

Single Audit Report and Schedules of
Expenditures of Federal Awards and Florida Awards

AWS FOUNDATION, INC. AND AFFILIATES

*Year ended June 30, 2020
with Independent Auditor's Report*

AWS Foundation, Inc. and Affiliates

Single Audit Report and Schedules of
Expenditures of Federal Awards and Florida Awards

Year ended June 30, 2020

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AWS Foundation, Inc. and Affiliates

Schedule of Expenditures of Federal Awards

Year ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass- Through Entity Identifying Number	Total Federal Expenditures
United States Department of Health and Human Services:			
Pass-through program from Indiana Department of Child Services—Social Services Block Grant—Title XX	93.667		\$ 7,727
Pass-through program from Montana, Department of Health and Human Services—Social Services Block Grant—Title XX	93.667	18-142-14300	<u>574,596</u>
			582,323
Pass-through program from Georgia, Department of Behavioral Health and Developmental Disability—Medical Assistance Program (Medicaid; Title XIX)	93.778	44100-026-0000120203	2,707,830
Pass-through program from Montana, Department of Health and Human Services—Medical Assistance Program (Medicaid; Title XIX)	93.778	20-144-13500	<u>1,208,206</u>
			<u>3,916,036</u>
Total United States Department of Health and Human Services			4,498,359

AWS Foundation, Inc. and Affiliates

Schedule of Expenditures of Federal Awards (continued)

Year ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass- Through Entity Identifying Number	Total Federal Expenditures
United States Department of Education:			
Pass-through program from Montana, Department of Health and Human Services—Individuals with Disabilities Education Act, Part C	84.181	18-142-14300	\$ 102,573
Pass-through program from Florida, Department of Health—Individuals with Disabilities Education Act, Part C	84.181	COQZJ	1,521,137
Pass-through program from Connecticut, Office of Early Childhood—Individuals with Disabilities Education Act, Part B	84.181	12DDS0701BT	<u>34,180</u>
Total United States Department of Education			<u>1,657,890</u>
Total Expenditures of Federal Awards			<u>\$ 6,156,249</u>

The accompanying notes are an integral part of this schedule.

AWS Foundation, Inc. and Affiliates

Notes to the Schedule of Expenditures of Federal Awards

Year ended June 30, 2020

1. Basis of Presentation

The schedule of expenditures of federal awards (Schedule) includes the federal grants activity of AWS Foundation, Inc. and its affiliates, Anthony Wayne Rehabilitation Center for Handicapped and Blind, Inc. and A.W. Holdings, LLC and subsidiaries (collectively AWS; also known as Benchmark Human Services) under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of AWS, it is not intended to and does not present the consolidated financial position, activities and changes in net assets, or cash flows of AWS.

2. 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, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

3. Subrecipients

No federal awards were provided to subrecipients during the year ended June 30, 2020.

4. AWS

AWS has elected not to use the 10 percent *de minimis* indirect cost rate allowed under the Uniform Guidance.



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
AWS Foundation, Inc. and Affiliates

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 AWS Foundation, Inc. and its affiliates, Anthony Wayne Rehabilitation Center for Handicapped and Blind, Inc. and A.W. Holdings, LLC and subsidiaries (collectively AWS; also known as Benchmark Human Services), which comprise the consolidated statement of financial position as of June 30, 2020, and the related consolidated statements of activities and changes in net assets, 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 14, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered AWS' internal control over financial reporting (internal control) as a basis for designing 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 AWS' internal control. Accordingly, we do not express an opinion on the effectiveness of AWS' 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 consolidated 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 AWS' 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 financial statements. 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.

Haines, Lumborgu & Skiba, LLC

December 14, 2020



Independent Auditor's Report on Compliance for Each Major Federal Program and State Project; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and Chapter 10.650, Rules of the Auditor General

Board of Directors
AWS Foundation, Inc. and Affiliates

Report on Compliance for Each Major Federal Program and State Project

We have audited AWS Foundation, Inc. and its affiliates, Anthony Wayne Rehabilitation Center for Handicapped and Blind, Inc. and A.W. Holdings, LLC and subsidiaries (collectively AWS; also known as Benchmark Human Services), 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 AWS' major federal programs and state projects for the year ended June 30, 2020. AWS' 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 projects applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of AWS' 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); and Chapter 10.650 *Rules of the Auditor General*. Those standards, the Uniform Guidance, and Chapter 10.650 *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about AWS' 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 AWS' compliance.

Opinion on Each Major Federal Program and State Project

In our opinion, AWS complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management of AWS 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 AWS' 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 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 AWS' 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 and 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 and 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 and state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the consolidated financial statements of AWS as of and for the year ended June 30, 2020, and have issued our report thereon dated December 14, 2020, 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 is presented for purposes of additional analysis as required by the Uniform Guidance 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 expenditures of federal awards is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Haines, Lumborgu & Skiba, LLC

December 14, 2020

AWS Foundation, Inc. and Affiliates

Schedule of Findings and Questioned Costs – Federal Programs and State Projects

Year ended June 30, 2020

Section I—Summary of Auditors’ Results

Financial Statements

Type of report the auditor issued on whether the consolidated 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 Projects

Internal control over major federal 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) or Chapter 10.650? ___ yes x no

Identification of major federal programs:

CFDA Number (s)	Name of Federal Program or Cluster
93.778	Medical Assistance Program (Medicaid; Tile XIX)
93.667	Social Services Block Grant

Identification of state project:

CFSA Number	Name of State Project
64.022	Children’s Special Health Care – Developmental Evaluation

AWS Foundation, Inc. and Affiliates

Schedule of Findings and Questioned Costs – Federal Programs and State Projects
(continued)

Year ended June 30, 2020

Section I—Summary of Auditors’ Results (continued)

Dollar threshold used to distinguish between type A and type B programs –
Federal Programs and State Projects: \$750,000

Auditee qualified as low-risk auditee pursuant to Uniform
Guidance (not applicable to State projects)? yes no

Section II—Financial Statement Findings

None

Section III—Federal Award and State Financial Assistance Findings and Questioned Costs

None

Section IV—Prior Year Findings and Questioned Costs

None related to federal programs or state projects. (See AG Rules 10.557(3)(e)5 and 10.656(3)(d)5).

Other Issue

A management letter is not required because there were no findings required to be reported in the management letter (See AG Rule Section 10.656(3)(e)).



HAINES, ISENBARGER & SKIBA, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Report on Schedule of Expenditures of State Financial Assistance Required by the State of Florida

We have audited the consolidated financial statements of AWS Foundation, Inc. and its affiliates, Anthony Wayne Rehabilitation Center for Handicapped and Blind, Inc. and A.W. Holdings, LLC and subsidiaries (collectively AWS; also known as Benchmark Human Services) as of and for the year ended June 30, 2020, and have issued our report thereon dated December 14, 2020, 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 state financial assistance is presented for purposes of additional analysis as required by the State of Florida 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 expenditures of state financial assistance is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Haines, Isenbarger & Skiba, LLC

December 14, 2020

AWS Foundation, Inc. and Affiliates

Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2020

State Agency Name State Project Title Contract Use (RFP Number)	Contract Number	Federal CFDA Number / Florida CSFA Number	Total Expenditures
State of Florida, Department of Health Division of Children’s Medical Services (Department)		84.181/64.022	
Individuals with Disabilities Education Act, Part C— Local Early Steps Program	COQZJ	Federal State Total	\$ 1,521,137 <u>2,692,607</u> <u>\$ 4,213,744</u>

Legal name of Agency:

A.W. Holdings, LLC d/b/a Benchmark Human Services

1. Basis of Presentation

The schedule of expenditures of state financial assistance (Schedule) includes the contract or grant activity of AWS, also known as Benchmark Human Services, under programs of the State of Florida for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the policies and requirements of the State of Florida. Because the Schedule presents only a selected portion of the operations of AWS, it is not intended to and does not present the consolidated financial position, activities and changes in net assets, or cash flows of AWS.

AWS Foundation, Inc. and Affiliates

Schedule of Expenditures of State Financial Assistance (continued)

Year ended June 30, 2020

2. 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 State of Florida Department of Financial Services Reference Guide for State Expenditures wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Subrecipients

No awards were provided to subrecipients during the year ended June 30, 2020.

4. AWS

AWS has elected not to use the 10 percent *de minimis* indirect cost rate allowed under the Uniform Guidance.