS RECEIVABLE

Accounts receivable consist of the following as of June 30:

	2023	2022
Grants receivable	$ 688,564	$ 181,514
Due from DCF	-	2,012,727
Trade	41,182	246,287
Accounts Receivable, net	$ 729,746	$ 2,440,528

There was no bad debt expense for the year ended June 30, 2023 and period ended June 30, 2022.

NOTE 5 – PROPERTY AND EQUIPMENT

Components of property and equipment consist of the following as of June 30:

	Estimated Useful Lives (in years)	2023	2022
Vehicles	5	$ 368,700	$ 56,300
Construction in progress		524,366	-
		893,066	56,300
Less accumulated depreciation		(61,716)	(4,692)
Total property and equipment, net		$ 831,350	$ 51,608

Depreciation expense was $57,024 and $4,692 for the year ended June 30, 2023 and period ended June 30, 2022, respectively.

NOTE 6 – INVESTMENT IN COMMUNITY BASED CARE INTEGRATED HEALTH, LLC

During 2023, the Organization purchased one (1) Class C unit in Community Based Care Integrated Health, LLC (Integrated Health). Integrated Health is a Florida limited liability company engaged in the child welfare managed care business throughout Florida. The Organization provided child welfare and health services under the contract during the year ended June 30, 2023. The Organization's investment in the Partnership is valued at its original cost, which approximates fair value, of $71,000 (included in other noncurrent assets) as the investment does not have a readily determinable fair value.

NOTE 6 – INVESTMENT IN COMMUNITY BASED CARE INTEGRATED HEALTH, LLC (continued)

Investments in equity securities of nonpublic entities without readily determinable fair values are carried at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer and totaled $71,000 as of June 30, 2023. The Organization reviews its equity securities without readily determinable fair values on a regular basis to determine if the investment is impaired. For purposes of this assessment, the Organization considers the investee's cash position, earnings and revenue outlook, liquidity and management ownership, among other factors, in its review. If management's assessment indicates that an impairment exists, the Organization estimates the fair value of the equity investment and recognizes in current earnings an impairment loss that is equal to the difference between the fair value of the equity investment and its carrying amount. There was no deemed impairment for the year ended June 30, 2023.

NOTE 7 – NET ASSETS

A summary of net assets with donor restrictions as of June 30 are as follows:

	2023	2022
Purpose restricted		
Foster Angels program	$ 42,594	$ 42,168
Adoption programs	20,125	18,735
Foster parents programs	10,918	20,556
Rays Foundation program	10,189	1,631
Prevention programs	9,273	9,273
Hope Room program	816	-
Total net assets with purpose restrictions	$ 93,915	$ 92,363

A summary of the releases of donor restrictions for the year and period ended June 30 are as follows:

	2023	2022
Purpose restricted		
Foster parents programs	$ 9,688	$ 3,000
Adoption programs	3,860	-
Foster Angels program	2,164	-
Hope Room program	1,849	-
Total releases of net assets with donor restrictions	$ 17,561	$ 3,000

NOTE 8 – REVENUE

The Organization is recognizing revenue at a point in time for its program service fee revenue. There are no outstanding performance obligations to be satisfied at June 30, 2023. There is no program service fee revenue for the year ended June 30, 2023 and period ended June 30, 2022.

Disaggregated Revenue

100% of the Organization's revenue for the year ended June 30, 2023 and period ended June 30, 2022, is from non-exchange transactions through grants and contracts with government agencies.

The Organization's customers are primarily the general public located in Pasco and Pinellas counties in the Florida portion of the United States of America and government agencies.

NOTE 9 – CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash with financial institutions in excess of the FDIC limit of $250,000 by $14,091,307 and $1,737,810 at June 30, 2023 and 2022, respectively.

The Organization receives a substantial amount of support from federal, state, and local government agencies. A reduction in the level of future support from the state or local government agencies could have substantial effect on the Organization's programs and activities.

NOTE 10 – COMMITMENTS

Operating Leases

As disclosed in Note 2-12, the Organization adopted ASC 842, *Leases*, effective July 1, 2022, using the optional transition method. The Organization leases building space under two operating leases which were required to be included on the statement of financial position under ASC 842 at July 1, 2022 at their net present value of $14,518,344. The adoption of ASC 842 had no impact to the prior year statement of financial position, and because the leases are operating leases, they had no impact on the results of the operations.

As of June 30, 2023, the operating lease right of use (ROU) asset had a balance of $14,310,668, as shown in noncurrent assets on the statement of financial position; the operating lease liability is included in current liabilities ($904,182) and long-term liabilities ($13,442,198). The operating lease asset and liability were calculated utilizing the weighted average risk-free discount rate (6.15%), according to the Organization's elected policy. The operating leases have a weighted average remaining life of 9.83 years.

NOTE 10 – COMMITMENTS (continued)

Additional information about the Organization's leases are as follows:

Lease costs (included in rent):	
Operating lease cost	$ 328,051
Total lease cost	$ 328,051
Other information:	
Cash paid for amounts included in measuring operating lease liabilities:	
Operating cash flows from operating leases	$ 292,339
Total cash paid for amounts included in measuring operating lease liabilities	$ 292,339
Maturities of operating lease liabilities as of June 30, 2023:	
Years ending June 30:	
2024	$ 1,761,468
2025	1,806,235
2026	1,851,950
2027	1,898,951
2028	1,947,186
Thereafter	10,124,920
Total lease payments	19,390,710
Less: interest	(5,044,330)
Present value of operating lease liability	$ 14,346,380

Contingencies

Grants and contracts require the fulfillment of certain conditions set forth in the grant or contract. Failure to fulfill the conditions could result in the return of funds to the grantors. Although the possibility remains, management deems the contingency remote as, by accepting awards and their terms, it has accommodated the objectives of the Organization to the provisions of the grant.

The Organization's contract with the State of Florida, Department of Children and Families (DCF) is approximately 99% of the Organization's total revenue for the year ended June 30, 2023 and period ended June 30, 2022.

On January 1, 2022, the Organization entered into contract QJ014 with the Florida Department of Children and Families with a service period through June 30, 2027.

The Organization, in the normal course of business, is subject to claims and litigation. Although the ultimate disposition of these legal matters cannot be predicted with certainty, it is the present opinion of the Organization's management that the outcome of the current litigation will not have material effect on the financial condition of the Organization.

NOTE 11 – DEFINED CONTRIBUTION PROGRAM

The Organization sponsors a defined contribution plan (the Plan) covering substantially all employees. The Organization makes a contribution to the Plan each year equal to 3% of each participants' compensation. Total expense for the year ended June 30, 2023 and period ended June 30, 2022 was $435,551 and $115,430, respectively.

NOTE 12 – CONTRIBUTED NON-FINANCIAL ASSETS

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise have to be purchased by the Organization. Volunteers also provide many program related services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Donated supplies are recorded at their fair market values on the date of receipt by the Organization. A corresponding amount is recorded as expense.

For the year ended June 30, 2023 and period ended June 30, 2022, contributed non-financial assets recognized within the statements of activities included supplies of $11,628 and $13,245, respectively.

NOTE 13 – LINE OF CREDIT

The Organization obtained a line of credit (LOC) during 2023 for $2,000,000 with a financial institution which bears interest at the Index Rate plus a percentage per annum equal to 2.5% with a maturity date of February 28, 2024. The line is collateralized by all accounts receivable. The LOC was unused at June 30, 2023.

NOTE 14 – SUBSEQUENT EVENTS

Management evaluated all events or transactions that occurred after June 30, 2023 through February 13, 2024, the date the Organization's financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

FAMILY SUPPORT SERVICES OF SUNCOAST, LLC
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2023

Federal/State Agency, Pass-Through Entity, State Project	ALN/ CSFA Number	Grantor's Contract Number	Passed-Through to Subrecipients	Expenditures
FEDERAL AWARDS				
U.S. Department of Health and Human Services				
Pass-through program from:				
State of Florida, Department of Children and Families:				
Promoting Safe and Stable Families	93.556	QJ014	$ 946,887	$ 1,598,980
Medicaid Cluster				
Medical Assistance Program	93.778	QJ014	-	120,288
Temporary Assistance for Needy Families Block Grant	93.558	QJ014	3,477,439	7,720,847
Guardianship Assistance	93.090	QJ014	-	314,473
Chafee Education and Training Vouchers Program	93.599	QJ014	-	99,485
Child Welfare Services-State Grants	93.645	QJ014	625,968	1,276,613
Foster Care Title IV-E	93.658	QJ014	4,579,137	18,409,343
Adoption Assistance	93.659	QJ014	353,699	15,912,469
Social Services Block Grant	93.667	QJ014	823,629	3,943,618
Child Abuse and Neglect State Grants	93.669	QJ014	92,904	54,016
Child Abuse and Neglect State Grants	93.669	LJ200	-	568,050
Total for Child Abuse and Neglect State Grants			92,904	622,066
Grants to States for Access and Visitation Programs	93.597	QJ014	-	134,430
Chaffee Foster Care for Successful Transition to Adulthood	93.674	QJ014	183,362	917,564
Adoption Incentive Payments	93.603	QJ014	-	82,513
Total U.S. Department of Health and Human Services			11,083,025	51,152,689
Total Expenditures of Federal Awards			$ 11,083,025	$ 51,152,689
State of Florida, Department of Children and Families				
Direct program:				
Out-of-Home Supports	60.074	QJ014	$ 501,418	$ 23,570,320
The Independent Living and Road-to-Independence Program	60.112	QJ014	-	88,051
CBC-Sexually Exploited Children	60.138	QJ014	-	102,788
CBC-Purchase of Therapeutic Services for Children	60.183	QJ014	-	386,857
Extended Foster Care Program	60.141	QJ014	1,800	598,481
CBC-Adoption Services	60.076	QJ014	-	191,643
Guardianship Assistance Program	60.210	QJ014	-	392,317
Kinship Navigator Program	60.207	QJ014	230,307	481,536
Family Finders Program	60.206	QJ014	222,795	338,440
CBC-Fatherhood Engagement Specialists	60.211	QJ014	-	14,438
Family Preservation and CWS Diversion Program - Circuit 6	60.214	QJ014	1,995,902	4,524,715
CBC-Family Preservation CWS Diversion Program - FSS Suncoast	60.215	QJ014	293,017	1,503,713
State Funded Child Care Subsidy	60.244	QJ014	-	2,160,333
Total Expenditures of State Financial Assistance			$ 3,245,239	$ 34,353,632
STATE MATCHING OF FEDERAL AWARDS				
Department of Children and Families				
Guardianship Assistance	93.090	QJ014	$ -	$ 160,203
Promoting Safe and Stable Families	93.556	QJ014	17,993	33,508
Chafee Education and Training Vouchers Program	93.599	QJ014	-	20,371
Child Welfare Services-State Grants	93.645	QJ014	208,656	425,538
Adoption Assistance	93.659	QJ014	353,699	9,215,794
Chaffee Foster Care for Successful Transition to Adulthood	93.674	QJ014	45,465	113,223
Medical Assistance Program	93.778	QJ014	-	120,288
Temporary Assistance for Needy Families Block Grant	93.558	QJ014	812,175	1,392,289
Foster Care Title IV-E	93.658	QJ014	4,515,438	14,686,094
To be Tested Pursuant to OCA Activity	93.XXX	QJ014	7,137,965	19,787,549
Total Expenditures of State Matching of Federal Awards			$ 13,091,391	$ 45,954,857
TOTAL FEDERAL AWARDS, STATE FINANCIAL ASSISTANCE, AND STATE MACTHING OF FEDERAL AWARDS			$ 27,419,655	$ 131,461,178

See independent auditor's report.

FAMILY SUPPORT SERVICES OF SUNCOAST, LLC

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

JUNE 30, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance (the schedule) includes the federal award and state grant activity of Family Support Services of Suncoast, LLC under programs and projects of the federal and state government for the year ended June 30, 2023. 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) and Chapter 10.650, *Rules of the Auditor Genera*l. Because the schedule presents only a selected portion of the operations of Family Support Services of Suncoast, LLC it is not intended to and does not present the financial position, changes in net assets, or cash flows of Family Support Services of Suncoast, LLC.

NOTE 2 – BASIS OF ACCOUNTING

This schedule was prepared on the modified accrual basis of accounting. The modified accrual basis differs from the full accrual basis of accounting in that expenditures for property and equipment are expensed when incurred, rather than being capitalized and depreciated over their useful lives, and expenditures for the principal portion of debt service are expensed when incurred, rather than being applied to reduce the outstanding principal portion of debt, which conforms to the basis of reporting to grantors for reimbursement under the terms of the Organization's federal grants.

NOTE 3 – INDIRECT COST RATES

The Organization is not required to utilize the 10% de minimis indirect cost rate allowed under the Uniform Guidance and does not have a Federally Approved indirect cost rate. Allowable indirect general and administrative costs are allocated to programs, grants, contracts using a base that results in an equitable distribution. The Organization allocates rent expense to various departments based upon the square footage occupied by each Department as a percentage of the total space. Telephone and communication line charges are based upon which departmental FTEs are utilizing these services. Commercial insurance, office supplies, office equipment and similar expenses are charged to departments in proportion to their FTEs.

NOTE 4 – RELATIONSHIP OF THE SCHEDULE TO PROGRAM FINANCIAL REPORTS

The amounts reflected in the financial reports submitted to the awarding federal, state and/or pass-through agencies and the schedule may differ.

Some of the factors that may account for any difference include the following:

- The Organization's fiscal year end may differ from the program's year end.
- Accruals recognized in the schedule, because of year end procedures, may not be reported in the program financial reports until the next program reporting period.
- Fixed asset purchases and the resultant depreciation charges are recognized as fixed assets in the Organization's financial statements and as expenditures in the program financial reports and the schedule.

NOTE 5 – FEDERAL AND STATE CARRY-FORWARD FUNDS

During the year the Organization did not utilize any carried forward revenues from the Department of Children and Families.

NOTE 6 – CONTINGENCIES

Grant monies received and disbursed by the Organization are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Management does not believe that such disallowance, if any, would have a material effect on the financial position of the Organization. As of June 30, 2023, there were no material questioned or disallowed costs as a result of grant audits in process or completed.

NOTE 7 – NONCASH ASSISTANCE

The Organization did not receive any federal noncash assistance for the year ended June 30, 2023.

NOTE 8 – LOANS AND LOAN GUARANTEES

The Organization did not have any loans or loan guarantee programs required to be reported on the schedule for the year ended June 30, 2023.

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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*

To the Board of Directors of
Family Support Services of Suncoast, LLC
Largo, 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, the financial statements of Family Support Services of Suncoast, LLC (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, 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 February 13, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Family Support Services of Suncoast, LLC'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 Family Support Services of Suncoast, LLC's internal control. Accordingly, we do not express an opinion on the effectiveness of Family Support Services of Suncoast, LLC'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Family Support Services of Suncoast, LLC'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 Organization'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moss, Krusick & Associates, LLC

Winter Park, Florida
February 13, 2024

Partners
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND STATE OF FLORIDA CHAPTER 10.650, *RULES OF THE AUDITOR GENERAL*

To the Board of Directors of
Family Support Services of Suncoast, LLC
Largo, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Family Support Services of Suncoast, LLC's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement,* and the requirements described in the *Department of Financial Services*' State Projects Compliance Supplement, that could have a direct and material effect on each of Family Support Services of Suncoast, LLC's major federal programs and state projects for the year ended June 30, 2023. Family Support Services of Suncoast, LLC's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Family Support Services of Suncoast, LLC complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program and State Project

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 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) and Chapter 10.650, *Rules of the Auditor General* (Chapter 10.650). Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.650 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Family Support Services of Suncoast, LLC 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 each major federal program and state project. Our audit does not provide a legal determination of Family Support Services of Suncoast, LLC'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 Family Support Services of Suncoast, LLC's federal programs and state projects.

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 Family Support Services of Suncoast, LLC'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 generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650 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 Family Support Services of Suncoast, LLC's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.650, 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 Family Support Services of Suncoast, LLC'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 Family Support Services of Suncoast, LLC'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 and Chapter 10.650, but not for the purpose of expressing an opinion on the effectiveness of Family Support Services of Suncoast, LLC'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 or 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 federal program or 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 federal program or state project that is less severe than a material

Report on Internal Control Over Compliance (continued)

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 and Chapter 10.650. Accordingly, this report is not suitable for any other purpose.

Moss, Krusick & Associates, LLC

Winter Park, Florida
February 13, 2024

FAMILY SUPPORT SERVICES OF SUNCOAST, LLC

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FEDERAL PROGRAMS AND STATE PROJECTS

JUNE 30, 2023

Section I – Summary of Auditor's Results

Financial Statements

1. Type of auditor's report issued:	Unmodified
2. Internal control over financial reporting:	
a. Material weakness(es) identified?	No
b. Significant deficiencies identified that are not considered to be material weaknesses?	No
3. Noncompliance material to financial statements noted?	None reported

Federal Awards

1. Type of auditor's report issued on compliance for major programs:	Unmodified
2. Internal control over major programs:	
a. Material weakness(es) identified?	No
b. Significant deficiencies identified that are not considered to be material weaknesses?	None reported
3. Audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	No
4. Dollar threshold used to distinguish between Type A and Type B programs	$1,534,581
5. Auditee qualified as low-risk auditee?	No

Identification of major programs:

Name of Federal Program	ALN
Foster Care Title IV-E	93.658
Temporary Assistance for Needy Families Block Grant	93.558
Chafee Foster Care for Successful Transition to Adulthood	93.674

FAMILY SUPPORT SERVICES OF SUNCOAST, LLC

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FEDERAL PROGRAMS AND STATE PROJECTS

JUNE 30, 2023

Section I – Summary of Auditor's Results (continued)

State Financial Assistance

1. Type of auditor's report issued on compliance for major projects:	Unmodified
2. Internal control over major projects:	
a. Material weakness(es) identified?	No
b. Significant deficiencies identified that are not considered to be material weaknesses?	None reported
3. Audit findings disclosed that are required to be reported in accordance with the Florida Single Audit Act and Chapter 10.650, Rules of the Auditor General	No
4. Dollar threshold used to distinguish between Type A and Type B projects	$1,030,609

Identification of major projects:

Name of State Project	CSFA Number
Out-of-Home Supports	60.074
Family Preservation and CWS Diversion Program - Circuit 6	60.214
CBC-Family Preservation CWS Diversion Program - FSS Suncoast	60.215
State Funded Child Care Subsidy	60.244
CBC-Purchase of Therapeutic Services for Children	60.183

Section II – Financial Statement Findings

No current year findings (no corrective action plan or management letter required)

Section III – Federal Award and State Projects Findings and Questioned Costs

None (there are no items related to Federal Awards or State Financial Assistance required to be reported in the management letter, therefore no management letter issued)

Section IV – Status of Prior Year Audit Findings

There were no prior year audit findings