

**EARLY LEARNING
COALITION OF PUTNAM
AND ST. JOHNS
COUNTIES, INC.**

Financial Statements

Year ended June 30, 2012

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Partners

W. Ed Moss Jr., CPA
Joe M. Krusick, CPA
James R. Dexter, CPA

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Early Learning Coalition of Putnam and St. Johns Counties, Inc.
Palatka, Florida

We have audited the accompanying statement of financial position of Early Learning Coalition of Putnam and St. Johns Counties, Inc. (a nonprofit organization), as of June 30, 2012, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of Early Learning Coalition of Putnam and St. Johns Counties, Inc.'s management. 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 of material misstatement. 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides 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 Early Learning Coalition of Putnam and St. Johns Counties, Inc. as of June 30, 2012, and the changes in its net assets and its cash flows for the year 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 5, 2012, on our consideration of Early Learning Coalition of Putnam and St. Johns Counties, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing for 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 important for assessing the results of our audit.

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 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, 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.

Moss, Krusick & Associates, LLC

December 5, 2012
Winter Park, Florida

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Early Learning Coalition of Putnam and St. Johns Counties, Inc.

STATEMENT OF FINANCIAL POSITION

June 30, 2012

ASSETS

Cash and cash equivalents	\$ 10,668
Accounts receivable	992,741
Prepaid expenses	3,855
Equipment, net of accumulated depreciation of \$4,050	<u>4,499</u>
Total assets	<u>\$ 1,011,763</u>

LIABILITIES AND NET ASSETS

Liabilities	
Accounts payable	\$ 32,779
Accrued expenses	20,089
Deferred revenue	3,229
Due to related parties	<u>883,839</u>
Total liabilities	939,936
Net assets	
Unrestricted	<u>71,827</u>
Total liabilities and net assets	<u>\$ 1,011,763</u>

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

Early Learning Coalition of Putnam and St. Johns Counties, Inc.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended June 30, 2012

REVENUES

Government grants:	
School Readiness	\$ 7,192,871
Voluntary Pre-Kindergarten	5,410,385
Local government match	126,835
United Way	24,376
Other income	16,075
	<hr/>
Total revenues	12,770,542

EXPENSES

Program services:	
School Readiness	7,075,399
Voluntary Pre-Kindergarten	5,391,419
	<hr/>
Total program services	12,466,818
Supporting services:	
Management and general	307,283
	<hr/>
Total expenses	12,774,101

Change in net assets	(3,559)
Net assets, beginning of year	75,386
	<hr/>
Net assets, end of year	\$ 71,827

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

Early Learning Coalition of Putnam and St. Johns Counties, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended June 30, 2012

	<u>Functional Category</u>			<u>Total</u>
	<u>School Readiness</u>	<u>Voluntary Pre- Kindergarten</u>	<u>Management and General</u>	
Pass-through payments to sub-recipients	\$ 6,777,726	\$ 5,391,419	\$ -	\$ 12,169,145
Shared costs	125,497	-	291,367	416,864
Match	151,211	-	-	151,211
Office expenses	2,658	-	12,462	15,120
Salaries and benefits	8,557	-	-	8,557
Travel and conferences	2,956	-	2,158	5,114
Rent expense	3,600	-	-	3,600
Postage and printing	584	-	1,256	1,840
Depreciation expense	1,710	-	-	1,710
Membership subscriptions	900	-	40	940
	<u>900</u>	<u>-</u>	<u>40</u>	<u>940</u>
Total expenses	<u>\$ 7,075,399</u>	<u>\$ 5,391,419</u>	<u>\$ 307,283</u>	<u>\$ 12,774,101</u>

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

Early Learning Coalition of Putnam and St. Johns Counties, Inc.

STATEMENT OF CASH FLOWS

For the year ended June 30, 2012

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ (3,559)
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation	1,710
Change in:	
Accounts receivable	60,114
Prepaid expenses	(128)
Accounts payable	10,876
Accrued expenses	(39)
Deferred revenue	3,229
Due to related parties	<u>(93,056)</u>
Net cash used by operating activities	(20,853)
Cash and cash equivalents at beginning of year	<u>31,521</u>
Cash and cash equivalents at end of year	<u><u>\$ 10,668</u></u>

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

Early Learning Coalition of Putnam and St. Johns Counties, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Organization and nature of operations

Early Learning Coalition of Putnam and St. Johns Counties, Inc. (the "Coalition") was incorporated on October 6, 2000 as a not-for-profit corporation. The Coalition was formed to operate for the advancement of charity and education particularly by implementing a comprehensive program of school readiness services for Florida's at-risk birth-to-kindergarten population. The Coalition provides funding for child care programs in Putnam and St. Johns Counties.

On July 1, 2005, the Coalition merged with St. Johns County School Readiness Coalition, Inc., and changed its name to Early Learning Coalition of Putnam and St. Johns Counties, Inc.

2. Basis of accounting and financial statement presentation

The accompanying financial statements and accompanying schedule have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and include all funds and activities over which the Board of Directors of the Coalition has oversight and financial responsibility.

The Coalition reports information regarding its financial position and activities according to three classes of net assets. A description of the three net asset categories follows:

Unrestricted – Net assets not subject to donor-imposed stipulations.

Temporarily Restricted – Net assets subject to donor-imposed stipulations that may or will be met by actions of the Coalition and/or passage of time.

Permanently Restricted – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Coalition.

3. Revenue recognition

Revenues from financial assistance programs are reported as increases in unrestricted net assets in the period in which the support is earned and related restrictions satisfied. Revenues are earned as allowable costs are incurred.

4. 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 and disclosures. Accordingly, actual results could differ from those estimates.

Early Learning Coalition of Putnam and St. Johns Counties, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

5. Cost allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Salaries and other expenses which are associated with a specific program are charged directly to that program. Salaries and other program support service expenses which benefit more than one program are allocated to the various programs based on the relative benefit provided.

6. Cash and cash equivalents

For purposes of the statements of cash flows, the Coalition considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents. Financial instruments, which potentially expose the Coalition to concentrations of credit risk, consist principally of cash bank deposits. The Coalition's policy is to place its cash investments with high quality financial institutions insured by the Federal Deposit Insurance Corporation, which provides coverage on balances up to \$250,000 per depositor per institution. The Coalition has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

7. Income taxes

The Coalition is a not-for-profit corporation and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As such, its normal activities do not result in any income tax liability.

Management has analyzed the Coalition's various federal and state filing positions and believes that its income tax filing positions and deductions are well documented and supported and that no accruals for tax liabilities are necessary. Therefore, no reserves for uncertain income tax positions have been recorded. The Organization remains subject to examination by the US Internal Revenue Service for the years ended June 30, 2010 through June 30, 2012.

8. Property and equipment

Property and equipment is recorded at historical cost. Property and equipment with a cost in excess of \$5,000 and a useful life of one or more years is capitalized and depreciated using the straight-line method of depreciation.

Property acquired with governmental funds is considered to be owned by the Coalition while used in the program for which it was purchased or in future authorized programs; however, its disposition as well as the ownership of any proceeds from the sale of assets therefore is subject to applicable regulations.

Early Learning Coalition of Putnam and St. Johns Counties, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

9. Accounts receivable

Accounts receivable are stated at net realizable value. The Coalition considers accounts receivable to be fully collectable; therefore, no allowance for doubtful accounts is required.

10. Subsequent events

Management has evaluated the effect subsequent events would have on the financial statements through the date these financial statements were available to be issued on December 5, 2012.

NOTE B - CONCENTRATIONS

1. Economic dependency

The Coalition is financially dependent on grant funding and operates in a heavily regulated environment. The operations of the Coalition are subject to the administrative directives, rules and regulations of federal, state, and local regulatory agencies. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by the State of Florida. Such change may occur with little notice or inadequate funding to pay for the related cost, including the additional burden, to comply with a change.

2. Concentration of credit risk

The activities of the Coalition are conducted in Putnam and St. Johns Counties, Florida and are supported by funding provided by government agencies. Expenditures incurred by the Early Learning Coalition of Putnam and St. Johns Counties, Inc. and the subgrantees associated with the execution of various grants are subject to audit and possible disallowance by the grantor agency. The Coalition would be held responsible for recovery (reimbursement to the grantor agency) of disallowed amounts incurred by the subgrantee if the subgrantee were not able to do so. Management believes that if audited, any adjustment for disallowed expenses would be immaterial in amount.

NOTE C - STATEWIDE SCHOOL READINESS DATA

The Coalition has reconciled its financial records to the statewide School Readiness data and reporting system on a monthly basis. This reconciliation was performed in a timely and satisfactory manner.

Early Learning Coalition of Putnam and St. Johns Counties, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

NOTE D - PROPERTY AND EQUIPMENT

Property and equipment and accumulated depreciation at June 30, 2012 is summarized as follows:

Furniture and Fixtures	\$ 8,549
Less: accumulated depreciation	<u>(4,050)</u>
Property and equipment, net	<u>\$ 4,499</u>

NOTE E - LEASES AND COMMITMENTS

The Coalition has non-cancelable operating leases for the rental of office space in Palatka, Florida and St. Augustine, Florida and an agreement for the rental of a copier machine. The future minimum lease payments as of June 30, 2012, are as follows:

Fiscal years ending June 30, 2013	\$ 28,481
2014	18,931
2015	19,924
2016	20,998
2017	<u>22,154</u>
Total	<u>\$ 110,488</u>

Rent expense for the year ended June 30, 2012 totaled \$35,750.

NOTE F - RELATED PARTY TRANSACTIONS

Certain members of the Board of Directors are mandated in the "School Readiness Act." Related party members include representation from Episcopal Children's Services, Putnam County School District, a provider of school readiness services to the Coalition, and other representatives from private and public sector industries. Total payments to these related organizations during the year ended June 30, 2012 were \$12,169,145 and accounts payable to them at June 30, 2012 were \$883,839.

NOTE G - RETIREMENT PLAN

The Coalition established a tax deferred retirement plan effective for all qualifying employees. All regular full time employees are eligible to participate in the plan. The Coalition will contribute up to a 6% match of the employee's salary. The Coalition provided matching contributions of \$9,179 for retirement benefits to the plan for the year ended June 30, 2012. Employees are immediately vested in their contributions and the matching contributions.

SUPPLEMENTAL INFORMATION

Partners

W. Ed Moss Jr., CPA
Joe M. Krusick, CPA
James R. Dexter, CPA

**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 of
Early Learning Coalition of Putnam and St. Johns Counties, Inc.
Palatka, Florida

We have audited the financial statements of Early Learning Coalition of Putnam and St. Johns Counties, Inc. as of and for the year ended June 30, 2012, and have issued our report thereon dated December 5, 2012. 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.

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Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting 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 financial reporting 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 above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Early Learning Coalition of Putnam and St. Johns Counties, Inc.'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*.

This report is intended solely for the information and use of the Board of Directors, management, others within the Coalition, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Moss, Krusick & Associates, LLC

December 5, 2012
Winter Park, Florida



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

To the Board of Directors of
Early Learning Coalition of Putnam and St. Johns Counties, Inc.
Palatka, Florida

Compliance

We have audited the compliance of Early Learning Coalition of Putnam and St. Johns Counties, Inc. (a nonprofit organization) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement*, State of Florida Chapter 10.650, *Rules of the Auditor General*, and special audit guidance provided by the Office of Early Learning that are applicable to each of its major federal and state programs for the year ended June 30, 2012. Early Learning Coalition of Putnam and St. Johns Counties, Inc.'s major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of Early Learning Coalition of Putnam and St. Johns Counties, Inc.'s management. Our responsibility is to express an opinion on Early Learning Coalition of Putnam and St. Johns Counties, Inc.'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*; State of Florida Chapter 10.650, *Rules of the Auditor General*; and special audit guidance provided by the Office of Early Learning. Those standards, OMB Circular A-133, and State of Florida Chapter 10.650, 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 and state program occurred. An audit includes examining, on a test basis, evidence about Early Learning Coalition of Putnam and St. Johns Counties, Inc.'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 of Early Learning Coalition of Putnam and St. Johns Counties, Inc.'s compliance with those requirements.

In our opinion, Early Learning Coalition of Putnam and St. Johns Counties, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended June 30, 2012.

Internal Control Over Compliance

Management of Early Learning Coalition of Putnam and St. Johns Counties, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Early Learning Coalition of Putnam and St. Johns Counties, Inc.'s internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Early Learning Coalition of Putnam and St. Johns Counties, Inc.'s internal control over compliance.

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

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 or state program 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 or state program will not be prevented, or detected and corrected, on a timely basis.

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 deficiencies, 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, others within the Coalition and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Moss, Krusick & Associates, LLC

December 5, 2012
Winter Park, Florida

Early Learning Coalition of Putnam and St. Johns Counties, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FEDERAL AND STATE PROGRAMS

June 30, 2012

Section I – Summary of Auditors’ Results

Financial Statements

- | | |
|---|-------------|
| 1. Type of auditors’ report issued: | Unqualified |
| 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? | No |

Federal Awards

- | | |
|---|-------------|
| 1. Type of auditors’ report issued on compliance for major programs: | Unqualified |
| 2. Internal control over major programs: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiencies identified that are not considered to be material weaknesses? | No |
| 3. Audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? | N/A |
| 4. Dollar threshold used to distinguish between Type A and Type B projects | \$300,000 |
| 5. Auditee qualified as low-risk auditee? | Yes |

Identifications of major programs:

<u>Name of Federal Program</u>	<u>CFDA Number</u>
Temporary Assistance of Needy Families	93.558
Child Care and Development Block Grant	93.575
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596

Early Learning Coalition of Putnam and St. Johns Counties, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FEDERAL AND STATE PROGRAMS

June 30, 2012

Section I – Summary of Auditors’ Results (continued)

State Financial Assistance

- | | |
|--|-------------|
| 1. Type of auditors’ report issued on compliance for major programs: | Unqualified |
| 2. Internal control over major programs: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiencies identified that are not considered to be material weaknesses? | No |
| 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 | \$300,000 |
| 5. Auditee qualified as low-risk auditee? | Yes |

Identification of major projects:

<u>Name of State Program</u>	<u>CSFA Number</u>
Voluntary Pre-Kindergarten	48.108 / 75.007

Section II – Financial Statement Findings Section

None (no corrective action plan or management letter required)

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

None (no corrective action plan or management letter required)

Section IV – Status of Prior Year Audit Findings

There were no prior year audit findings.

Early Learning Coalition of Putnam and St. Johns Counties, Inc.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

For the year ended June 30, 2012

Grantor/Program Title	CFDA CSFA	Award Number	Expenditures	Transfer to Sub-recipient
Federal Awards:				
U.S. Department of Health and Human Services				
<i>Passed through State of Florida's Office of Early Learning for School Readiness</i>				
Child Care and Development Block Grant	93.575	SR 432	\$ 2,936,146	\$ 2,766,683
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	SR 432	<u>2,207,405</u>	<u>2,080,002</u>
Total Child Care Cluster			5,143,551	4,846,685
Temporary Assistance for Needy Families	93.558	SR 432	2,033,695	1,916,318
Social Services Block Grant	93.667	SR 432	<u>15,625</u>	<u>14,723</u>
Total Expenditures of Federal Awards			<u>\$ 7,192,871</u>	<u>\$ 6,777,726</u>
State Financial Assistance:				
State of Florida Department of Education				
<i>Passed through State of Florida's Office of Early Learning</i>				
Voluntary Pre-Kindergarten	48.108 / 75.007	SV 432	<u>5,410,385</u>	<u>5,391,419</u>
			<u>\$ 5,410,385</u>	<u>\$ 5,391,419</u>

Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations", the Florida, "Executive Office of the Governor's State Projects Compliance Supplement," and Chapter 10.650, Rules of Auditor General, State of Florida. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

See independent auditors' report.