

**CHILD PROTECTION TEAM
OF PALM BEACH, INC.**

**FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION**
June 30, 2010 and 2009

CHILD PROTECTION TEAM OF PALM BEACH, INC.
FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION
For the Years Ended June 30, 2010 and 2009

TABLE OF CONTENTS

	<u>PAGES</u>
FINANCIAL STATEMENTS	
Independent Auditors' Report	1
Statements of Financial Position	2
Statements of Activities	3
Statement of Functional Expenses for the Year Ended June 30, 2010	4
Statement of Functional Expenses for the Year Ended June 30, 2009	5
Statements of Cash Flows	6
Notes to Financial Statements	7-10
SUPPLEMENTAL INFORMATION	
Schedule of Expenditures of Federal Awards and State Financial Assistance	11
INTERNAL CONTROLS AND COMPLIANCE	
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 <i>Government Auditing Standards</i>	12-13
Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Federal Program and State Project and on Internal Control over Compliance in Accordance with OMB Circular A-133 and Chapter 10.650, Rules of the Auditor General	14-15
Schedule of Findings and Questioned Costs	16-17

FINANCIAL STATEMENTS



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Child Protection Team of Palm Beach, Inc.
Lake Worth, Florida

We have audited the accompanying statements of financial position of Child Protection Team of Palm Beach, Inc. (the "Organization") (a not-for-profit organization) as of June 30, 2010 and 2009, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization at June 30, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2010, on our consideration of the Organization's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audits were conducted for the purpose of forming an opinion on the financial statements of the Organization taken as a whole. The accompanying schedule of expenditures of Federal awards and state financial assistance is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments and Non-profit Organizations," and the Florida Single Audit Act and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Keefe, McCullough & Co., LLP

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
December 8, 2010

CHILD PROTECTION TEAM OF PALM BEACH, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2010 and 2009

	2010	2009
ASSETS:		
Cash and cash equivalents	\$ 45,376	\$ 28,939
Accounts receivable	8,917	4,426
Grants receivable	126,744	120,493
Prepaid expenses	4,251	659
Property and equipment, less accumulated depreciation of \$ 63,342 and \$ 56,035, respectively	9,249	16,556
Total assets	\$ 194,537	\$ 171,073
LIABILITIES:		
Accounts payable	\$ 24,266	\$ 36,018
Accrued payroll liabilities	47,675	48,945
Debt	50,000	-
Total liabilities	121,941	84,963
CONTINGENCY (Note 7 and 9)	-	-
NET ASSETS:		
Unrestricted	72,596	86,110
Total liabilities and net assets	\$ 194,537	\$ 171,073

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

CHILD PROTECTION TEAM OF PALM BEACH, INC.

STATEMENTS OF ACTIVITIES

For the Years Ended June 30, 2010 and 2009

	2010	2009
UNRESTRICTED NET ASSETS:		
Public support and revenues		
Grant revenues	\$ 1,186,808	\$ 1,239,199
Program income	110,000	88,000
Donated facilities and services	75,400	75,400
Other income	24,615	5,265
Donations	-	6,325
Total public support and revenues	1,396,823	1,414,189
EXPENSES:		
Program services	1,319,946	1,298,490
Supporting services:		
Management and general	90,391	91,149
Total expenses	1,410,337	1,389,639
Change in net assets	(13,514)	24,550
NET ASSETS, beginning of year	86,110	61,560
NET ASSETS, end of year	\$ 72,596	\$ 86,110

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

CHILD PROTECTION TEAM OF PALM BEACH, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2010

	<u>Program Services</u>	<u>Management and General</u>	<u>Total 2010</u>
PERSONNEL SERVICES:			
Salaries	\$ 778,090	\$ 52,518	\$ 830,608
Employee benefits and taxes	<u>148,776</u>	<u>8,287</u>	<u>157,063</u>
Total personnel services	926,866	60,805	987,671
 OTHER EXPENSES:			
Professional fees	223,502	16,823	240,325
Building and occupancy	47,030	3,540	50,570
Insurance	31,463	2,368	33,831
Communications and utilities	33,895	2,551	36,446
Printing and supplies	19,028	1,432	20,460
Miscellaneous	10,265	773	11,038
Travel	13,325	1,003	14,328
Provision for depreciation	6,796	511	7,307
Equipment rental and maintenance	7,501	565	8,066
Interest expense	<u>274</u>	<u>21</u>	<u>295</u>
Total expenses	<u>\$ 1,319,946</u>	<u>\$ 90,391</u>	<u>\$ 1,410,337</u>

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

CHILD PROTECTION TEAM OF PALM BEACH, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2009

	<u>Program Services</u>	<u>Management and General</u>	<u>Total 2009</u>
PERSONNEL SERVICES:			
Salaries	\$ 781,425	\$ 55,136	\$ 836,561
Employee benefits and taxes	<u>144,506</u>	<u>7,972</u>	<u>152,478</u>
Total personnel services	925,931	63,108	989,039
 OTHER EXPENSES:			
Professional fees	204,574	15,398	219,972
Building and occupancy	44,640	3,360	48,000
Insurance	34,451	2,593	37,044
Communications and utilities	36,014	2,711	38,725
Printing and supplies	17,389	1,309	18,698
Miscellaneous	10,552	794	11,346
Travel	12,043	906	12,949
Provision for depreciation	5,901	444	6,345
Equipment rental and maintenance	5,573	419	5,992
Interest expense	<u>1,422</u>	<u>107</u>	<u>1,529</u>
Total expenses	<u>\$ 1,298,490</u>	<u>\$ 91,149</u>	<u>\$ 1,389,639</u>

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

CHILD PROTECTION TEAM OF PALM BEACH, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2010 and 2009

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (13,514)	\$ 24,550
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Provision for depreciation	7,307	6,345
Donated property and equipment	-	(6,125)
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(4,491)	6,074
(Increase) decrease in grants receivable	(6,251)	(105,141)
(Increase) decrease in prepaid expenses	(3,592)	20,467
Increase (decrease) in accounts payable	(11,752)	13,105
Increase (decrease) in accrued payroll liabilities	(1,270)	(26,052)
	<u>(33,563)</u>	<u>(66,777)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from debt	75,000	-
Principal payments on debt	(25,000)	(70,000)
	<u>50,000</u>	<u>(70,000)</u>
Net cash provided by (used in) financing activities		
	<u>50,000</u>	<u>(70,000)</u>
Net increase (decrease) in cash and cash equivalents	16,437	(136,777)
 CASH, beginning of year	<u>28,939</u>	<u>165,716</u>
 CASH, end of year	<u>\$ 45,376</u>	<u>\$ 28,939</u>

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

CHILD PROTECTION TEAM OF PALM BEACH, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 1 - ORGANIZATION AND OPERATIONS

Child Protection Team of Palm Beach, Inc. (the "Organization") is incorporated as a not-for-profit corporation and was formed in April 1997. The Organization was formed for the purpose of carrying on the program known as "Child Protection Team of Palm Beach County," and maintains its office at the Home Safe Facilities (Note 9) in Lake Worth, Florida.

The purpose of Child Protection Team of Palm Beach, Inc.'s program is to facilitate a coordinated interdisciplinary team approach to diagnosis, consultation, and treatment of child abuse and neglect. The Organization is designed to be a resource for the Florida Department of Children and Families and other governmental agencies in the detection and evaluation of suspected cases of child abuse and neglect.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation:

Financial statement presentation follows the recommendation of the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) No. 958, *Not-for-Profit Entities*, (formerly SFAS No. 117). Under ASC No. 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Restricted and unrestricted revenue and support:

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restriction.

As of June 30, 2010 and 2009, the Organization had no permanently or temporarily restricted net assets.

Promises to give:

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The Organization had no conditional or unconditional promises to give as of June 30, 2010 and 2009.

Allowance for doubtful accounts:

Management periodically reviews the grants and accounts receivable balances and provides an allowance for accounts which may be uncollectible. At June 30, 2010 and 2009, management considers all of the receivables to be collectible within the current accounting period and an allowance for doubtful accounts has not been recorded.

CHILD PROTECTION TEAM OF PALM BEACH, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates:

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

Property and equipment:

Property and equipment are carried at cost if purchased, or at fair value at the date of the contribution if donated, less accumulated depreciation. The Organization's policy is to provide for depreciation using the straight-line method over the estimated useful life of the asset which is as follows:

Equipment	5 years
-----------	---------

Donated property and equipment are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Without donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated assets are placed in service, reclassifying temporarily restricted net assets to unrestricted net assets at that time. During the year ended June 30, 2010, the Organization had no donated equipment while in 2009 the Organization received \$ 6,125 in donated equipment.

Maintenance and repairs to property and equipment are charged to expense when incurred. Additions and major renewals are capitalized.

Support and revenue recognition:

Grant revenues are recorded in the period in which the applicable costs are incurred. Program income representing medical services chargeable to third parties are recorded in the period in which the services are provided.

Income taxes:

The Organization is exempt from income taxes under Internal Revenue Code Section 501(c)(3) and no provision has been made for income taxes in the accompanying financial statements.

Functional expenses:

Expenses are allocated based on their proportionate share of total expenses.

Cash and cash equivalents:

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Organization occasionally maintains a cash balance at a financial institution which exceeds Federally insured amounts.

Date of management review:

Subsequent events have been evaluated through December 8, 2010, which is the date the financial statements were issued.

CHILD PROTECTION TEAM OF PALM BEACH, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 3 - PROPERTY AND EQUIPMENT

The following is a schedule of property and equipment at June 30, 2010 and 2009:

	2010	2009
Equipment (Note 7)	\$ 72,591	\$ 72,591
Less accumulated depreciation	63,342	56,035
	\$ 9,249	\$ 16,556

NOTE 4 - DEBT

Debt at June 30, 2010 relates to a revolving line of credit payable to a bank. The note is collateralized by all equipment, inventory and receivables owned by the Organization. This line of credit has a balance outstanding of \$ 50,000 as of June 30, 2010, and no outstanding balance as of June 30, 2009, respectively. This line of credit which expires in March 2011 can be drawn upon up to a maximum amount of \$ 100,000. This note bears interest at the bank's prime rate plus one percent payable monthly (4.25% at June 30, 2010).

NOTE 5 - DONATED FACILITIES USE AND EQUIPMENT

The Organization records donated facilities use and services (Notes 1 and 9) at fair value as support in the statements of activities and functional expenses. Such expenses for the years ended June 30, 2010 and 2009 have been included in the statements of activities under the following functional expense categories:

	2010	2009
Program services	\$ 70,122	\$ 70,122
Supporting services:		
Management and general	5,278	5,278
	\$ 75,400	\$ 75,400

NOTE 6 - EMPLOYEE BENEFIT PLAN

The Organization maintains a Simplified Employee Pension (SEP) plan covering substantially all employees. The Organization contributes 5% of eligible compensation to the SEP Plan. During the years ended June 30, 2010 and 2009, \$ 37,912 and \$ 34,576, respectively, was contributed to the Plan.

The Organization also maintains a tax sheltered annuity (TSA) program (IRC 403(6) plan) which provides for voluntary employee contributions. Substantially all employees are eligible to participate. The Organization makes no contributions to this TSA program.

CHILD PROTECTION TEAM OF PALM BEACH, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 7 - GRANT REVENUES

Grant revenues for the years ended June 30, 2010 and 2009 consist of the following:

	<u>2010</u>	<u>2009</u>
Contract awarded by the State of Florida Department of Health under a fixed price arrangement	\$ 963,699	\$ 998,203
Contract awarded by the Palm Beach Board of Commissioners under a fixed price arrangement	153,875	167,475
Crime Victims Assistance awarded by the State of Florida Office of the Attorney General under cost reimbursement arrangements	<u>69,234</u>	<u>73,521</u>
Total grant revenues	<u>\$ 1,186,808</u>	<u>\$ 1,239,199</u>

The State of Florida has a reversionary interest in tangible personal property acquired with grant funds (Note 3). Substantially all of the Organization's property and equipment was acquired using such grant funds.

NOTE 8 - SUPPLEMENTAL CASH FLOW INFORMATION

Supplemental Disclosure of Other Cash Flow Information:

	<u>2010</u>	<u>2009</u>
Cash received during the year for - Interest income	\$ 321	\$ 196
Cash paid during the year for - Interest expense	\$ 295	\$ 1,529

NOTE 9 - CONTINGENCY

The Organization is currently located in a facility that is owned by an outside organization (Note 1 and 5). The Organization is allowed to occupy the facility free of rent and has no formal commitment or agreement with the donor organization pertaining to its use. If the donor organization decides to terminate the Organization's use of the facility, their operations and ability to continue operations could be adversely effected. There has been no provision made in the accompanying financial statements for this eventuality.

NOTE 10 - REVENUE CONCENTRATION

The Organization receives a significant percentage of its funding from two grantor agencies. A significant funding policy change at either of these agencies could have an adverse effect on the Organization's operations.

SUPPLEMENTAL INFORMATION

CHILD PROTECTION TEAM OF PALM BEACH, INC.
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 AND STATE FINANCIAL ASSISTANCE
 For the Year Ended June 30, 2010

Federal/State Grantor/Pass-through Grantor/Program/Project Title	CFDA/ CSFA Number	Contract Agreement Number	<u>Expenditures</u>
FEDERAL AGENCY NAME:			
Indirect Projects:			
United States Department of Health and Human Services - Passed through the State of Florida Department of Health Social Services Block Grant	* 93.667	CPU9A	\$ 425,680
United States Department of Justice - Passed through the State of Florida Office of the Attorney General Crime Victim Assistance	16.575	Victims Compensation Fund	110,000
	16.575	V9107	50,182
	16.575	V8056	<u>20,305</u>
Total expenditures of federal awards			<u>\$ 606,167</u>
STATE AGENCY NAME:			
Direct Projects:			
State of Florida Department of Health - Medical Services for Abused - Neglected Children	* 64.006	CPU9A	<u>\$ 538,019</u>
Total expenditures of state financial assistance			<u>\$ 538,019</u>

Note: This schedule was prepared on the accrual basis of accounting.

* Denotes a major program/project

INTERNAL CONTROLS AND COMPLIANCE



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Child Protection Team of Palm Beach, Inc.
Lake Worth, Florida

We have audited the financial statements of Child Protection Team of Palm Beach, Inc. (the "Organization") (a not-for-profit organization) as of and for the year ended June 30, 2010, and have issued our report thereon dated December 8, 2010. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Organization's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of 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*.

Child Protection Team of Palm Beach, Inc.

This report is intended solely for the information and use of the Board of Directors, management, United States Department of Health and Human Services, State of Florida Department of Health, the Auditor General of the State of Florida, other awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Keefe, McCullough & Co., LLP

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
December 8, 2010



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND
CHAPTER 10.650, RULES OF THE AUDITOR GENERAL

To the Board of Directors
Child Protection Team of Palm Beach, Inc.
Lake Worth, Florida

Compliance

We have audited the compliance of Child Protection Team of Palm Beach, Inc. (the "Organization") (a not-for-profit organization) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement, and the requirements described in the Department of Financial Services' State Projects Compliance Supplement, that are applicable to its major Federal program and state project for the year ended June 30, 2010. The Organization's major Federal program and state project are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major Federal program and state project is the responsibility of the Organization's management. Our responsibility is to express an opinion on the Organization's compliance based on our audit.

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; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and Chapter 10.650, Rules of the Auditor General. Those standards, OMB Circular A-133, and Chapter 10.650, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program or state project occurred. An audit includes examining, on a test basis, evidence about the Organization'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. Our audit does not provide a legal determination on the Organization's compliance with those requirements.

In our opinion, the Organization complied, in all material respects, with the requirements referred to above that are applicable to its major Federal program and state project for the year ended June 30, 2010.

Internal Control over Compliance

The management of the Organization is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to Federal programs and state projects. In planning and performing our audit, we considered the Organization's internal control over compliance with requirements that could have a direct and material effect on a major Federal program or state project in order to determine our auditing procedures for the purpose of expressing our opinion on compliance 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 the Organization's internal control over compliance.

Child Protection Team of Palm Beach, Inc.

A *deficiency in internal control* 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.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Directors, management, United States Department of Health and Human Services, State of Florida Department of Health, the Auditor General of the State of Florida, other awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Keefe, McCullough & Co., LLP

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
December 8, 2010

CHILD PROTECTION TEAM OF PALM BEACH, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2010

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of Child Protection Team of Palm Beach, Inc.
2. No material weaknesses relating to the audit of the financial statements are reported in the 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.
3. No instances of noncompliance material to the financial statements of Child Protection Team of Palm Beach, Inc. were disclosed during the audit.
4. No material weaknesses relating to the audit of the major Federal program or state project are reported in the Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Federal Program and State Project and Internal Control over Compliance in Accordance with OMB A-133 and Chapter 10.650, Rules of the Auditor General.
5. The auditors' report on compliance for the major Federal program and state project for Child Protection Team of Palm Beach, Inc. expresses an unqualified opinion.
6. There are no audit findings relative to the major Federal program and state project for Child Protection Team of Palm Beach, Inc. reported in Part C of this schedule.
7. The program/project tested as a major program/project include the following:

Federal Program:	Federal CFDA No.
United States Department of Health and Human Services, Social Services Block Grant	93.667
State Project:	State CSFA No.
State of Florida Department of Health, Medical Services for Abused-Neglected Children	64.006
8. The threshold for distinguishing Types A and B programs/projects was \$ 300,000 for both major Federal programs and major state projects.
9. Child Protection Team of Palm Beach, Inc. was determined to be a low-risk auditee pursuant to OMB Circular A-133.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

NONE

CHILD PROTECTION TEAM OF PALM BEACH, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2010

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS PROGRAM AND
STATE FINANCIAL ASSISTANCE PROJECT AUDITS

NONE

D. OTHER ISSUES

1. No management letter is required because there were no findings required to be reported.
2. No summary schedule of prior audit findings is required because there were no prior audit findings related to Federal programs or state projects.
3. No corrective action plan is required because there were no findings reported under OMB Circular A-133.