



Single Audit Report

June 30, 2017

ECKERD YOUTH ALTERNATIVES, INC.

SINGLE AUDIT REPORTS

June 30, 2017

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	1-2
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE FINANCIAL ASSISTANCE PROJECT; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY UNIFORM GUIDANCE AND CHAPTER 10.650 RULES OF THE AUDITOR GENERAL.....	3-5
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE	6-12
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE	13
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	14-15
SUMMARY OF PRIOR YEAR FINDINGS	16

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

The Board of Directors
Eckerd Youth Alternatives, Inc.
Clearwater, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Eckerd Youth Alternatives, Inc. (d/b/a "Eckerd Connects"), which comprise the consolidated statement of financial position as of June 30, 2017, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 29, 2017. Our report includes a reference to other auditors who audited the financial statements of Paxen, LLC, as described in our report on Eckerd Connects' financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of CARING for Children, Inc. were not audited in accordance with *Government Auditing Standards*, and, accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with CARING for Children, Inc.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Eckerd Connects' 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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Eckerd Connects' internal control. Accordingly, we do not express an opinion on the effectiveness of Eckerd Connects' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

(Continued)

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 Eckerd Connects' consolidated 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*.

Purpose of this Report

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



Crowe Horwath LLP

Tampa, Florida
December 29, 2017

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND STATE FINANCIAL ASSISTANCE PROJECT; REPORT ON INTERNAL CONTROL OVER
COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE REQUIRED BY UNIFORM GUIDANCE AND
CHAPTER 10.650 RULES OF THE AUDITOR GENERAL**

The Board of Directors
Eckerd Youth Alternatives, Inc.
Clearwater, Florida

Report on Compliance for Each Major Federal Program and State Financial Assistance Project

We have audited Eckerd Youth Alternatives, Inc.'s (d/b/a "Eckerd Connects") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of Eckerd Connects' major federal programs and state financial assistance projects for the year ended June 30, 2017. Eckerd Connects' major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Eckerd Connects' basic consolidated financial statements include the operations of Paxen, LLC, which received \$6,413,780 in federal awards and \$909,737 in state financial assistance, which is not included in the schedule of expenditures of federal awards and state financial assistance during the year ended June 30, 2017. Our audit, described below, did not include the operations of Paxen, LLC because the organization's expenditures were subject to audits performed by other auditors.

Management's Responsibility

Management is responsible for compliance with the requirements of federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal programs and state financial assistance projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Eckerd Connects' major federal programs and state financial assistance 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 financial assistance project occurred. An audit includes examining, on a test basis, evidence about Eckerd Connects' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state financial assistance project. However, our audit does not provide a legal determination of Eckerd Connects' compliance.

Opinion on Each Major Federal Program and State Financial Assistance Project

In our opinion, Eckerd Connects 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 financial assistance project for the year ended June 30, 2017.

Report on Internal Control Over Compliance

Management of Eckerd Connects 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 Eckerd Connects' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state financial assistance 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 state financial assistance project 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 Eckerd Connects' 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 financial assistance 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 reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state financial assistance 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 financial assistance 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.

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by Uniform Guidance and Chapter 10.650, Rules of the Auditor General

We have audited the consolidated financial statements of Eckerd Connects as of and for the year ended June 30, 2017, and have issued our report thereon dated December 29, 2017, which contained an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated 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 the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General* and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards and state financial assistance is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



Crowe Horwath LLP

Tampa, Florida
December 29, 2017

ECKERD YOUTH ALTERNATIVES, INC.
SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended June 30, 2017

Federal Grantor/Program Title/ Pass through Grantor	Federal CFDA Number	Contract Number	Federal Expenditures	Amount Provided to Subrecipients
U.S. DEPARTMENT OF AGRICULTURE				
Child Nutrition Cluster				
School Breakfast Program				
Passed through State of Florida Department of Education		01-0112	\$ 58,081	\$ -
Passed through State of North Carolina Department of Public Instruction, Division of Child Nutrition		1142	<u>41,349</u>	<u>-</u>
Total School Breakfast Program	10.553		<u>99,430</u>	<u>-</u>
School Lunch Program				
Passed through State of Florida Department of Education		01-0112	91,974	-
Passed through State of North Carolina Department of Public Instruction, Division of Child Nutrition		1142	<u>64,657</u>	<u>-</u>
Total School Lunch Program	10.555		<u>156,631</u>	<u>-</u>
Afterschool Snack Program				
Passed through State of Florida Department of Education		01-0112	16,984	-
Passed through State of North Carolina Department of Public Instruction, Division of Child Nutrition		1142	<u>12,385</u>	<u>-</u>
Total Afterschool Snack Program	10.555		<u>29,369</u>	<u>-</u>
Total Child Nutrition Cluster			<u>285,430</u>	<u>-</u>
Commodity Food Program				
Received through State of Florida Department of Agriculture and Consumer Services			12,541	-
Received through State of North Carolina Department of Agriculture			<u>5,639</u>	<u>-</u>
Total Commodity Food Program	10.569		<u>18,180</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>303,610</u>	<u>-</u>
U.S. DEPARTMENT OF EDUCATION				
IDEA (Chapter I)				
Passed through State of North Carolina			4,000	-
Total IDEA (Chapter I)	84.027		<u>4,000</u>	<u>-</u>
Title I (Chapter I)				
Passed through State of Florida - Pinellas County School Board			72,107	-
Passed through State of North Carolina			<u>5,000</u>	<u>-</u>
Total Title I (Chapter I)	84.013		<u>77,107</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>81,107</u>	<u>-</u>

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ECKERD YOUTH ALTERNATIVES, INC.
SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended June 30, 2017

Federal Grantor/Program Title/ Pass through Grantor	Federal CFDA Number	Contract Number	Federal Expenditures	Amount Provided to Subrecipients
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Promoting Safe and Stable Families				
Passed through State of Florida Department of Children and Families		QJ511	\$ 1,012,642	\$ 484,558
Passed through Brevard Family Partnership		SVP1501	1,222	-
Passed through State of North Carolina Department of Health and Human Services		33773	325,119	-
Passed through State of North Carolina Department of Health and Human Services		33714	161,047	-
Passed through State of Florida Department of Children and Families		QJ3E0	<u>1,289,018</u>	<u>244,290</u>
Total Promoting Safe and Stable Families	93.556*		<u>2,789,048</u>	<u>728,848</u>
TANF Cluster				
Temporary Assistance for Needy Families				
Passed through State of Pennsylvania Delaware County Workforce Development Board		ECK-022-16YT	25,253	-
Passed through State of Pennsylvania Delaware County Workforce Development Board		ECK-502-16YT	45,466	-
Passed through State of Pennsylvania Delaware County Workforce Development Board		ECK-023-16YT	60,331	-
Passed through State of Pennsylvania South Central Workforce Investment Board		P16-550-180-16-3361-02	130,379	-
Passed through State of Pennsylvania Legigh Valley Workforce Development Board			23,852	-
Passed through Monmouth County		WFNJ 16-01	9,037	-
Passed through County of San Luis Obispo Department of Social Services		C009 2016	496,166	-
Passed through State of Ohio Franklin County Board of County Commissioners		25-17-2010	133,263	-
Passed through State of Ohio Franklin County Board of County Commissioners		25-16-1514	82,938	-
Passed through State of Ohio Franklin County Board of County Commissioners		25-16-1402	1,001,694	-
Passed through State of Florida First Coast Workforce Development Board		FCWD-2017-02	929,267	-
Passed through State of Florida Career Source Heartland		AA-26773-15-55-A-12	5,214	-
Passed through State of Florida Department of Children and Families		QJ511	4,085,732	1,382,664
Passed through State of Florida Department of Children and Families		QJ3E0	4,577,704	2,718,205

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ECKERD YOUTH ALTERNATIVES, INC.
SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended June 30, 2017

Federal Grantor/Program Title/ Pass through Grantor	Federal CFDA Number	Contract Number	Federal Expenditures	Amount Provided to Subrecipients
Passed through Brevard Family Partnership		SVP1501	\$ 39,164	\$ -
Total Temporary Assistance for Needy Families	93.558*		<u>11,645,460</u>	<u>4,100,869</u>
Total TANF Cluster			<u>11,645,460</u>	<u>4,100,869</u>
Grants to States for Access and Visitation Programs				
Passed through Brevard Family Partnership		SVP1501	60,000	-
Passed through State of Florida Department of Children and Families		QJ511	<u>40,653</u>	<u>-</u>
Total Grants to States for Access and Visitation Programs	93.597		<u>100,653</u>	<u>-</u>
Chafee Education and Training Vouchers Program				
Passed through State of Florida Department of Children and Families		QJ511	172,060	-
Passed through State of Florida Department of Children and Families		QJ3E0	<u>221,453</u>	<u>-</u>
Total Chafee Education and Training Vouchers Program	93.599		<u>393,513</u>	<u>-</u>
Headstart				
Early Headstart Program		04HP0025/01	<u>1,553,478</u>	<u>-</u>
Total Headstart	93.600		<u>1,553,478</u>	<u>-</u>
Adoption Incentive Payments				
Passed through State of Florida Department of Children and Families		QJ511	689,263	-
Passed through State of Florida Department of Children and Families		QJ3E0	<u>514,311</u>	<u>-</u>
Total Adoption Incentive Payments	93.603		<u>1,203,574</u>	<u>-</u>
Welfare Services - State Grants				
Passed through State of Florida Department of Children and Families		QJ511	881,495	371,391
Passed through Brevard Family Partnership		SVP1501	14,781	-
Passed through State of Florida Department of Children and Families		QJ3E0	<u>1,055,446</u>	<u>650,145</u>
Total Welfare Services - State Grants	93.645		<u>1,951,722</u>	<u>1,021,536</u>
Foster Care Title IVE				
Passed through Brevard Family Partnership		SVP1501	79,064	-
Passed through State of Florida Children's Network of Southwest Florida		SMB09	17,944	-
Passed through State of Florida Children's Network of Southwest Florida		SBN06	28,744	-
Passed through State of Florida Department of Children and Families		QJ511	11,661,801	4,373,275
Passed through State of Florida Department of Children and Families		QJ3E0	<u>14,092,263</u>	<u>7,090,891</u>
Total Foster Care Title IVE	93.658*		<u>25,879,816</u>	<u>11,464,166</u>

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ECKERD YOUTH ALTERNATIVES, INC.
SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended June 30, 2017

Federal Grantor/Program Title/ Pass through Grantor	Federal CFDA Number	Contract Number	Federal Expenditures	Amount Provided to Subrecipients
Adoption Assistance				
Passed through Brevard Family Partnership		SVP1501	\$ 18,551	\$ -
Passed through State of Florida Department of Children and Families		QJ511	9,785,970	640,367
Passed through State of Florida Department of Children and Families		QJ3E0	<u>10,776,030</u>	<u>1,380,092</u>
Total Adoption Assistance	93.659		<u>20,580,551</u>	<u>2,020,459</u>
Social Services Block Grant				
Passed through State of Florida Children's Network of Southwest Florida		SMB09	17,944	-
Passed through State of Florida Children's Network of Southwest Florida		SBN06	28,744	-
Passed through State of Florida Department of Children and Families		QJ511	2,528,109	1,065,463
Passed through State of Florida Department of Children and Families		QJ3E0	<u>2,952,855</u>	<u>1,128,227</u>
Total Social Services Block Grant	93.667*		<u>5,527,652</u>	<u>2,193,690</u>
Administration for Children, Youth and Families - Child				
Passed through State of Florida Department of Children and Families		QJ511	102,320	67,670
Passed through State of Florida Department of Children and Families		QJ3E0	<u>80,347</u>	<u>67,449</u>
Total Administration for Children, Youth and Families - Child	93.669		<u>182,667</u>	<u>135,119</u>
Independent Living				
Passed through State of Florida Department of Children and Families		QJ511	661,695	399,282
Passed through State of Florida Department of Children and Families		QJ3E0	<u>825,368</u>	<u>492,471</u>
Total Independent Living	93.674		<u>1,487,063</u>	<u>891,753</u>
Medicaid Cluster				
Medical Assistance Program				
Passed through State of Vermont Department of Children and Families		03440-20381-CFS15	75,559	-
Passed through State of Florida Department of Children and Families		QJ511	43,384	-
Passed through State of Florida Department of Children and Families		QJ3E0	<u>57,662</u>	<u>-</u>
Total Medical Assistance Program	93.778		<u>176,605</u>	<u>-</u>
Total Medicaid Cluster			<u>176,605</u>	<u>-</u>
Substance Abuse				
Passed through Central Florida Cares Health System		EKM	1,503,220	-
Passed through Lutheran Services		LS027	<u>474,595</u>	<u>-</u>
Total Substance Abuse	93.959		<u>1,977,815</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>75,449,617</u>	<u>22,556,440</u>

(Continued)

ECKERD YOUTH ALTERNATIVES, INC.
 SCHEDULE OF EXPENDITURES OF
 FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
 Year Ended June 30, 2017

Federal Grantor/Program Title/ Pass through Grantor	Federal CFDA Number	Contract Number	Federal Expenditures	Amount Provided to Subrecipients
U.S DEPARTMENT OF LABOR				
WIOA Cluster				
Workforce Innovation and Opportunity Act Adult Program				
Passed through State of South Carolina Appalachian Council on Government		16A295H2/16D295H2	\$ 796,990	\$ -
Passed through State of South Carolina BCD Council of Governments			1,173,295	-
Passed through State of South Carolina Lower Savannah Workforce Development Area		6AC97ED	44,666	-
Passed through State of New York Department of Youth and Community Development		60796B	336,962	-
Passed through City of San Jose Office of Economic Development		T30341/1246871	<u>352,784</u>	<u>-</u>
Total Workforce Innovation and Opportunity Act Adult Program	17.258*		<u>2,704,697</u>	<u>-</u>
Workforce Innovation and Opportunity Act Youth Program				
Passed through State of South Carolina BCD Council of Governments			1,019,594	-
Passed through State of South Carolina Lowcountry Council of Governments		WIOA 2015-01	112,996	-
Passed through State of South Carolina Santee Lynches Workforce Development Board		163610PYC	571,366	-
Passed through State of South Carolina SC Appalachian Council on Government		16Y495H2	631,999	-
Passed through State of Florida Career Source Research Coast		11-006-ISOSYS	976,554	-
Passed through State of Florida Citrus Levy Marion Regional Workforce Development Board		15-01PY2015	975,182	-
Passed through State of Florida Pasco Hernando Workforce Board Inc			839,169	-
Passed through State of Pennsylvania Delaware County Workforce Board		ECK-024-16YT	117,840	-
Passed through State of Pennsylvania Bucks County Workforce Development Board		2016-05	116,901	-
Passed through State of Ohio Central Ohio Worforce Investment Corporation		16-YO-1A-1416	274,567	-
Passed through State of Ohio Central Ohio Worforce Investment Corporation		16-YO-1B-1416	192,409	-
Passed through State of New Jersey Ocean County		16-220-510-640-F50	182,233	-
Passed through State of Maryland Susquehanna Workforce Network		CY15-1	154,373	-
Passed through State of New York Department of Youth and Community Development		20171406063	393,700	-

(Continued)

ECKERD YOUTH ALTERNATIVES, INC.
SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended June 30, 2017

Federal Grantor/Program Title/ Pass through Grantor	Federal CFDA Number	Contract Number	Federal Expenditures	Amount Provided to Subrecipients
Passed through State of New York Department of Youth and Community Development		90457A	\$ 95,672	\$ -
Passed through State of New York Department of Youth and Community Development		20171408553	439,536	-
Passed through State of New York Department of Youth and Community Development			115,472	-
Passed through State of New York Department of Youth and Community Development		90311A	36,546	-
Passed through State of New York Department of Youth and Community Development		90459A	99,105	-
Passed through City of San Jose Office of Economic Development		T30341/1246871	39,980	-
Passed through City of San Jose Office of Economic Development		C022 2016	<u>550,186</u>	-
Total Workforce Innovation and Opportunity Act Youth Program	17.259*		<u>7,935,380</u>	-
Total WIOA Cluster			<u>10,640,077</u>	-
Workforce Innovation and Opportunity Act Demonstration Grant				
Passed through State of South Carolina BCD Council of Governments			<u>515,709</u>	-
Total Workforce Innovation and Opportunity Act Demonstration Grant	17.261		<u>515,709</u>	-
Employment and Training Administration				
Reintegration of Ex-Offenders		YF-29324-16-60-A-12	<u>1,009,742</u>	-
Total Employment and Training Administration	17.270		<u>1,009,742</u>	-
Workforce Innovation and Opportunity Act Dislocated Worker				
Passed through State of South Carolina SC Appalachian Council on Government		16A295H2/16D295H2	31,581	-
Passed through State of South Carolina BCD Council of Governments			268,429	-
Passed through State of South Carolina Worklink Workforce Development Board		15A295H1/15D295H1	76,766	-
Passed through State of South Carolina Lower Savannah Workforce Development Board		6DC97ED	<u>27,519</u>	-
Total Workforce Innovation and Opportunity Act Dislocated Worker	17.277		<u>404,295</u>	-
TOTAL U.S DEPARTMENT OF LABOR			<u>12,569,823</u>	-
Erate	84.UNKNOWN		<u>70,258</u>	-
Total Federal Awards			<u>\$ 88,474,415</u>	<u>\$ 22,556,440</u>

* major federal program

(Continued)

ECKERD YOUTH ALTERNATIVES, INC.
SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended June 30, 2017

State Agency/Program Title/Contract Description	State CSFA Number	Contract Number	State Expenditures	Amount Provided to Subrecipients
Department of Children and Families				
Out of Home Supports				
Community Based Care Supports		QJ511	\$ 2,001,773	\$ 1,212,431
Community Based Care Supports		QJ3E0	<u>933,999</u>	<u>887,962</u>
	60.074**		<u>2,935,772</u>	<u>2,100,393</u>
In Home Supports				
Community Based Care Supports		QJ3E0	642,945	422,094
Community Based Care Supports		QJ511	<u>662,453</u>	<u>-</u>
	60.075**		<u>1,305,398</u>	<u>-</u>
Adoption Services				
Community Based Care Supports		QJ3E0	1,029	-
	60.076		<u>1,029</u>	<u>-</u>
Independent Living				
Community Based Care Supports		QJ511	291,422	74,578
Community Based Care Supports		QJ3E0	<u>282,602</u>	<u>88,619</u>
	60.112**		<u>574,024</u>	<u>163,197</u>
Sexually Exploited Children				
Community Based Care Supports		QJ511	32,018	12,000
Community Based Care Supports		QJ3E0	<u>191,700</u>	<u>3,900</u>
	60.138		<u>223,718</u>	<u>15,900</u>
Extended Foster Care				
Community Based Care Supports		QJ511	288,217	52,737
Community Based Care Supports		QJ3E0	<u>360,834</u>	<u>59,638</u>
	60.141**		<u>649,051</u>	<u>112,375</u>
Total Department of Children and Families			<u>5,688,992</u>	<u>2,279,490</u>
Department of Military Affairs				
Florida National Guard				
About Face		DMA-JDF-623	39,105	-
Forward March		DMA-JDF-626	<u>89,460</u>	<u>-</u>
Total Department of Military Affairs	62.001		<u>128,565</u>	<u>-</u>
Total State Financial Assistance			<u>\$ 5,817,557</u>	<u>\$ 2,279,490</u>

** major state projects

See accompanying notes to the
Schedule of Expenditures of Federal Awards and State Financial Assistance.

ECKERD YOUTH ALTERNATIVES, INC.
NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state grant activity of Eckerd Youth Alternatives, Inc. ("Eckerd Connects") and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with accounting principles generally accepted in the United States of America as applicable to nonprofit organizations and the provisions 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 of the State of Florida*.

Expenditures federal awards of Eckerd Connects are determined using the cost accounting principles and procedures set forth in the Uniform Guidance. Under these cost principles, certain expenditures are not allowable or are limited as to reimbursement.

Eckerd Youth Alternatives, Inc. is the registered legal name with the State of Florida. However, the organization began doing business (d/b/a) as Eckerd Connects in October 2017.

Eckerd Connects has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 2 - CONTINGENCIES

Expenditures incurred by Eckerd Connects and the subgrantees associated with the execution of various grants are subject to audit and possible disallowance by the grantor agency. Eckerd Connects would be held responsible for recovery (reimbursement to the grantor agency) of disallowed amounts incurred by a 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 3 - NON-CASH ASSISTANCE/FEDERAL INSURANCE

Eckerd Connects had no non-cash assistance or Federal Insurance in force during the fiscal year.

(Continued)

ECKERD YOUTH ALTERNATIVES, INC.
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year Ended June 30, 2017

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes ___X___ No

Significant deficiency(ies) identified? _____ Yes ___X___ None Reported

Noncompliance material to financial statements noted? _____ Yes ___X___ No

Federal Awards and State Financial Assistance

Internal Control over major programs:

Material weakness(es) identified? _____ Yes ___X___ No

Significant deficiency(ies) identified? _____ Yes ___X___ None Reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ Yes ___X___ No

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
93.556	Promoting Safe and Stable Families
93.558	Temporary Assistance for Needy Families (TANF)
93.658	Foster Care Title IVE
93.667	Social Services Block Grant
17.258, 17.259	WIOA Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$2,654,232

Auditee qualified as low-risk auditee? _____ Yes ___X___ No

(Continued)

ECKERD YOUTH ALTERNATIVES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2017

Identification of major state financial assistance projects:

<u>CSFA Numbers</u>	<u>Name of State Project or Cluster</u>
60.074	Community-Based Care – Out-of-Home Supports
60.075	Community-Based Care – In-Home Supports
60.112	Community-Based Care – Independent Living
60.141	Community-Based Care – Extended Foster Care

Dollar threshold used to distinguish between Type A
and Type B programs: \$300,000

SECTION II - FINANCIAL STATEMENT FINDINGS

No items noted.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No items noted.

SECTION IV - STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

No items noted.

(Continued)

Prior Year Findings and Questioned Costs

Finding 2016-001: Eligibility – Material Weakness

Impacted Program:

Federal Agency: Department of Health and Human Services
Pass-through Agency: Florida Department of Children and Families
Program: Foster Care
CFDA Number: 93.658

Condition:

The Organization does not have consistent documented review process between their community alternative jurisdictions.

Status of Prior Year Finding:

This item was remediated.

Finding 2016-002: Eligibility – Material Weakness

Impacted Program:

State Agency: Department of Children and Families
Program: Commercial Sexually Exploited Children (CSEC)
CSFA Number: 60.138

Condition:

There are no formalized quality control processes and procedures in place related to the specific CSEC eligibility requirements.

Status of Prior Year Finding:

This item was remediated.