

**BROWARD REGIONAL HEALTH
PLANNING COUNCIL, INC.**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION**

Year Ended June 30, 2016

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MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of
Broward Regional Health Planning Council, Inc.
Hollywood, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Broward Regional Health Planning Council, Inc., which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

To the Board of Directors of
Broward Regional Health Planning Council, Inc.

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Broward Regional Health Planning Council, Inc. as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Chapter 10.650, *Rules of the Auditor General*, and the schedules appearing on pages 13 and 14 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 5, 2016, on our consideration of Broward Regional Health Planning Council, Inc.'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 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 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 Broward Regional Health Planning Council, Inc.'s internal control over financial reporting and compliance.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Miami, Florida
October 5, 2016

BROWARD REGIONAL HEALTH PLANNING COUNCIL, INC.

STATEMENT OF FINANCIAL POSITION

June 30, 2016

ASSETS

| | |
|-----------------------------|----------------------|
| CURRENT ASSETS | |
| Cash | \$ 4,158,888 |
| Contracts receivable | 10,088,295 |
| Certificates of deposit | 376,879 |
| Prepaid expenses | 76,369 |
| | <hr/> |
| TOTAL CURRENT ASSETS | 14,700,431 |
| PROPERTY AND EQUIPMENT, net | 236,491 |
| SECURITY DEPOSITS | 18,111 |
| | <hr/> |
| TOTAL ASSETS | <u>\$ 14,955,033</u> |

LIABILITIES AND NET ASSETS

| | |
|---------------------------------------|----------------------|
| CURRENT LIABILITIES | |
| Accounts payable and accrued expenses | \$ 6,455,842 |
| Accrued salaries and related expenses | 363,072 |
| Accrued annual leave | 216,541 |
| Deferred revenue | 798,547 |
| Deferred lease incentive | 57,821 |
| Line of credit | 1,600,000 |
| | <hr/> |
| TOTAL CURRENT LIABILITIES | 9,491,823 |
| COMMITMENTS AND CONTINGENCIES | |
| NET ASSETS - UNRESTRICTED | 5,463,210 |
| | <hr/> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 14,955,033</u> |

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

BROWARD REGIONAL HEALTH PLANNING COUNCIL, INC.

STATEMENT OF ACTIVITIES

Year Ended June 30, 2016

| | | |
|---|------------------------|----------------------------|
| REVENUES | | |
| Contract revenue | | \$ 103,969,720 |
| Program revenue | | 581,425 |
| Contributions and other revenue | | <u>2,812</u> |
| | TOTAL REVENUES | 104,553,957 |
| EXPENSES | | |
| Program Expenses | | |
| Community assistance | | 10,848,754 |
| Community services | | 88,063,239 |
| Health planning | | 1,989,563 |
| Health partnerships | | <u>2,082,976</u> |
| | TOTAL PROGRAM EXPENSES | 102,984,532 |
| Administrative and general | | <u>814,069</u> |
| | TOTAL EXPENSES | <u>103,798,601</u> |
| | CHANGE IN NET ASSETS | 755,356 |
| NET ASSETS - UNRESTRICTED - BEGINNING OF YEAR | | <u>4,707,854</u> |
| NET ASSETS - UNRESTRICTED - END OF YEAR | | <u><u>\$ 5,463,210</u></u> |

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

BROWARD REGIONAL HEALTH PLANNING COUNCIL, INC.

STATEMENT OF CASH FLOWS

Year Ended June 30, 2016

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|---|----------------|
| Change in net assets | \$ 755,356 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | |
| Depreciation and amortization | 222,237 |
| Amortization of deferred lease incentive | (133,286) |
| Changes in operating assets and liabilities: | |
| Contracts receivable | (6,732,341) |
| Prepaid expenses | (76,369) |
| Security deposits | (2,934) |
| Accounts payable and accrued expenses | 6,157,773 |
| Accrued salaries and related expenses | 220,115 |
| Accrued annual leave | 80,906 |
| Deferred revenue | <u>(6,190)</u> |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 485,267 |

CASH FLOWS FROM INVESTING ACTIVITIES

| | |
|---|----------------|
| Purchase of property and equipment | (92,938) |
| Proceeds from investment in certificates of deposit | <u>123,537</u> |
| NET CASH PROVIDED BY INVESTING ACTIVITIES | 30,599 |

CASH FLOWS FROM FINANCING ACTIVITIES

| | |
|---|--------------------|
| Proceeds from line of credit | 5,875,000 |
| Payments on line of credit | <u>(4,275,000)</u> |
| NET CASH PROVIDED BY FINANCING ACTIVITIES | <u>1,600,000</u> |

NET INCREASE IN CASH 2,115,866

CASH - BEGINNING OF YEAR 2,043,022

CASH - END OF YEAR \$ 4,158,888

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

BROWARD REGIONAL HEALTH PLANNING COUNCIL, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2016

| | Community Assistance | Community Services | Health Planning | Health Partnerships | Administrative and General | Total Expenses |
|---|-------------------------|-----------------------|---------------------|------------------------|-------------------------------|-----------------------|
| SALARIES AND RELATED EXPENSES | | | | | | |
| Salaries | \$ 664,540 | \$ 3,930,114 | \$ 1,080,924 | \$ 463,172 | \$ 300,655 | \$ 6,439,405 |
| Payroll taxes and fringe benefits | 194,210 | 1,132,363 | 285,251 | 97,753 | 44,962 | 1,754,539 |
| TOTAL SALARIES AND RELATED EXPENSES | 858,750 | 5,062,477 | 1,366,175 | 560,925 | 345,617 | 8,193,944 |
| OTHER EXPENSES | | | | | | |
| Travel | 786 | 86,078 | 20,544 | 9,275 | 12,072 | 128,755 |
| Occupancy costs | 17,049 | 56,240 | 26,955 | 4,491 | - | 104,735 |
| Utilities | 9,877 | 40,716 | 41,972 | 711 | 39,128 | 132,404 |
| Supplies | 11,838 | 31,150 | 27,196 | 5,159 | 11,764 | 87,107 |
| Postage | 22,131 | 9,682 | 16,834 | 1,267 | - | 49,914 |
| Printing | 17,872 | 55,503 | 25,276 | 43,390 | 2,714 | 144,755 |
| Professional fees | 7,900 | 22,690 | 8,910 | - | 138 | 39,638 |
| Child care slots | - | 80,410,558 | - | - | - | 80,410,558 |
| Equipment rental and maintenance | 6,824 | 6,636 | 16,032 | - | 22,564 | 52,056 |
| Insurance | 3,236 | 42,150 | 5,952 | 3,854 | 13,052 | 68,244 |
| Advertising | - | 8,410 | - | - | 4,639 | 13,049 |
| Subscriptions | - | 4,090 | 747 | 3,411 | 9,200 | 17,448 |
| Client assistance and related incidentals | 9,831,572 | 136,030 | 17,168 | 983 | 8,413 | 9,994,166 |
| Subcontracted services | 15,261 | 1,503,789 | 204,661 | 1,233,913 | 4,056 | 2,961,680 |
| Conferences and training | - | 40,523 | 48,163 | 9,489 | - | 98,175 |
| Consulting | 5,685 | 138,660 | 82,609 | 106,936 | 30,588 | 364,478 |
| Minor property and equipment | 230 | 159,727 | 19,192 | 4,165 | 34,842 | 218,156 |
| Employee screening | 514 | 5,466 | 2,029 | 405 | 27,473 | 35,887 |
| Information systems support | 17,720 | 157,149 | 31,366 | - | 7,751 | 213,986 |
| Miscellaneous | 21,509 | 73,535 | 23,345 | 92,280 | 36,560 | 247,229 |
| TOTAL OTHER EXPENSES | 9,990,004 | 82,988,782 | 618,951 | 1,519,729 | 264,954 | 95,382,420 |
| TOTAL EXPENSES BEFORE DEPRECIATION AND AMORTIZATION | 10,848,754 | 88,051,259 | 1,985,126 | 2,080,654 | 610,571 | 103,576,364 |
| DEPRECIATION AND AMORTIZATION | - | 11,980 | 4,437 | 2,322 | 203,498 | 222,237 |
| TOTAL EXPENSES, INCLUDING DEPRECIATION AND AMORTIZATION | <u>\$ 10,848,754</u> | <u>\$ 88,063,239</u> | <u>\$ 1,989,563</u> | <u>\$ 2,082,976</u> | <u>\$ 814,069</u> | <u>\$ 103,798,601</u> |

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

BROWARD REGIONAL HEALTH PLANNING COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2016

NOTE 1 - NATURE OF THE ORGANIZATION

Broward Regional Health Planning Council, Inc. (the “Council”) is a not-for-profit organization located in Hollywood, Florida, and is responsible for the development of the local health plan and for providing statistical data on the healthcare environment in Broward County, Florida. It is also responsible for a number of legislatively mandated duties, such as assisting the Agency for Health Care Administration in conducting public hearings, as well as entering into cooperative agreements with appropriate area health agencies. In addition, the Council pursues planning, coordinating, evaluating, capacity building, technical assistance, and service activities in furtherance of its mission and to support its sustainability and growth. The Council’s programs include:

Community Assistance – The Council provides housing assistance and support services for low-income clients to prevent and reduce the risk of homelessness. These services target vulnerable populations including, but not limited to, individuals with lifelong illnesses, veterans, and low-income families with minor children. The aim is to prevent Broward County residents from becoming homeless or to help those who are experiencing homelessness to be quickly re-housed and stabilized. The Council also processes health insurance premiums and medication assistance for individuals throughout Florida who have lifelong illnesses.

Community Services – The Council’s direct service programs target Broward County’s most vulnerable residents from infants to seniors. Services aim to: increase healthy pregnancy outcomes and healthy child development through home visitation and family strengthening activities; train individuals who are incompetent to proceed in court; and educate seniors in disease self-management. The Council remains the awardee of the over \$84 million annual contract awarded by the Early Learning Coalition of Broward for the provision of the following child care services: Eligibility, Enrollment, Fiscal Administration for School Readiness, Child Care Executive Partnership, Voluntary Pre-kindergarten, and Financially Assisted Child Care Programs (ELC-2) in Broward County. The Council actively enrolls, ensures eligibility, and tracks clients using an online system of application and re-determination. The Quality Assurance team monitors individual client files and conducts site visits at various referral agencies and child care centers throughout Broward County. Other services include eligibility determination for vulnerable individuals, and health insurance education and enrollment assistance to residents of Broward County.

NOTE 1 - NATURE OF THE ORGANIZATION (Continued)

Health Planning – The Council provides planning tools and services that promote public awareness of community health needs. Through planning activities, the Council collects data and conducts analyses and studies related to healthcare needs of Broward County, including the needs of medically indigent persons. Planning services also assist hospitals, community agencies and other state agencies in carrying out data collection activities. The Council works with local agencies to identify health needs of the community, and provides support in federal grant applications for service categories, including chronic diseases, pharmaceutical assistance, outpatient/ambulatory health services, oral healthcare, medical case management, eligibility and the medical outcome study.

Health Partnerships – This is a collaborative effort program involving more than 30 community organizations and coalitions that work together to support efforts to reduce health disparities and improve the health and well-being of the residents of Broward County.

Administrative and General – The Council developed the Health Data Warehouse, a web-based, analytic engine that provides geographically specific analysis functionality by Local Health Planning Council Districts and 67 counties. Live Scan Fingerprinting for Level II Background Screening is offered to the public. This technology allows for electronic submission of fingerprint screens. The Council's fingerprinting clientele include hospital employees, guardian ad litem programs, doctors' offices, nonprofit and social service agencies, and colleges and universities. The expenses associated with these efforts are presented within administrative and general on the statement of functional expenses.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Following is a summary of the more significant accounting policies followed by the Council in the preparation of its financial statements.

Contracts Receivable

Contracts receivable at year end represents costs incurred or services performed, which have not yet been reimbursed by the granting agency. Management monitors the collection status of contracts receivable on an ongoing basis. Account balances are charged off against the allowance for doubtful accounts after all means of collection have been exhausted and the potential for collection is considered remote. Based on management's analysis of possible bad debts, it has been determined that an allowance for doubtful accounts is not deemed necessary as of June 30, 2016.

Certificates of Deposit

Certificates of deposit held for investment that are not debt securities are included as certificates of deposit on the statement of financial position. Certificates of deposit with original maturities greater than three months and remaining maturities of less than one year are classified as current. Certificates of deposit with remaining maturities greater than one year are classified as long-term. Certificates of deposit are valued based on their original cost plus accrued interest, which approximates their fair value, based on their liquid nature and short-term maturities.

Property and Equipment

Property and equipment are recorded at cost. Provisions for depreciation and amortization are computed using the straight-line method and are calculated over the shorter of the estimated useful lives of the various classes of assets or lease terms, ranging from three to five years.

It is the Council's policy to capitalize property and equipment over \$1,000. Lesser amounts are expensed as incurred.

Deferred Revenue

Contract revenue received in advance is deferred until an allowable cost is incurred or the unit of service has been performed.

Net Asset Classifications

Net assets are presented based on the existence or absence of donor-imposed restrictions. In these financial statements, net assets are reported as follows:

Unrestricted - Net assets that are not subject to donor-imposed restrictions.

Temporarily Restricted - Net assets whose use is subject to donor-imposed restrictions that can be fulfilled by actions of the Council or by the passage of time.

Permanently Restricted - Net assets subject to donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the Council.

Contract Revenue

Contract revenue is recognized when an allowable cost is incurred or the unit of service has been performed, as defined by the individual contracts.

Contributions

Contributions and donations are considered to be available for unrestricted use, unless specifically restricted by the donor.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Council is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision or liability for income taxes has been reflected in the financial statements.

As of June 30, 2016, with few exceptions, the Council is no longer subject to examination by federal taxing authorities for any tax years prior to 2013.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures contained in the financial statements. Actual results could differ from those estimates.

Subsequent Events

The Council's management has evaluated subsequent events for recognition and disclosure through October 5, 2016, which is the date the financial statements are available to be issued.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment are comprised of the following at June 30, 2016:

| | |
|--|--------------------|
| Furniture and equipment | \$ 1,052,359 |
| Leasehold improvements | 705,487 |
| | <hr/> |
| | 1,757,846 |
| Less accumulated depreciation and amortization | <u>(1,521,355)</u> |
| Property and equipment, net | <u>\$ 236,491</u> |

The depreciation and amortization expense for the year ended June 30, 2016, approximated \$222,000.

Certain equipment was acquired with funds received under contracts with various governmental entities. The Council retains the use of these assets as long as they are used in carrying out the service for which the original contract was intended. The Council expects to continue using the assets for their designated purpose and retain the right to the continued use of these assets in the future. The assets acquired under contracts with governmental entities have a net book value of approximately \$98,000 at June 30, 2016.

NOTE 4 - SUBCONTRACTED SERVICES

The Council's fiscal budget includes funding and budget costs designated for the use of subcontractors. Included in the costs budgeted for subcontractors are the related costs of the subcontractors and care coordinators, such as office rent, administrative, telephone, travel, salaries and fringe benefits, printing, maintenance, project, and other costs. The majority of these costs are not the direct costs of the Council and have not been budgeted as such.

NOTE 5 - PENSION PLAN

The Council has a defined contribution pension plan (the "Plan") for the benefit of its employees. All full-time employees are eligible for the Plan after they have completed one year of employment. The Council funds the Plan by making monthly contributions equivalent to up to 15% of the participant's compensation subject to Internal Revenue Service limitations. Pension plan contributions was approximately \$260,000 for the year ended June 30, 2016.

NOTE 6 - ECONOMIC DEPENDENCE

The Council provides its program services with funds received from federal, state, and local sources. A significant reduction in the level of this funding, if this were to occur, could have a significant negative effect on the Council's programs and activities. Revenues received from federal, state, and local government sources represent 97% of the Council's revenues for the year ended June 30, 2016.

NOTE 7 - COMMITMENTS AND CONTINGENCIES

Credit Risk

Financial instruments which potentially subject the Council to concentrations of credit risk consist principally of cash, contracts receivable, and certificates of deposit. All cash and certificates of deposit are deposited in federally insured financial institutions. The Council maintains its cash primarily in bank deposit accounts, which, at times, exceed federally insured limits. However, since the Council received a public fund designation, all cash deposits are guaranteed. The Council has not experienced any losses in such accounts. Management does not believe that it is exposed to any significant credit risk on cash. Management believes the concentrations of credit risk with respect to contracts receivable is mitigated by the taxing authority of the governmental entities funding the programs.

NOTE 7 - COMMITMENTS AND CONTINGENCIES (Continued)

Line of Credit

In July 2015, the Council entered into a revolving line-of-credit agreement (the “Line”) with a financial institution, which provides for maximum borrowings of up to \$1,000,000. In October 2015, the maximum borrowings on the Line were increased to \$3,000,000. Advances on the Line provide cash for working capital, as needed. The borrowings are collateralized by the Council’s deposits and investments maintained with the financial institution. Borrowings on the line of credit bear interest based upon the 30-day LIBOR rate plus 2.55% (3.01% as of June 30, 2016). Interest paid during the year ended June 30, 2016, approximated \$10,000 and is recorded in miscellaneous in the statement of functional expenses. As of June 30, 2016, the Line had an outstanding balance of \$1,600,000.

Leases

The Council leases its office space and has a monthly lease payment of approximately \$19,000. The lease agreement is for a five-year minimum lease term, expiring in November 2016, with an option for the Council to renew for three additional five-year terms. The Council entered into a lease renewal for another five-year term, expiring in November 2021. Occupancy costs were approximately \$238,000 for the year ended June 30, 2016.

A provision in the lease agreement allowed for the Council to receive proceeds to cover the costs incurred for leasehold improvements made to the leased space. In accordance with this provision, the Council received approximately \$589,000 from the landlord in July 2013, which is recorded as a deferred lease incentive in the statement of financial position. The deferred lease incentive is being amortized on a straight-line basis over the initial term of the lease. Amortization of the deferred lease incentive was approximately \$133,000 during the year ended June 30, 2016, and is recorded as an offset to occupancy costs in the statement of functional expenses. As of June 30, 2016, the deferred lease incentive has an unamortized balance of approximately \$58,000.

The future minimum lease payments as of June 30, 2016, approximate the following:

| <u>Year Ending June 30,</u> | <u>Amount</u> |
|---------------------------------|---------------------|
| 2017 | \$ 232,000 |
| 2018 | 234,000 |
| 2019 | 236,000 |
| 2020 | 237,000 |
| 2021 | 239,000 |
| Thereafter | 100,000 |
| | <u>\$ 1,278,000</u> |

SUPPLEMENTAL INFORMATION

BROWARD REGIONAL HEALTH PLANNING COUNCIL, INC.

SCHEDULE OF CONTRACT REVENUE

Year Ended June 30, 2016

| <u>Funding Agency</u> | <u>Contract Number/CFDA Number CSFA Number/Program Name</u> | <u>Contract Period</u> | <u>Contract Amount</u> | <u>Total Revenue 2016</u> |
|---|---|----------------------------|----------------------------|-----------------------------------|
| Contract Revenue - Governmental Agencies | | | | |
| Ounce of Prevention Fund of Florida | HF15-16-10/93.558/93.590- Healthy Families | 7/1/15-6/30/16 | \$ 531,000 | \$ 531,000 |
| Children's Services Council of Broward County | 16-2567 - Healthy Families Broward | 10/1/15-9/30/16 | 1,999,570 | 1,735,362 |
| | 16-2134 - Vulnerable Population Child Care Slots | 10/1/15-9/30/16 | 822,850 | 674,416 |
| Broward Behavioral Health Coalition Substance Abuse, and Mental Health | 343BBHC50/93.958/93.959/60.114 | 7/1/14-6/30/15 | 1,200,266 | 149,211 |
| | 343BBHC50/93.958/93.959/60.114 | 7/1/15-6/30/16 | 1,190,266 | 1,106,055 |
| Broward County - Ryan White | 14-CPHCS 8128RW/93.914 Title I - Council Support | 3/1/15-2/28/16 | 294,644 | 294,444 |
| | 14-CPHCS 8128RW/93.914 Title I - CQA | 3/1/15-2/28/16 | 278,771 | 278,772 |
| | 10 HC 8129RW CIED Eligibility | 3/1/15-2/28/16 | 851,470 | 829,980 |
| | 14-CP-HCS-8129-RW/93.914 Health Insurance Continuation Program | 3/1/15-2/28/16 | 760,000 | 853,856 |
| State of Florida Department of Health | CORCV-R3/64.032 Local Health Planning | 7/1/15-6/30/16 | 90,909 | 90,909 |
| Broward County Trauma Management | BCF #101 - Trauma Planning | 10/1/15-9/30/16 | 13,000 | 13,000 |
| Broward County | 15-CP-HCS-8492-LM - Local Match | 10/1/15-6/30/16 | 336,694 | 168,347 |
| Broward County | 14-CP-HIP-8128-02 | 10/1/15-9/30/16 | 101,832 | 88,362 |
| City of Fort Lauderdale | HP 142124-26 HP 14213-26 HP 142125-26 14.241/HOPWA: PHP/STRMU/TBRV | 10/1/15-9/30/16 | 2,219,905 | 1,953,232 |
| Fed Ctr for Disease Control (CDC) | 1U58DP005790-02/93.331 | 9/30/14-9/29/15 | 1,719,743 | 406,882 |
| | 1U58DP005790-03/93.331 | 9/30/14-9/29/17 | 1,860,288 | 1,615,211 |
| USDA Agriculture Marketing | 14-LFPPX-FL-0038/10.168 | 10/1/15-9/30/16 | 51,238 | 33,445 |
| State of Florida Department of Health | CODLG 93.917 | 12/1/15-7/31/16 | 8,000,000 | 7,920,575 |
| Broward County | Special Needs 16-CPCSA-8534-01 | 10/1/15-9-30-16 | 665,231 | 464,541 |
| Broward County | Subsidized Child Care Slots 16-CPCSA-8534-01 | 10/1/15-9-30-16 | 1,724,564 | 1,575,251 |
| Early Learning Coalition | Eligibility Enrollment Fiscal Admin BRHPC-EDAP-17-ELC2 | 7/1/15-6/30/16 | 83,461,934 | 80,644,526 |
| Early Learning Coalition (DCF) | Refugee/Entrance XK048 | 9/1/15-9/30/16 | 124,583 | 84,795 |
| Sub-total (continued on page 14) | | | | 101,512,172 |

See Report of Independent Certified Public Accountants.

BROWARD REGIONAL HEALTH PLANNING COUNCIL, INC.

SCHEDULE OF CONTRACT REVENUE (Continued)

Year Ended June 30, 2016

| <u>Funding Agency</u> | <u>Contract Number/CFDA Number CSFA Number/Program Name</u> | <u>Contract Period</u> | <u>Contract Amount</u> | <u>Total Revenue 2016</u> |
|---|---|----------------------------|----------------------------|-----------------------------------|
| <u>Contract Revenue - Other</u> | | | | |
| The Jim Moran Foundation | Housing Stability Program 20110564 | 9/1/15-8/31/16 | \$ 300,000 | \$ 166,855 |
| United Way | Healthy Families Broward | 7/1/15-6/30/16 | 40,000 | 39,999 |
| United Way | SSVF - Veterans Rehousing 1516-04-12-02 | 10/1/15-9/30/16 | 304,640 | 298,595 |
| United Way | Healthy Kids 1415-01-12-01 | 7/01/15-6/30/16 | 60,882 | 60,882 |
| United Way | Child Care Slots 1516-04-12-03 | 9/1/15-6/30/16 | 425,000 | 348,107 |
| Community Foundation of Broward | Lead Agency for HIV Impact | 1/31/15-12/31/15 | 150,000 | 134,868 |
| | Healthy Community Zone 20150502 | 5/1/16-4/30/17 | 70,000 | - |
| Health Foundation of South Florida | 2031-22 HARC | 1/1/14-2/14/15 | 25,000 | 32,593 |
| | 2029-13 Electronic Health Records | 3/1/14-2/28/15 | 39,995 | 26,969 |
| | 2029-15 Reconciliation Therapy Initiative | 1/01/15-12/31/15 | 15,500 | 15,500 |
| Robert Wood Johnson Foundation/Community Catalyst | Certified Application Counselors (CAC) | 11/15/15-11/14/16 | 410,000 | 301,694 |
| Florida Associations of Healthy Start Coalitions Inc. | FL MIECHV #13-3/93.505 | 4/1/16-3/31/18 | 1,070,000 | 499,090 |
| Unicorn Foundation | Business Plan for Special Needs Children | 1/15/15-8/1/15 | 114,373 | 93,873 |
| University of South Florida | Navigators 6414-1082-00-B/93.332 | 10/1/15-9/30/16 | 463,570 | <u>438,523</u> |
| TOTAL CONTRACT REVENUE | | | | <u>\$ 103,969,720</u> |

See Report of Independent Certified Public Accountants.

BROWARD REGIONAL HEALTH PLANNING COUNCIL, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE**

Year Ended June 30, 2016

| Federal Agency/State Agency/Pass-Through Grantor/Program Title | CFDA/ CSFA Number | Contract Number | Program Expenditures |
|---|----------------------|-------------------------|-------------------------|
| FEDERAL AWARDS | | | |
| U.S. Department of Health and Human Services | | | |
| Pass-through: | | | |
| Broward Behavioral Health Coalition | | | |
| Block Grants for Community Mental Health Services | 93.958 | 343BBHC50 | \$ 453,760 |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | 343BBHC50 | 747,845 |
| U.S. Department of Health & Human Services | | | |
| Federal Center for Disease Control (CDC) | | | |
| Partnerships to Improve Community Health (PICH) | 93.331 | 1U58DP003661-03 | 2,022,093 |
| Broward County | | | |
| Title 1 - Clinical Quality Assurance | 93.914 | 14 HCS 8128RW | 294,444 |
| Title 1 - Planning Council Support | 93.914 | 14 HCS 8128RW | 278,772 |
| Centralized Intake & Eligibility Determination - CIED | 93.914 | 10 HCS 8129RW | 547,787 |
| Centralized Intake & Eligibility Determination - MAI CIED | 93.914 | 10 MAIHCS 8129RW | 282,193 |
| Health Insurance Continuation Program - HICP | 93.914 | 14-CP-HCS-8129-RW | 853,856 |
| State of Florida Department of Health | 93.917 | CODLG | 7,920,575 |
| Florida Association of Healthy Start Coalitions | 93.505 | FL MIECHV #13-3 | 499,090 |
| Ounce of Prevention Fund of Florida | | | |
| Healthy Families | 93.558 | HF15-16-10 | 529,497 |
| | 93.590 | HF15-16-10 | 1,503 |
| University of South Florida | | | |
| Healthcare Navigators | 93.332 | 6414-1082-00-B | 438,523 |
| Early Learning Coalition of Broward County, Inc. | | | |
| School Readiness: | | | |
| Temporary Assistance to Needy Families (TANF)/Maintenance of Effort | 93.558 | BRHPC-EDAP-17-ELC2 | 10,829,384 |
| Child Care Development Fund (CCDF) | 93.575 | BRHPC-EDAP-17-ELC2 | 6,273,119 |
| CCDF Discretionary | 93.713 | BRHPC-EDAP-17-ELC2 | 7,410,351 |
| CCDF Mandatory/Matching/ Maintenance of Effort (MOE) | 93.596 | BRHPC-EDAP-17-ELC2 | 12,139,035 |
| Social Services Block Grant (SSBG) | 93.667 | BRHPC-EDAP-17-ELC2 | 33,016 |
| DCF Refugee/Entrant | 93.566 | XK048 | 84,795 |
| VA Supportive Services for Veteran Families Program | | | |
| United Way - Supportive Services for Veteran Families | 64.033 | Rehousing 1516-04-12-02 | 298,595 |
| U.S. Department of Housing and Urban Development | | | |
| Pass-through: | | | |
| City of Fort Lauderdale | | | |
| Housing Opportunity for Persons with AIDS (HOPWA) | 14.241 | Various | 1,953,232 |
| U.S. Department of Agriculture | | | |
| Marketing Services | 10.168 | 14-LFPPX-FL-0038 | 33,445 |
| Total Expenditures of Federal Awards | | | \$ 53,924,910 |

See Report of Independent Certified Public Accountants.

BROWARD REGIONAL HEALTH PLANNING COUNCIL, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE (Continued)**

Year Ended June 30, 2016

| <u>Federal Agency/State Agency/Pass-Through Grantor/Program Title</u> | <u>CFDA/ CSFA Number</u> | <u>Contract Number</u> | <u>Program Expenditures</u> |
|---|------------------------------|----------------------------|---------------------------------|
| STATE FINANCIAL ASSISTANCE | | | |
| State of Florida Department of Health Local Health Planning | 64.032 | CORCV R-3 | \$ 90,909 |
| Broward Behavioral Health Coalition Community Forensic Beds | 60.114 | Pass-Through | 53,661 |
| Early Learning Coalition of Broward County, Inc. Voluntary Pre-Kindergarten Education Program General Revenue | 48.108 | BRHPC-EDAP-17-ELC2 | <u>37,222,542</u> |
| Total Expenditures of State Financial Assistance | | | <u><u>\$ 37,367,112</u></u> |

See Report of Independent Certified Public Accountants.

BROWARD REGIONAL HEALTH PLANNING COUNCIL, INC.

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

Year Ended June 30, 2016

(1) General

The schedule of expenditures of federal awards and state financial assistance (the "Schedule") presents the activity of all federal programs and state projects of Broward Regional Health Planning Council, Inc. for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Council, it is not intended to and does not represent the financial position, changes in net assets or cash flow of the Council.

(2) Basis of Accounting

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.



MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
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
Broward Regional Health Planning Council, Inc.
Hollywood, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Broward Regional Health Planning Council, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 5, 2016.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Broward Regional Health Planning Council, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Broward Regional Health Planning Council, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Broward Regional Health Planning Council, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

To the Board of Directors of
Broward Regional Health Planning Council, Inc.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Broward Regional Health Planning Council, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Broward Regional Health Planning Council, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Broward Regional Health Planning Council, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Miami, Florida
October 5, 2016



MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Broward Regional Health Planning Council, Inc.
Hollywood, Florida

Report on Compliance for Each Major Federal Program

We have audited Broward Regional Health Planning Council, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement and Department of Financial Services State Projects Compliance Supplement* that could have a direct and material effect on each of Broward Regional Health Planning Council, Inc.'s major federal programs for the year ended June 30, 2016. Broward Regional Health Planning Council, Inc.'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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Broward Regional Health Planning Council, Inc.'s major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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*. Those standards, the Uniform Guidance, 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 Broward Regional Health Planning Council, 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 on compliance for each major federal program and state project. However, our audit does not provide a legal determination of Broward Regional Health Planning Council, Inc.'s compliance.

To the Board of Directors of
Broward Regional Health Planning Council, Inc.

Opinion on Each Major Federal Program and State Project

In our opinion, Broward Regional Health Planning Council, Inc. 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, 2016.

Report on Internal Control over Compliance

Management of Broward Regional Health Planning Council, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Broward Regional Health Planning Council, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Broward Regional Health Planning Council, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.



MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Miami, Florida
October 5, 2016

BROWARD REGIONAL HEALTH PLANNING COUNCIL, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2016

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

| | | | | |
|---|---------------|------------|--------------|---------------|
| Type of auditor's report issued: | | Unmodified | | |
| Internal control over financial reporting: | | | | |
| Material weakness(es) identified? | <u> </u> | yes | <u> X </u> | no |
| Significant deficiency(ies) identified? | <u> </u> | yes | <u> X </u> | none reported |
| Noncompliance material to financial statements noted? | <u> </u> | yes | <u> X </u> | no |

Federal Awards and State Financial Assistance

| | | | | |
|---|---------------|-----|--------------|---------------|
| Internal control over major programs: | | | | |
| Material weakness(es) identified? | <u> </u> | yes | <u> X </u> | no |
| Significant deficiency(ies) identified? | <u> </u> | yes | <u> X </u> | none reported |

| | | | | |
|---|--|------------|--|--|
| Type of auditor's report issued on compliance for major programs: | | Unmodified | | |
|---|--|------------|--|--|

| | | | | |
|--|---------------|-----|--------------|----|
| Any audit findings disclosed that are required to be reported in accordance with Title 2 CFR, Section 200.516(a), and/or Chapter 10.650, <i>Rules of the Auditor General</i> | <u> </u> | yes | <u> X </u> | no |
|--|---------------|-----|--------------|----|

| | | | | |
|---|--|-------------|--|--|
| Dollar threshold used to distinguish between Type A and Type B programs for federal awards: | | \$1,617,735 | | |
|---|--|-------------|--|--|

| | | | | |
|---|--|-------------|--|--|
| Dollar threshold used to distinguish between Type A and Type B projects for state financial assistance: | | \$1,121,013 | | |
|---|--|-------------|--|--|

| | | | | |
|---|--------------|-----|---------------|----|
| Auditee qualified as low-risk auditee pursuant to Uniform Guidance? | <u> X </u> | yes | <u> </u> | no |
|---|--------------|-----|---------------|----|

BROWARD REGIONAL HEALTH PLANNING COUNCIL, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)

Year Ended June 30, 2016

SECTION I - SUMMARY OF AUDITOR'S RESULTS (*Continued*)

Federal Awards and State Financial Assistance (Continued)

| <u>Name of Federal Program</u> | <u>CFDA Number</u> |
|--|------------------------|
| Department of Health and Human Services: | |
| Child Care Development Fund (CCDF) | 93.575 |
| Partnership to Improve Community Health | 93.331 |
| Temporary Assistance For Needy Families (TANF) | 93.558 |
| HIV Emergency Relief Project Grants | 93.914 |
| CCDF Discretionary | 93.713 |
| CCDF Mandatory/Matching/Maintenance of Effort (MOE) | 93.596 |
| HIV Care Formula Grants (Ryan White HIV/AIDS Program Part B) | 93.917 |
| Department of Housing and Urban Development: | |
| Housing Opportunity for Persons with AIDS (HOPWA) | 14.241 |
| | CSFA |
| <u>Name of State Financial Assistance</u> | <u>Number</u> |
| Voluntary Pre-Kindergarten Program - VPK | 48.108 |

SECTION II - FINANCIAL STATEMENT FINDINGS

No findings were reported.

SECTION III - FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

No findings were reported.

SECTION IV - PRIOR YEAR AUDIT FINDINGS

No findings were reported.

MANAGEMENT LETTER - No management letter issued.