

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.

PANAMA CITY, FLORIDA

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

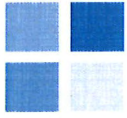
GULF COAST CHILDREN’S ADVOCACY CENTER, INC.
PANAMA CITY, FLORIDA
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Gulf Coast Children's Advocacy Center, Inc.
Panama City, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Gulf Coast Children's Advocacy Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gulf Coast Children's Advocacy Center, Inc. as of December 31, 2019, 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, in 2019, Gulf Coast Children's Advocacy Center, Inc. adopted new accounting guidance, Accounting Standards Update 2014-09, *Revenue from Contracts with Customers (Topic 606)* and Accounting Standards Update 2018-08, *Not-for-Profit Entities (Topic 958) – Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. Our opinion is not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the Florida Single Audit Act (Florida Statute 215.97) and Chapter 10.650 of the Rules of the Auditor General of the State of Florida, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 September 11, 2020, on our consideration of Gulf Coast Children's Advocacy Center, 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 the effectiveness of Gulf Coast Children's Advocacy Center, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Gulf Coast Children's Advocacy Center, Inc.'s internal control over financial reporting and compliance.

Tipton, Marler, Bamer & Chastain

Panama City, Florida
September 11, 2020

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019

ASSETS

Current Assets:	
Cash and cash equivalents	\$ 261,894
Contracts and grants receivable	991,849
Prepaid expenses	21,672
Other receivables	231
Promise to give	1,980
Total current assets	1,277,626
 Property and Equipment:	
Land	830,926
Construction in progress - Marianna	94,686
Buildings	2,753,284
Building improvements	73,201
Furniture and equipment	518,345
Automobiles	43,506
	4,313,948
Less accumulated depreciation	(996,332)
Net property and equipment	3,317,616
 Other Assets:	
Loan fees, net of amortization	19,951
Deposits	14,546
Total other assets	34,497
 Total Assets	 \$ 4,629,739

LIABILITIES AND NET ASSETS

Current Liabilities:	
Accounts payable and accrued expenses	\$ 84,057
Bay County Commissioners advance	640,046
Deferred revenue - grants	244,364
Deferred revenue - fundraisers	3,500
Line of credit	250,000
Promissory note	69,000
Current maturities of notes payable	40,119
Total current liabilities	1,331,086
 Other Liabilities:	
Notes payable, less current maturities	1,248,632
Total liabilities	2,579,718
 Net Assets:	
With donor restrictions	47,534
Without donor restrictions	2,002,487
Total net assets	2,050,021
 Total Liabilities and Net Assets	 \$ 4,629,739

See independent auditor's report and the accompanying notes.

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:			
Contributions	\$ 285,075	\$ 43,321	\$ 328,396
In-kind contributions	27,520		27,520
Contracts and grants	4,485,734		4,485,734
Administration fees	250,684		250,684
United Way allocations	13,726		13,726
Interest income	1,464		1,464
Reimbursements	206,917		206,917
Building rent	91,831		91,831
Special events	279,423		279,423
Insurance proceeds	525,504		525,504
Miscellaneous	23,267		23,267
Net assets released from restrictions	67,029	(67,029)	0
Total revenues and other support	6,258,174	(23,708)	6,234,466
Expenses:			
Program services -			
Animal Assisted Intervention	43,914		43,914
Community Outreach Program	210,971		210,971
Child Protection Team	957,437		957,437
Healthy Start	281,172		281,172
Parents as Teachers	249,255		249,255
Sexual Assault Program	566,061		566,061
Therapy Program	871,008		871,008
Victim Services	1,350,386		1,350,386
Supporting services -			
General and administrative	1,838,399		1,838,399
Fundraising	207,728		207,728
Total expenses	6,576,331	0	6,576,331
Decrease in Net Assets	(318,157)	(23,708)	(341,865)
Net Assets:			
Net assets, beginning of year	2,320,644	71,242	2,391,886
Net assets, end of year	\$ 2,002,487	\$ 47,534	\$ 2,050,021

See independent auditor's report and the accompanying notes.

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2019

	Program Services								Supporting Services			
	Animal Assisted Intervention	Community Outreach Program	Child Protection Team	Healthy Start	Parents as Teachers	Sexual Assault Program	Therapy Program	Victim Services	Total Program Services	General and Administrative	Fundraising	Total
Accounting, auditing, and professional fees	\$ 45	\$ 596	\$ 4,490	\$ 1,540	\$ 1,174	\$ 3,345	\$ 3,737	\$ 3,682	\$ 18,609	\$ 26,419	-	\$ 45,028
Administration fees	-	-	8,757	34,060	26,537	15,221	166,109	-	250,684	-	-	250,684
Advertising	30	-	90	395	-	4,632	439	369	5,955	2,891	-	8,846
Advocacy/Awareness expense	-	-	191	-	1,260	40,585	1,371	70,959	114,366	11,623	-	125,989
Amortization expense	-	-	-	-	-	-	-	-	-	937	-	937
Bad debt expense	-	-	1,200	-	-	2,000	3,063	17	6,280	-	-	6,280
Depreciation	-	-	-	-	-	-	-	-	-	104,192	-	104,192
Direct client care	-	-	-	1,000	2,945	8,900	9,582	39,380	61,807	29,944	-	91,751
Dues and subscriptions	-	-	180	-	1,850	129	-	-	2,159	9,086	-	11,245
Employee benefits	3,201	18,305	33,212	19,070	13,292	26,985	29,852	84,570	228,487	28,519	-	257,006
Employee/Board related expenses	-	176	406	391	200	1,342	2,260	3,617	8,392	21,539	-	29,931
Hurricane expenses	-	600	-	-	-	-	-	638	1,238	851,943	-	853,181
Insurance	388	1,594	9,174	2,042	1,563	3,176	6,673	8,171	32,781	28,063	-	60,844
Interest	-	-	-	-	-	-	5,849	-	5,849	38,697	-	44,546
Janitorial	-	64	8,815	-	-	1,173	1,064	4,868	15,984	8,659	-	24,643
Landscape supplies	-	-	4,773	-	-	2,540	-	4,181	11,494	6,671	-	18,165
Medical services and supplies	-	-	54,895	1,977	3,977	16,406	30,579	-	107,834	-	-	107,834
Miscellaneous	-	19	163	52	110	397	55	530	1,326	18,094	-	19,420
Office expense	85	843	29,089	2,919	1,966	5,783	10,108	62,005	112,798	47,193	-	159,991
Rent	-	7,300	60,221	9,865	6,826	43,974	35,825	41,104	205,115	2,400	-	207,515
Repairs and maintenance	-	-	973	-	-	156	121	354	1,604	19,991	-	21,595
Retirement	1,125	4,572	15,559	3,354	2,958	6,089	9,681	14,926	58,264	13,753	-	72,017
Salaries and related expenses	35,376	166,919	698,642	186,418	162,848	347,583	520,571	937,989	3,056,346	503,919	\$ 39,915	3,600,180
Special events	-	-	-	-	-	12	10	-	22	-	167,813	167,835
Taxes and licenses	-	-	220	-	-	-	1,714	400	2,334	1,022	-	3,356
Telephone	228	1,991	4,447	4,029	1,819	9,792	7,451	12,859	42,616	5,698	-	48,314
Training	3,436	1,406	4,993	6,244	14,506	7,245	9,081	36,973	83,884	21,128	-	105,012
Travel	-	5,879	7,445	5,982	4,340	10,527	10,070	15,712	59,955	13,921	-	73,876
Utilities	-	707	9,502	1,834	1,084	8,069	5,743	7,082	34,021	22,097	-	56,118
Total expenses	\$ 43,914	\$ 210,971	\$ 957,437	\$ 281,172	\$ 249,255	\$ 566,061	\$ 871,008	\$ 1,350,386	\$ 4,530,204	\$ 1,838,399	\$ 207,728	\$ 6,576,331

See independent auditor's report and the accompanying notes.

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019

Cash Flows From Operating Activities:	
Cash received from contracts and grants	\$ 4,176,580
Cash received from contributions	328,396
Cash received from United Way	13,726
Cash received from insurance proceeds	525,504
Cash received from other operating receipts	770,126
Interest received	1,464
Interest paid	(44,546)
Cash paid to suppliers and employees	(6,417,627)
Net cash used in operating activities	<u>(646,377)</u>
Cash Flows From Investing Activities:	
Purchases of capital assets	(147,522)
Purchase of land	(257,937)
Net cash used in investing activities	<u>(405,459)</u>
Cash Flows From Financing Activities:	
Advances from Bay County	2,133,487
Proceeds from loan	379,000
Repayments on Bay County Advance	(1,920,137)
Payments on note payable	(50,376)
Net cash provided by financing activities	<u>541,974</u>
Net Decrease in Cash and Cash Equivalents	(509,862)
Cash and cash equivalents, beginning of year	<u>771,756</u>
Cash and cash equivalents, end of year	<u>\$ 261,894</u>
Reconciliation of change in net assets to net cash used in operating activities -	
Change in net assets	\$ (341,865)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation	104,192
Amortization	937
(Increase) decrease in assets -	
Contracts and grants receivable	(350,325)
Prepaid expenses	22,106
Other receivables	4,009
Promise to give	(1,980)
Deposits	(2,259)
Increase (decrease) in liabilities -	
Accounts payable and accrued expenses	(43,861)
Deferred revenue - grants	55,685
Deferred revenue - fundraisers	(88,250)
Insurance note payable	(4,766)
Total adjustments	<u>(304,512)</u>
Net cash used in operating activities	<u>\$ (646,377)</u>

See independent auditor's report and the accompanying notes.

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 1 – NATURE OF ORGANIZATION

Gulf Coast Children's Advocacy Center, Inc. (the Organization) was established on September 9, 1999. The Organization serves to protect and enhance the quality of life for victims of sexual violence and child abuse in our community by providing a trauma sensitive, specialized approach to assess, identify, treat and prevent sexual assault and child abuse through the coordination of community resources. The Organization coordinates and facilitates treatment for child victims and their families. A substantial portion of funding for programs is provided by the State of Florida Department of Health, the U.S. Department of Health and Human Services, and the U.S. Department of Justice.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which required the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objective of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents

The Organization considers all cash and highly liquid investments with original maturities of less than three months to be cash equivalents.

Contracts and Grants Receivable

The Organization reports contracts and grants receivable at net realizable value. Management determines the allowance for doubtful accounts based on historical losses and current economic conditions. Management believes all receivables are collectible, therefore, no allowance for doubtful accounts is provided in these financial statements.

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property and equipment are stated at cost for assets purchased and at fair value for assets donated. Depreciation of equipment is provided over the estimated useful lives, generally five to seven years, of the respective assets on a straight-line basis. The Organization capitalizes all property and equipment purchases over \$1,000 or property and equipment less than \$1,000 that is required to be tracked by the granting agency. Depreciation expense for the year ended December 31, 2019 was \$104,192.

Advertising

Advertising costs are expensed as incurred. Advertising costs incurred during the year ended December 31, 2019 were \$8,846.

Contributed Services

Contributed goods and services are recorded as support and expense in the accompanying financial statements at their fair value in the period of receipt. Services provided by the Board of Directors are considered a philanthropic activity and are generally not recorded; therefore, the value of contributed time is not reflected in these financial statements.

Income Taxes

Gulf Coast Children's Advocacy Center, Inc. has qualified as an exempt organization for federal income tax purposes under Internal Revenue Code Section 501(c)(3) and is not classified as a private foundation. However, the Organization may be subject to income taxes on unrelated business income. The Organization had no unrelated business income during the year ended December 31, 2019. Consequently, no provision for income taxes has been made in these financial statements.

Use of Estimates

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

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Change in Accounting Principle

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (“ASU”) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which requires an entity to recognize revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The Organization adopted ASU 2014-09 and related amendments on January 1, 2019, using the modified retrospective method and elected to apply the standard only to contracts that were not completed as of that date. The adoption of the standard did not impact the results of operations or change in net assets.

In June 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (“ASU”) 2018-08, *Not-for-Profit Entities (Topic 958) – Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. This ASU provides additional guidance to be used to determine whether a contribution is conditional and when a transaction should be accounted for as a contribution versus an exchange. The Organization adopted ASU 2018-08 as of January 1, 2019 and has applied the amendments of this standard on a modified prospective basis and elected to apply the standard only to agreements that were entered into after the effective date. This standard did not result in a material change to the financial statements or the timing of revenue recognition for the Organization’s grants and contributions.

NOTE 3 – CONTRIBUTIONS

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Those restricted gifts that are received and whose restriction is accomplished in the same year are reported as support without donor restrictions.

The Organization reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long lived assets are placed in service.

**GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 4 – CONTRACTS AND GRANTS RECEIVABLE

Contracts and grants receivable at December 31, 2019 consist of the following:

Child Protection Teams	\$ 64,505
Florida Council Against Sexual Violence	43,840
FEMA	1,043
Florida Network for Children's Advocacy Centers	55,799
Sexual Abuse Treatment Program (SATP)/Therapy	2,916
State of Florida – Victims Compensation	27,295
Bay, Franklin, Gulf Healthy Start Coalition, Inc.	86,625
Victims of Crime Act (VOCA) Grant	672,820
Other	<u>37,006</u>
 Total contracts and grants receivable	 <u>\$ 991,849</u>

NOTE 5 – LIQUIDITY AND AVAILABILITY

The Organization regularly monitors liquidity to meet its operating needs and other contractual commitments. The Organization has various sources of liquidity at its disposal including cash and cash equivalents and receivables.

For the purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities.

As of December 31, 2019, the following tables show the total financial assets held by the Organization and the amounts of those financial assets available within one year of the balance sheet date to meet general expenditures.

Financial assets at year-end:

	<u>2019</u>
Cash and cash equivalents	\$ 261,894
Contracts and grants receivable	991,849
Other receivables	231
Promise to give	<u>1,980</u>
 Total financial assets at year-end	 <u>\$ 1,255,954</u>

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 5 – LIQUIDITY AND AVAILABILITY (Continued)

Financial assets available to meet general expenditures within one year:

	2019
Financial assets at year-end	\$ 1,255,954
Donor-imposed contributions	
Restricted by donor with purpose restrictions	
Missing Place Event	(1,305)
Hurricane Relief	(37,890)
St. Joe Foundation – Therapy Services	(6,532)
United Way Calhoun County –	
Hurricane Michael repairs	(773)
United Way Jackson County –	
Hurricane Michael repairs	(1,034)
Board designations	
Hurricane Michael repairs	(30,972)
 Total financial assets available to meet cash needs for general expenditures within one year	 \$ 1,177,448

The Organization is substantially supported by contributions and grants. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. Contributions for Missing Place are restricted for victim table placements to be used for the Missing Place event expenses. On October 10, 2018, the Organization was substantially impacted by Hurricane Michael and the Organization received various contributions for related repairs. The St. Joe Foundation contributions are designated for therapy services and the Community Service Foundation contributions are designated for the community outreach program. The Organization was also awarded funding from United Way for Calhoun and Jackson County restricted for Hurricane Michael repairs. During 2018 and 2019, the Organization received \$308,792 and \$525,504 of insurance proceeds, respectively, for damages caused by Hurricane Michael and recognized \$15,128 and \$788,197 of related expenses, respectively. The remaining unspent insurance proceeds of \$30,972 at December 31, 2019 were designated by the board to cover the remaining repairs. In the event of an unanticipated liquidity need, the Organization also could draw upon any available funds from its \$250,000 line of credit (as further discussed in Note 18).

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 6 – OPERATING LEASES

Lessee

The Organization entered into an operating lease agreement on June 26, 2012 with Donald and Sharon Harrell for the use of office space located in Chipley, FL. The lease is for a period of 5 years beginning on July 1, 2012 and expiring on June 30, 2017 with an option to renew for an additional ten (10) one-year periods. The terms of the lease include a 3% increase in the monthly rent payment each year. The Organization renewed its lease agreement with Donald and Sharon Harrell for an additional ten (10) one-year periods beginning on July 1, 2017 and expiring on June 30, 2027. For the year ended December 31, 2019, monthly rent payments were \$1,326 for January through June and \$1,366 for July through December.

The Organization entered into an operating lease agreement on March 8, 2016 with Railroad Properties North, LLC for the use of office space located in Chipley, FL. The lease is for a period of two and a half years beginning on March 15, 2016 and expiring on September 30, 2018 with an option to renew for an additional one-year period after each subsequent year. The Organization renewed for an additional year beginning on October 1, 2019 and expiring on September 30, 2020. For the year ended December 31, 2019, monthly rent payments were \$600.

The Organization entered into an operating lease agreement on September 28, 2016 with Panhandle Medical Group, LLC for the use of office space located in Port St. Joe, FL. The lease is for a period of three years beginning on October 1, 2016 and expiring on September 30, 2019. On September 30, 2019, the Organization extended this agreement with Preferred Coastal Properties. The lease is for a period of three additional years beginning on October 1, 2019 and expiring on September 30, 2022. For the year ended December 31, 2019, monthly rent payments were \$1,500.

The Organization entered into an operating lease agreement on March 1, 2018 with Daniel E. Ryals for the use of office space located in Blountstown, FL. The lease is for a period of one year beginning on March 1, 2018 and expiring on February 28, 2019, in which the agreement will revert to a month to month lease renewing on the first day of each month. For the year ended December 31, 2019, monthly rent payments were \$900.

The Organization entered into an operating lease agreement on May 1, 2018 with Janice S. Taylor for the use of office space located in Bonifay, FL. The lease is for a period of one year beginning on May 1, 2019 and expiring on April 30, 2020. For the year ended December 31, 2019, monthly rent payments were \$500.

The Organization entered into an operating lease agreement on October 1, 2018 with G.E. Rich and Associates, LLC for the use of office space located in Bonifay, FL. The lease is for a period of one year beginning on October 1, 2018 and expiring on September 30, 2020. For the year ended December 31, 2019, monthly rent payments were \$875.

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 6 – OPERATING LEASES (Continued)

The Organization entered into an operating lease agreement on December 1, 2018 with Dermatology Specialists Property, LLC for the use of office space located in Marianna, FL. The lease is for a period of five years beginning on December 1, 2018 and expiring on November 30, 2023. For the year ended December 31, 2019, monthly rent payments were \$1,650 for January through November and \$1,700 for December.

The Organization entered into an operating lease agreement on February 25, 2019 with Oakridge Partners, LLP for the use of office space located in Panama City, FL. The lease is for a period of one year beginning on March 1, 2019 and expiring on February 29, 2020. For the year ended December 31, 2019, monthly rent payments were \$750.

The Organization entered into an operating lease agreement on July 16, 2019 with Baytown Plaza Rentals for the use of office space located in Panama City, FL. The lease is for a period of three years beginning on July 16, 2019 and expiring on July 16, 2022. For the year ended December 31, 2019, monthly rent payments were \$1,840.

The Organization entered into an operating lease agreement on August 13, 2019 with Town Centre, Inc. for the use of office space located in Panama City, FL. The lease is for a period of three years beginning on September 1, 2019 and expiring on August 31, 2022. For the year ended December 31, 2019, monthly rent payments were \$1,350.

The Organization entered into an operating lease agreement on August 25, 2019 with Town Centre, Inc. for the use of office space located in Panama City, FL. The lease is for a period of three years beginning on September 1, 2019 and expiring on August 31, 2022. For the year ended December 31, 2019, monthly rent payments were \$1,250.

Future minimum rental payments according to the lease agreements are as follows:

2020	\$ 117,299
2021	94,733
2022	71,270
2023	<u>20,427</u>
Total	<u>\$ 303,729</u>

Operating lease expense for the year ended December 31, 2019 totaled \$164,297.

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 6 – OPERATING LEASES (Continued)

Lessor

On September 14, 2016, the Organization renewed the non-cancellable sublease agreement with the Department of Children and Families for the use of the Organization's office space in Panama City, FL. The renewed lease is for a period of five years beginning February 1, 2017 and expiring on January 30, 2022. For the year ended December 31, 2019, the monthly rental income was \$1,675 for January and \$1,725 for February through December.

On November 7, 2018, the Organization entered into an agreement with the Royal Plus, Inc. for the use of the Organization's parking lot space in Panama City, FL. The lease is for a period of four months beginning on November 7, 2018 and expiring on February 7, 2019, in which it reverted to a month to month lease. For the year ended December 31, 2019, the monthly rental income was \$2,200 from January through June, after which Royal Plus did not renew.

Operating lease income for the year ended December 31, 2019 totaled \$34,327.

Future minimum rental payments to be received are as follows:

2020	\$ 21,270
2021	20,075
2022	<u>1,830</u>
Total	<u>\$ 43,175</u>

NOTE 7 – PROMISES TO GIVE

Promises to Give consist of the following:

United Way – Hurricane Relief	<u>2019</u> \$ 1,980
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NOTE 8 – CONCENTRATIONS AND CREDIT RISKS

The Organization received 75% of its revenues and other support (excluding insurance proceeds) from contracts and grants from the State of Florida, a federal agency, or pass through entity. If a significant reduction in this level of support were to occur, it would have a material effect on the Organization's activities.

The Organization maintains cash balances at financial institutions located in Bay County, Florida. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2019, the Organization had no uninsured cash balances.

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 9 – FUNCTIONAL ALLOCATION OF EXPENSES

The financial statements report certain categories of expenses that are attributable to more than one program, supporting, or fundraising function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Those expenses are salaries and benefits, occupancy, and audit fees, which are allocated among program, administrative and fundraising services. Salaries and related payroll costs are allocated based on time, effort, and benefit received by each function. Occupancy costs are allocated based on square footage use of each building and/or location. The audit fees are allocated to programs based on a percentage of total expenditures.

NOTE 10 – PENSION PLAN

The Organization maintained a 403(b) pension plan, which covers all eligible employees. The Organization may elect annually to contribute to the plan on behalf of the employees. For the year ended December 31, 2019, employer contributions were \$72,017.

NOTE 11 – NET ASSETS

Net Assets With Donor Restrictions:

As of December 31, 2019 net assets with donor restrictions of \$47,534, are restricted for Missing Place table placement expenses, hurricane repairs, and therapy services.

Net assets with donor restrictions are restricted for the following purposes:

	2019
Missing Place Event	\$ 1,305
Hurricane Relief	37,890
St. Joe Foundation – Therapy Services	6,532
United Way Calhoun County – Hurricane Relief	773
United Way Jackson County – Hurricane Relief	1,034
	\$ 47,534

Board Designated and Net Assets Without Donor Restrictions:

As of December 31, 2019, the Board of Directors designated unspent insurance proceeds of \$30,972 for expenses related to hurricane repairs and all other net assets were considered to be net assets without donor restrictions.

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 12 – PROMISSORY NOTE

On December 29, 2019, the Organization entered into a promissory note agreement with The Charles Whitehead Foundation for \$69,000, which bears interest at 0% annually. The note is due and payable upon the release of escrow funds held by First Federal bank on March 1, 2020.

NOTE 13 – GRANT FUNDING AGREEMENT

On December 4, 2018, the Organization entered into a grant funding agreement with Bay County, Florida (the County) where the County will fund grant expenses prior to reimbursement regarding the 2018 VOCA grant awarded to the Organization not to exceed \$2,560,184. The County funded \$426,697 in October and November of 2018 and \$213,349 each month thereafter until the funding was paid out by the County. For the year ended December 31, 2019, the Organization received funding of \$2,133,487 and made payments of \$1,920,137 and the balance at year end was \$640,046.

NOTE 14 – IN-KIND CONTRIBUTIONS

The Organization received in-kind contributions as follows:

	2019
General	
Audit	\$ 8,500
Media	15,000
Sexual Assault Program	
PSA commercials	4,020
	\$ 27,520

NOTE 15 – SUPPLEMENTARY DISCLOSURES OF CASH FLOWS INFORMATION

Cash paid during the year for:

Interest	\$	44,546
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GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 16 – NOTES PAYABLE

Notes payable are summarized as follows:

	As of December 31, 2019	
	Due in One Year	Due After One Year
Note payable, interest at 2.375%, due in monthly installments of \$5,574, collateralized by building, matures January 2038.	\$ 33,429	\$ 945,322
Note payable, interest at 5.5%, due in variable monthly installments, collateralized by building, matures September 2039.	6,690	303,310
Total	\$ 40,119	\$ 1,248,632

Maturities of notes payable for the next five years are as follows:

2020	\$ 40,119
2021	47,528
2022	49,769
2023	48,884
2024	50,962
Thereafter	1,051,489
Total	\$ 1,288,751

NOTE 17 – ACCRUED COMPENSATED ABSENCES

The Organization has not accrued for compensated absences because the amount cannot be reasonably estimated. Accrued vacation days of up to ten (10) are paid at termination, only when appropriate notice is given, and funding is available. All accrued vacation days are forfeited when an employee quits without proper notice or is immediately terminated for a policy violation or substandard job performance.

NOTE 18 – LINE OF CREDIT

The Organization has a line of credit at a local financial institution for \$250,000. The line of credit has a variable interest rate and matures on January 1, 2021. The Organization made draws of \$30,000 and payments of \$30,000 during 2019, and the balance at December 31, 2019 was \$250,000.

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 19 – INSURANCE PROCEEDS AND EXPENSES

On October 10, 2018, the Organization was directly impacted by Hurricane Michael and suffered major damage to its properties. For the year ended December 31, 2019, the Organization received \$525,504 in insurance proceeds and incurred \$853,181 in related expenses. The Organization does not expect to receive additional insurance proceeds but will incur additional expenses related to its claims after year end, however, as of September 11, 2020 those amounts cannot be determined.

NOTE 20 – RELATED PARTY

The Organization contracted with a landscaping company, which is owned by a board member's spouse. Landscaping services for the year ended December 31, 2019 was \$20,904.

NOTE 21 – CONSTRUCTION COMMITMENT

The Organization has outstanding commitments for construction contracts at year end. The commitments represent the difference between the contract prices of the various projects and the amounts paid on each contract. The Organization entered into an agreement with GAC Contractors, Inc. (contractor) on April 8, 2019 for the repairs of the main office building. As of December 31, 2019, the adjusted contract price was \$728,929, which corresponds to the insurance adjuster's report regarding the assessment of repairs needed. The repairs to the main office building began during the year ended December 31, 2019 and was completed in January 2020. As of December 31, 2019, the Organization's outstanding construction commitments were \$72,207. On March 27, 2020, an approved change order of \$31,791 reduced the contract price and left a payment of \$40,416 due from the Organization.

NOTE 22 – SUBSEQUENT EVENTS

In December 2019, a novel strain of coronavirus ("COVID-19") was reported to have surfaced in China. The World Health Organization has declared COVID-19 to constitute a "Public Health Emergency of International Concern" and characterized COVID-19 as a pandemic. The U.S. government has also implemented enhanced screenings, quarantine requirements, and travel restrictions in connection with the COVID-19 outbreak. The extent of the impact of the COVID-19 on the Organization's operational and financial performance will depend on future developments, including the duration and spread of the outbreak and related restrictions, all of which are highly uncertain and cannot be predicted. As of the date these financial statements were issued, the extent to which COVID-19 may impact the District's financial condition or results of operations cannot be reasonably estimated.

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 22 – SUBSEQUENT EVENTS (Continued)

On January 7, 2020, the Organization entered into a grant funding agreement with Bay County, Florida (the County) where the County will fund grant expenses prior to reimbursement regarding the 2019 VOCA grant awarded to the Organization not to exceed \$2,560,184. The County will fund \$213,349 each month until the funding is paid out.

On April 14, 2020, the Organization entered into a Paycheck Protection Program Promissory Note (the "PPP Note") for the principal amount of \$809,700 (the "PPP Loan") from First Federal Bank (the "PPP Loan Lender"). The PPP Loan was obtained pursuant to the Paycheck Protection Program (the "PPP") of the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") administered by the U.S. Small Business Administration ("SBA"). The PPP Loan was disbursed by the PPP Loan Lender to the Company on April 17, 2020 (the "Disbursement Date") and will mature two years from the Disbursement Date. The PPP Loan bears an interest at 1.00% per annum and is payable monthly commencing on November 5, 2020. Funds from the PPP Loan may only be used by the Company for payroll costs, costs for continuing group healthcare benefits, mortgage interest payments, rent, utility and interest on any other debt obligations that were incurred before February 15, 2020. The Organization intends to request loan forgiveness for all eligible expenses.

On May 27, 2020, the Organization entered into a donation agreement with Ashbritt Environmental Services, Inc. (Ashbritt), in which, Ashbritt agreed to contribute funds toward the construction renovation of the Organization's facility located at 303 Magnolia Avenue, Panama City, FL 32401. The charitable contribution totaled \$625,270.

On May 27, 2020, the Organization entered into a construction agreement with GAC Contractors, Inc. for the remodel project of the Organization's facility located at 303 Magnolia Avenue, Panama City, FL 32401. The total contract amount is \$625,270 which is to be paid by Ashbritt Environmental Services, Inc. as a donation to the Organization, as previously mentioned in the preceding paragraph.

The Organization has evaluated subsequent events requiring disclosure or recording in these financial statements through September 11, 2020, which is the date these financial statements were available to be issued.

NOTE 23 – RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

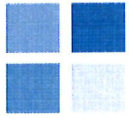
In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which provides guidance for accounting for leases. The new guidance requires companies to recognize the assets and liabilities for the rights and obligations created by leased assets, initially measured at the present value of the lease payments. The accounting guidance for lessors is largely unchanged. The ASU is effective for the Organization beginning in 2021. It is to be adopted using a modified retrospective approach. The Organization is currently evaluating the impact that the adoption of this guidance will have on the Organization's financial statements.

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 23 – RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS (Continued)

In July 2018, the FASB issued ASU No. 2018-10, *Codification Improvements to Topic 842, Leases*, which makes narrow scope improvements to the standard for specific issues. This ASU is effective for the Organization beginning in 2021.

In July 2018, the FASB issued ASU No. 2018-11, *Leases (Topic 842) – Targeted Improvements*, which makes narrow scope improvements to the standard for specific issues. This ASU is effective for the Organization beginning in 2021.



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

Board of Directors
Gulf Coast Children's Advocacy Center, Inc.
Panama City, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Gulf Coast Children's Advocacy Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 11, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Gulf Coast Children's Advocacy Center, 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 Gulf Coast Children's Advocacy Center's Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Gulf Coast Children's Advocacy Center, 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

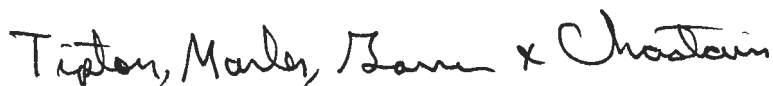
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

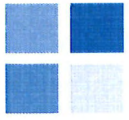
As part of obtaining reasonable assurance about whether Gulf Coast Children's Advocacy Center, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which 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 the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Panama City, Florida
September 11, 2020



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE, THE FLORIDA SINGLE AUDIT ACT (FLORIDA STATUTE 215.97) AND CHAPTER 10.650 OF THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Board of Directors
Gulf Coast Children's Advocacy Center, Inc.
Panama City, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Gulf Coast Children's Advocacy Center, Inc.'s (the Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Gulf Coast Children's Advocacy Center, Inc.'s major federal programs and state projects for the year ended December 31, 2019. The Organization'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 federal and state statutes, regulations, and the terms and conditions of its federal awards and state financial assistance applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization'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; 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); the Florida Single Audit Act (Florida Statute 215.97) and Chapter 10.650 of the Rules of

the Auditor General of the State of Florida. Those standards, the Uniform Guidance, the Florida Single Audit Act, and Chapter 10.650 of the Rules of the Auditor General of the State of Florida require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program and State Project

In our opinion, the Organization 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 December 31, 2019.

Report on Internal Control Over Compliance

Management of Gulf Coast Children's Advocacy Center, 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 the Organization'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 state project and to test and report on internal control over compliance in accordance with the Uniform Guidance, The Florida Single Audit Act (Florida Statute 215.97), and Chapter 10.650 of the Rules of the Auditor General of the State of Florida but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

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 a 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, The Florida Single Audit Act (Florida Statute 215.97), and Chapter 10.650 of the Rules of the Auditor General of the State of Florida. Accordingly, this report is not suitable for any other purpose.

Tipton, Marley, Bane & Chastain

Panama City, Florida
September 11, 2020

**GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL
AWARDS AND STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2019**

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the Gulf Coast Children's Advocacy Center, Inc. basic financial statements.
2. No significant deficiencies in internal control were disclosed during the audit of the financial statements in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Gulf Coast Children's Advocacy Center, Inc. were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal programs or state projects were reported in the Independent Auditor's Report on Compliance for Each Major Program and Project and on Internal Control Over Compliance Required by the Uniform Guidance, The Florida Single Audit Act (Florida Statute 215.97) And Chapter 10.650 of the Rules of the Auditor General of the State of Florida.
5. The auditor's report on compliance with requirements that could have a direct and material effect on each major program or project for the Gulf Coast Children's Advocacy Center, Inc. expresses an unqualified opinion.
6. Our audit disclosed no findings required to be reported in accordance with 2 CFR Section 200.516(a) or Rules of Auditor General 10.654(1)(g).
7. The programs and projects tested as major programs and projects consisted of the following:

Federal Major Programs:

CFDA #16.575 – Victims of Crime Act

Dollar threshold for distinguishing between Type A and Type B programs was \$750,000 for major federal programs.

The auditee qualifies as a low-risk auditee.

State Major Projects:

CSFA #64.006 – Medical Services for Abused and Neglected Children

Dollar threshold for distinguishing between Type A and Type B projects was \$304,565 for major state projects.

**GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL
AWARDS AND STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2019**

B. FINANCIAL STATEMENT FINDINGS

There were no material weaknesses or instances of noncompliance related to the financial statements.

C. FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

There were no audit findings related to federal awards required to be reported by 2 CFR Section 200.516(a).

There were no audit findings related to state financial assistance required to be reported by Rules of the Auditor General 10.654(1)(g).

D. STATUS OF FEDERAL AWARDS AND/OR STATE FINANCIAL ASSISTANCE PRIOR YEAR FINDINGS

There were no findings related to prior year federal awards and/or state financial assistance.

E. OTHER MATTERS

1. No management letter is required because there were not findings required to be reported in the management letter.
2. No Summary Schedule of Prior Audit Findings is required because there were no prior audit findings related to federal programs and/or state financial assistance.
3. No Corrective Action Plan is required because there were no findings required to be reported by 2 CFR Section 200.516(a) or Rules of the Auditor General 10.654(1)(g).

**GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2019**

Federal/State Agency Pass-through Entity Federal Program/State Project	CFDA/ CSFA No.	Contract/ Grant No.	Prior Period Expenditures (1)	2019 Expenditures	Total Expenditures
Federal					
U.S. Department of Justice					
Passed through Florida Office of Attorney General					
Victims of Crime Act	16.575 *	VOCA 2018-00498		\$ 1,830,008	\$ 1,830,008
Victims of Crime Act	16.575 *	VOCA 2019-00371		672,820	672,820
Total U.S. Department of Justice			<u>\$ 0</u>	<u>2,502,828</u>	<u>2,502,828</u>
U.S. Department of Health and Human Service					
Passed through Florida Department of Health					
Social Services Block Grant - Child Protection Team	93.667	CPX2A		258,765	258,765
Passed through Bay, Franklin, Gulf Healthy Start Coalition, Inc.					
Health Resources and Services Adm.	93.994	CACHS 18-19		60,661	60,661
Medicaid Assistance Payments	93.778	CACHS 18-19		220,252	220,252
Maternal, Infant and Early Childhood Home Visiting					
Affordable Care Act (ACA)/Maternal, Infant and Early Childhood Home					
Visiting Grant Program	93.870	X10MC31134		206,638	206,638
Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870	X10MC32184		42,781	42,780
Total U.S. Department of Health and Human Service			<u>0</u>	<u>789,097</u>	<u>789,096</u>
U.S. Department of Homeland Security					
Passed through Federal Emergency Management Agency					
Public Assistance Program	97.036	Z1001	16,426	19,834	36,260
Total U.S. Department of Homeland Security			<u>16,426</u>	<u>19,834</u>	<u>36,260</u>
Total Expenditures of Federal Awards			<u>\$ 16,426</u>	<u>\$ 3,311,759</u>	<u>\$ 3,328,184</u>
State of Florida					
Florida Department of Health					
Medical Services for Abused and Neglected Children (CPT)	64.006 *	CPX2A		\$ 502,269	\$ 502,269
Medical Services for Abused and Neglected Children (SATP)	64.006 *	CSBPC		29,183	29,183
Total Florida Department of Health			<u>\$ 0</u>	<u>531,452</u>	<u>531,452</u>
Florida Council Against Sexual Violence					
Rape Crisis Centers (GR)	64.069	16TFGR25		146,627	146,627
Rape Crisis Program Trust Fund (TF)	64.061	16TFGR25		82,561	82,561
Total Florida Council Against Sexual Violence			<u>0</u>	<u>229,188</u>	<u>229,188</u>
Office of the Attorney General					
Passed through Florida Council Against Sexual Violence					
Rape Crisis Centers	41.010	18OAG25		16,748	16,748
Rape Crisis Centers	41.010	19OAG25		14,016	14,016
Passed through Florida Network for Children's Advocacy Centers, Inc.					
FL Network of Children Advocacy Centers	41.031	18/19 GR-CAC04		133,932	133,932
FL Network of Children Advocacy Centers	41.031	18/19 GR-CAC04 (CPT)		6,763	6,763
FL Network of Children Advocacy Centers	41.031	19/20 GR-CAC04		77,468	77,468
FL Network of Children Advocacy Centers	41.031	19/20 GR-CAC04 (CPT)		5,650	5,650
Total Office of the Attorney General			<u>0</u>	<u>254,577</u>	<u>254,577</u>
Total Expenditures of State Financial Assistance			<u>\$ 0</u>	<u>\$ 1,015,217</u>	<u>\$ 1,015,217</u>

*denotes major program/project

(1) Prior period expenditures that were deemed eligible by FEMA.

See accompanying notes to schedule of expenditures of federal awards and state financial assistance

GULF COAST CHILDREN'S ADVOCACY CENTER, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2019

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule) includes the federal award and state financial assistance activity of Gulf Coast Children's Advocacy Center, Inc. under programs of the federal government and projects under the State of Florida for the year ended December 31, 2019. 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), the Florida Single Audit Act (Florida Statute 215.97), and Chapter 10.650 of the Rules of the Auditor General of the State of Florida. Because the Schedule presents only a selected portion of the operations of Gulf Coast Children's Advocacy Center, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Gulf Coast Children's Advocacy Center, Inc.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Chapter 10.650, Rules of the Auditor General, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C – INDIRECT COST RATE

Gulf Coast Children's Advocacy Center, Inc. records expenditures of federal awards and state financial assistance using the direct cost method and the 10% de minimis indirect cost rate depending on which is allowable by the grantor, both of which are allowed in accordance with the Uniform Guidance.