

**BROWARD BEHAVIORAL HEALTH COALITION, INC.
LAUDERHILL, FLORIDA**

**INDEPENDENT AUDITOR'S
REPORT ON AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**



BROWARD BEHAVIORAL HEALTH COALITION, INC.

JUNE 30, 2020

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THOMAS & COMPANY, C.P.A., P.A.
Certified Public Accountants and Business Consultants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Broward Behavioral Health Coalition, Inc.
Lauderhill, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Broward Behavioral Health Coalition, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, 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 Broward Behavioral Health Coalition, Inc. as of June 30, 2020 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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 (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.650 Rules of the Auditor General of the State of Florida, the Schedule of Related Party Transaction Adjustments, the Schedule of State Earnings, Cost Center Actual Expenses and Revenues, Bed-Day Availability Payments as required by the Florida Department of Children and Families (the "Department"), *Florida Administrative code 65E-14, Substance Abuse and Mental Health Services*, 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 November 30, 2020 on our consideration Broward Behavioral Health Coalition, 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 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 Broward Behavioral Health Coalition, 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 Broward Behavioral Health Coalition, Inc.'s internal control over financial reporting and compliance.



Thomas & Company CPA, PA

Cooper City, FL

November 30, 2020

BROWARD BEHAVIORAL HEALTH COALITION, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30 2020

<u>ASSETS</u>	<u>2020</u>
Current Assets	
Cash and Cash Equivalent	\$ 1,893,339
Grants Receivable (Net)	10,413,015
Prepaid Expenses	95,053
Total Current Assets	<u>12,401,407</u>
Other Assets	
Security Deposits	7,746
TOTAL ASSETS	<u>\$ 12,409,153</u>
 <u>LIABILITIES AND NET ASSETS</u>	
LIABILITIES	
Current Liabilities	
Subcontracted Grant Payable	\$ 11,016,921
Accrued Expenses	194,026
Deferred Revenue	1,171,505
Total Current Liabilities	<u>12,382,452</u>
TOTAL LIABILITIES	<u>12,382,452</u>
NET ASSETS	
<i>Without Donor Restrictions</i>	
Board Designated	-
Undesignated	26,701
TOTAL NET ASSETS	<u>26,701</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 12,409,153</u>

BROWARD BEHAVIORAL HEALTH COALITION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30,2020

REVENUE AND SUPPORT	WITHOUT DONOR RESTRICTIONS
Government Contracts and Grants	\$ 68,350,728
Other Contributions	95,970
TOTAL REVENUE AND SUPPORT	68,446,698
OPERATING EXPENSES	
Program Services	65,818,843
Supporting Services - Management & General	2,627,855
TOTAL OPERATING EXPENSES	68,446,698
CHANGE IN NET ASSETS	-
NET ASSETS AT THE BEGINNING OF YEAR	26,701
NET ASSETS AT THE END OF YEAR	\$ 26,701

BROWARD BEHAVIORAL HEALTH COALITION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

WITHOUT DONOR RESTRICTIONS

	Residential	Crisis Stabilization	Case Management	Outreach	Outpatient	SA Detoxification	Crisis Support	Medical Services	Prevention
Personnel Costs									
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payroll Taxes & Employee Benefits	-	-	-	-	-	-	-	-	-
Total Personnel Costs	-	-	-	-	-	-	-	-	-
Other Expenses									
Occupancy									
Professional Fee									
Travel									
Training and Program Activities									
Insurance									
Office Supplies and Expenses									
Subcontracted Grants	12,045,499	3,208,675	3,745,138	6,091,534	3,739,416	2,175,383	7,715,630	2,653,713	2,565,066
Total Other Expenses	\$ 12,045,499	\$ 3,208,675	\$ 3,745,138	\$ 6,091,534	\$ 3,739,416	\$ 2,175,383	\$ 7,715,630	\$ 2,653,713	\$ 2,565,066
Grand Total Expenses	\$ 12,045,499	\$ 3,208,675	\$ 3,745,138	\$ 6,091,534	\$ 3,739,416	\$ 2,175,383	\$ 7,715,630	\$ 2,653,713	\$ 2,565,066

The Accompanying notes are an integral part of this financial statements

BROWARD BEHAVIORAL HEALTH COALITION, INC.
STATEMENT OF FUNCTIONAL EXPENSES (Cont.)
FOR THE YEAR ENDED JUNE 30, 2020

WITHOUT DONOR RESTRICTIONS

	Room & Board	Intervention	Incidental Expenses	Assessments	FACT Team	In-Home Onsite Services	Other Program Services	Total Program Services	Management & General	TOTAL
Personnel Costs										
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 722,251	\$ 722,251	\$ 741,971	\$ 1,464,222
Payroll Taxes & Employee Benefits	-	-	-	-	-	-	148,457	148,457	167,542	315,999
Total Personnel Costs	-	-	-	-	-	-	\$ 870,708	870,708	909,513	1,780,221
Other Expenses										
Occupancy							21,569	21,569	82,933	104,502
Subcontractors							1,144,353	1,144,353	1,255,000	2,399,353
Professional Fee							43,000	43,000	180,979	223,979
Travel							38,844	38,844	13,232	52,076
Training and Program Activities							-	-	16,032	16,032
Insurance							-	-	33,187	33,187
Office Supplies and Expenses							279,960	279,960.00	136,979	416,939
Subcontracted Grants	1,924,119	1,107,803	3,093,998	723,345	802,580	831,754	10,996,756	63,420,409	-	63,420,409
Total Other Expenses	1,924,119	1,107,803	3,093,998	723,345	802,580	831,754	12,524,482	64,948,135	1,718,342	66,666,477
Grand Total Expenses	\$ 1,924,119	\$ 1,107,803	\$ 3,093,998	\$ 723,345	\$ 802,580	\$ 831,754	\$ 13,395,190	\$ 65,818,843	\$ 2,627,855	\$ 68,446,698

The Accompanying notes are an integral part of this financial statements

BROWARD BEHAVIORAL HEALTH COALITION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	<u>2020</u>
Change in net assets	\$ -
Adjustment to reconcile change in net assets	
Add : Depreciation & Amortization	
(Increase) /Decrease in Grants Receivable	(333,800)
(Increase) /Decrease in Prepaid Expenses	8,579
(Increase) /Decrease in Security Deposits	-
Increase /(Decrease) in Accrued Expenses	45,924
Increase /(Decrease) in Grant Payable	851,883
Increase /(Decrease) in Deferred Revenue	(1,013,007)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>(440,421)</u>
NET DECREASE IN CASH	(440,421)
Cash at the beginning of the Year	<u>2,333,760</u>
Cash at the end of the Year	<u><u>\$ 1,893,339</u></u>

Broward Behavioral Health Coalition, Inc.
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

Note 1: NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization.

Broward Behavioral Health Coalition, Inc. (the “Organization”) was established as a Florida non-profit corporation in 2011. The purpose of the Organization is to coordinate the availability and quality of the treatment and support services related to substance abuse, mental health and co-occurring disorders

Basis of Presentation

Basis of Presentation

The accompanying financial statements have been prepared on the accrual Basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP). Net assets, support and revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets are changes therein are classified and reported as follows:

Without Donor Restrictions – Net Assets available for use in general operations and not subject to donor restrictions. Grants and contributions gifted for recurring programs are generally not considered “restricted” under GAAP, though for internal reporting, the Organization tracks such grants and contributions to verify the disbursement matches the intent. Assets restricted solely through the actions of the Board are reported as net assets without donor restrictions, board designated.

With Donor Restrictions – Net assets subject to donor-imposed stipulations that are more restrictive than the Organization’s mission and purpose. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, when the donor stipulates that resources be maintained in perpetuity.

Contributions - The Organization recognizes immediately as support (income) all unconditional contributions received and makes an important distinction between restrictions and conditions. The Organization accounts for its government grants as exchange transactions.

Donated Materials and Services - Donated materials, if significant, are recorded as contributions at their estimated fair values at date of receipt. Donated services are recognized when there is an objective basis to measure the value of such services and such services create or enhance a non-financial asset or the service requires specialized skills that would be purchased if not provided by donation.

BROWARD BEHAVIORAL HEALTH COALITION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

Note 1: NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606). This guidance outlines a single, comprehensive model for accounting for revenue from contracts with customers. The grants received is generated substantially from completed services. Those services predominantly contain a single delivery element and revenue is recognized at a single point in time when ownership, risks and rewards. The timing of revenue recognition was not affected by the new standard. The organization identifies all performance obligations in connection with the services and only recognizes revenue once the performance obligations have been met and does not believe that it is required to provide additional services or obligations to the client. For grants received the transaction price is evidenced in the award amount and evidenced with a budget for expenditures. Since the grants are awarded on a cost reimbursement basis and there is a budget established by the grantor agency costs are reimbursed in accordance with the expenditures as performance obligations are satisfied. The Organization disburses all of the grants received to subcontracted providers, there for once grants are received it is disbursed to the various subcontractors as per the grant agreements.

Management has analyzed the provisions of the FASB’s ASC Topic 606, Revenue from Contracts with Customers, and have concluded that no changes are necessary to conform with the new standard. Grants are recorded as revenue once the appropriate performance obligations have been met and requests reimbursement. Program fees are recognized monthly after the performance obligations have been satisfied with respect to the applicable service for that month. No adjustment has been recorded as the organization does not expect there to be any retrospective adjustments for the services the performed prior to July 1, 2019.

Contract Balances

The timing of revenue recognition, billings, and cash collections results in billed accounts receivable, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities) on the Statement of Financial Position. Amounts are billed upon achievement of contractual milestones. However, sometimes receive advances or deposits from grantors, before revenue is recognized, resulting in contract liabilities. These deposits are liquidated when revenue is recognized. The Beginning and Ending balances of contract receivables are the following:

	2020	2019
Receivables	10,413,015	10,079,216
Unbilled Receivables		-
Advances and Deposits	1,171,505	1,013,007

BROWARD BEHAVIORAL HEALTH COALITION INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

Note 1: NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment, Net

Property and equipment are stated at historical cost, less accumulated depreciation. Donated property and equipment are recorded at their estimated fair value at the date of donation.

Depreciation of property and equipment is provided using the straight-line method over the estimated useful lives of the assets. Estimated useful lives are as follows:

Furniture and fixtures	5 Years
Equipment	5 Years

Cost of major additions and improvements that extend the life of the asset are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

The Organization reviews assets for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. A determination of impairment, if any, is made based on the estimates of undiscounted future cash flows.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosures of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenue and expenses during the reported period. Accordingly, actual results could differ from those estimates.

Income Taxes

The Organization is considering implementing the new accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC740, income taxes. Using the guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by taxing authorities, it also provides guidance for the de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2020, the organization has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

Tax years that remain subject to examination by federal authorities are June 30, 2019, June 30, 2018 and June 30, 2017.

BROWARD BEHAVIORAL HEALTH COALITION INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

Cash and Cash Equivalents

Cash and Cash Equivalents consists of cash held in checking and money market accounts and is considered highly liquid. At various times during the fiscal year, the Organization's cash balance exceeded the federally insured limits. As of June 30, 2020, cash balance was \$ 1,893,339 which \$1,643,339 was excess of federally insured limits. Management believes the organization is not exposed to any significant credit risk on cash and cash equivalents

Basis of Accounting

The Organization uses the accrual method of accounting as prescribed by Generally Accepted Accounting Principles in the United States of America.

Fixed Assets

Fixed Assets valued in excess of \$1,000 are capitalized. Fixed Assets are valued at cost when purchased or estimated fair value at date of donation and are depreciated using the straight-line method over their estimated useful lives of five to seven years. In the absence of donor restrictions in the use of donated fixed assets, the Organization records such donations as unrestricted revenue in the period received. As of June 30, 2020, The Organization has following Assets:

Equipment	26,128
Furniture and Fixtures	<u>8,852</u>
Total	34,980
Less: Accumulated Depreciation	<u>(34,980)</u>
Net Assets	<u>\$ -</u>

There was no Depreciation Expense for the year June 30, 2020.

Fair Value of Financial Instruments

The following methods and assumptions were used by the Organization in estimating its fair value disclosures for financial instruments: Cash, accounts receivable, and accounts payable. The Carrying amounts reported in the statement of financial position approximated fair values because of the short maturities of these instruments.

Subsequent Events

In March 2020, the World Health Organization declared the outbreak of COVID-19 a global pandemic. The responses by federal, state, and local governments have included stay-at-home orders, school closures, and restrictions on public gatherings, travel, and non-essential businesses and services that have adversely affected workforces, economies, and financial markets resulting in significant economic downturn and volatility in investment markets. The heightened market risk and volatility associated with COVID-19 could materially affect the amounts reported in accompanying

BROWARD BEHAVIORAL HEALTH COALITION INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

Subsequent Events (continued)

financial statements. Because of the uncertainty of the markets, management is unable to estimate the impact the pandemic will have. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (“CARES”) was passed by Congress.

Management has evaluated subsequent events through November 30, 2020 which is the date the financial statements became available to be issued.

Note 2: GRANT RECEIVABLE

Grants receivable at June 30, 2020 comprise the following:

Department of Children and Families	\$ 9,675,805
Criminal Justice Mental Health Substance Abuse Grant	248,700
Broward County	291,888
Agency for Children Youth and Families	84,306
Other	<u>112,316</u>
Total	<u>\$ 10,413,015</u>

Note 3: SUBCONTRACTED GRANT PAYABLE

Subcontracted Grant Payable is funds due to subcontractors as of June 30, 2020, which totaled \$ 11,016,921.

Note 4: DEFERRED REVENUE

As of June 30, 2020, \$1,171,505 was received from grants but not earned during the 2020 fiscal year.

Note 5: COMMITMENTS AND CONTINGENCIES

In the normal course of activities, the Organization receives grants and other forms of reimbursement from various government agencies. These activities are subject to audit by agents of the funding authority, the purpose of which is to ensure compliance with conditions precedent to providing such funds. Management believes that all of the expenditures are properly recorded and that the liability, if any, for any reimbursement which may arise as the result of audits would not be material.

The Organization has entered into a 5-year operating lease for the office facility located in Lauderhill, Florida. The lease expires on December 23, 2022. Estimated future minimum operating lease commitments are stated below. Rent expense under the operating lease amounted to \$91,656 for the year ended June 30, 2020.

BROWARD BEHAVIORAL HEALTH COALITION INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

Note 5: COMMITMENTS AND CONTINGENCIES (continued)

<u>Year Ending June 30,</u>	<u>Amount</u>
2020	95,010
2021	97,385
2022	<u>99,820</u>
	<u>\$ 384,907</u>

Note 6: PASS-THROUGH ENTITY

The Organization is contracted by the State of Florida Department of Children and Families to act as a Managing Entity (ME) for the services to be provided under subcontracts.

Note 7: ECONOMIC DEPENDENCY

The Organization's program service revenues are derived mostly from contracts with the State of Florida Department of Children and Families. Majority of the revenues related to these contracts are for direct services provided through subcontracts with providers. The Organization's ability to continue operating is primarily predicted on funding from governmental agencies and is expected to continue.

Note 8: GRANT RECEIVABLES

Grants receivable consists of amounts due from a governmental agency for services. The carrying amount of Grants receivable is reduced by an allowance that reflects management's best estimate of the amounts that will not be collected. Management individually reviews all Grants receivable balances and based on an assessment of current collectability, estimates the portion of the balance, if any that will not be collected. After all attempts to collect a receivable have failed, the receivable is written off against the allowance. The Organization considers all of the receivables to be collectible at June 30, 2020.

Note 9: CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances at one bank located in South Florida. The accounts at the institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2020, cash balances of the Organization exceeded insured limits. The Organization derived 94% of its revenue from a contract with the State of Florida Department of Children and Families (DCF). Accordingly, the Organization's ability to continue operating is dependent on funding from DCF, which is expected to continue. DCF also made up 92% of Grant receivables as of June 30, 2020.

BROWARD BEHAVIORAL HEALTH COALITION INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

Note 10: FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

Note 11: COMPENSATED ABSENCES

The Organization's liability for compensated absences of their employees was \$107,424, which is included in other accounts payable and accrued expenses as of June 30, 2020. This represents amounts owed to employees under the Organization's paid leave policies.

Note 12: MATCHING FUNDS

The Organization is responsible for meeting the match requirements per its contract with the State of Florida Department of Children and Families. The Organization meets this requirement by contractually requiring the individual subcontracted agencies to meet the match requirements. The Chief Financial Officer verifies that each subcontracted agency has met their match requirements.

Note 13: RELATED PARTY TRANSACTIONS

There are no related party transactions.

Note 14: DEFINED CONTRIBUTION PLAN

In 2013, the Organization established a Safe-Harbor 403(b) Thrift Plan (the "Plan"), a defined contributions plan. The Plan is available to full-time employees who meet the Plan's eligibility requirements. Participants can elect to defer the receipt of a portion of their compensation on a pre-tax basis, subject to certain limitations and direct the Organization to contribute this deferral to the Plan on their behalf. The Organization can elect to contribute to the Plan a discretionary contribution equal to a percentage of each employee's compensation. The Organization contributed \$58,824 to the Plan for the year ended June 30, 2020. The deferred compensation accumulated was \$ 65,872.

NOTE 15 – LIQUIDITY

The Organization's main source of revenue is Grant Contracts from various sources. These grants are what will be used to fund the Organization's operations. The Organization considers grant contracts without donor restrictions, and other miscellaneous income for use in programs that are ongoing, major, and central to its annual operations as available to meet cash needs for general expenditures. General expenditures include general and administrative expenses, program costs, and other administrative costs which are necessary to sustain operations and is expected to be paid in the subsequent year. Annual operations are defined as total expense related to both program services and supporting services

BROWARD BEHAVIORAL HEALTH COALITION INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

NOTE 15 – LIQUIDITY (continued)

activities. The Organization manages its cash available to meet general expenditures through the following three guiding principles:

1. Operating within a prudent range of financial soundness and stability
2. Maintaining adequate liquid assets
3. Maintaining sufficient reserves to provide reasonable assurance that long-term agreements or other commitments and obligations will continue to be met, thereby ensuring the sustainability of the Organization.

The Assets which are listed on the balance sheet as current assets (Cash, Grants Receivable and Other Current Assets) are all assets available for general expenditure. Although, complete receivables may not be fully collectible (expected to collect 100%), the net realizable value of Accounts Receivable is available for general expenditures.

Liquidity Management

The Organization maintains a policy of structuring financial assets to be available as general expenditures, liabilities, and other obligations become due.