

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORTS

BIG BROTHERS BIG SISTERS ASSOCIATION OF FLORIDA, INC.

June 30, 2021 and 2020

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INDEPENDENT AUDITORS' REPORT

Board of Directors  
Big Brothers Big Sisters Association of Florida, Inc.

**Report on the Financial Statements**

We have audited the accompanying financial statements of Big Brothers Big Sisters Association of Florida, Inc. (the "Organization"), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the years 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 Big Brothers Big Sisters Association of Florida, Inc. as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years 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 state financial assistance as required by Chapter 10.650, *Rules of the Auditor General*, 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 January 13, 2022, on our consideration of Big Brothers Big Sisters Association of Florida, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Big Brothers Big Sisters Association of Florida, Inc.'s internal control over financial reporting and compliance.



Tampa, Florida  
January 13, 2022

Big Brothers Big Sisters Association of Florida, Inc.

STATEMENTS OF FINANCIAL POSITION

June 30,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash - non-interest-bearing	\$ 750,394	\$ 481,453
Cash - interest-bearing	437,028	427,328
Total cash	<u>1,187,422</u>	<u>908,781</u>
Investments (note C)	15,329	15,486
Grants receivable	231,571	73,736
Other assets	<u>6,106</u>	<u>3,750</u>
TOTAL ASSETS	<u>\$ 1,440,428</u>	<u>\$ 1,001,753</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Due to member chapters	\$ 737,676	\$ 391,622
Accounts payable and accrued expenses	9,942	10,445
Deferred revenue	-	1,522
Note payable - PPP loan (note F)	<u>-</u>	<u>55,256</u>
Total liabilities	747,618	458,845
NET ASSETS		
Without donor restrictions	<u>692,810</u>	<u>542,908</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,440,428</u>	<u>\$ 1,001,753</u>

The accompanying notes are an integral part of these statements.

Big Brothers Big Sisters Association of Florida, Inc.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

For the years ended June 30,

	<u>2021</u>	<u>2020</u>
Revenue and other support		
Grants	\$ 5,024,168	\$ 5,477,912
Grant management fees	246,819	269,986
Contributions	56,077	49,717
PPP loan forgiveness (note F)	55,256	-
Membership dues	117,745	101,820
Registration fees	-	4,235
Interest income	510	1,824
Realized and unrealized gain on investments	132	836
Total revenue and support	<u>5,500,707</u>	<u>5,906,330</u>
Expenses		
Program services	<u>5,144,133</u>	<u>5,612,037</u>
Support services		
General and administrative	118,247	137,944
Fundraising	88,425	93,072
Total support services	<u>206,672</u>	<u>231,016</u>
Total expenses	<u>5,350,805</u>	<u>5,843,053</u>
Change in net assets	149,902	63,277
Net assets without donor restrictions at beginning of year	<u>542,908</u>	<u>479,631</u>
Net assets without donor restrictions at end of year	<u>\$ 692,810</u>	<u>\$ 542,908</u>

The accompanying notes are an integral part of these statements.

Big Brothers Big Sisters Association of Florida, Inc.

STATEMENTS OF CASH FLOWS

For the years ended June 30,

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Change in net assets	<u>\$ 149,902</u>	<u>\$ 63,277</u>
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Donated stock	(15,211)	(14,405)
Net realized and unrealized gain on investments	(132)	(836)
(Increase) decrease in grants receivable	(157,835)	33,816
PPP loan forgiveness	(55,256)	-
Increase in other assets	(2,356)	(1,638)
Increase (decrease) in due to member chapters	346,054	(292,593)
(Decrease) increase in accrued expenses	(503)	4,120
Decrease in deferred revenue	<u>(1,522)</u>	<u>(7,383)</u>
Net cash provided (used) by operating activities	263,141	(215,642)
Cash flows from investing activities		
Proceeds from sale of investments	<u>15,500</u>	<u>15,100</u>
Net cash provided by investing activities	<u>15,500</u>	<u>15,100</u>
Cash flows from financing activities		
Proceeds received from note payable - PPP loan	<u>-</u>	<u>55,256</u>
Net cash provided by financing activities	<u>-</u>	<u>55,256</u>
Net increase (decrease) in cash	278,641	(145,286)
Cash at beginning of year	<u>908,781</u>	<u>1,054,067</u>
Cash at end of year	<u>\$ 1,187,422</u>	<u>\$ 908,781</u>
Supplemental disclosure of cash flow information		
Cash paid during the year		
Interest	<u>\$ -</u>	<u>\$ -</u>
Income taxes	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

Big Brothers Big Sisters Association of Florida, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended June 30, 2021

	<u>Support Services</u>			<u>Total Support Services</u>	<u>Total Expenses</u>
	<u>Program Services</u>	<u>General and administrative</u>	<u>Fundraising</u>		
Salaries	\$ 196,892	\$ 89,459	\$ 25,680	\$ 115,139	\$ 312,031
Payroll taxes	14,163	6,438	1,847	8,285	22,448
Employee benefits	15,728	7,146	2,051	9,197	24,925
Total salaries and related expenses	226,783	103,043	29,578	132,621	359,404
Grants to members	4,885,670	-	-	-	4,885,670
Professional fees - legislative	-	-	52,135	52,135	52,135
Professional fees - accounting	15,227	1,008	-	1,008	16,235
Professional fees - consulting	5,799	894	-	894	6,693
Travel	209	-	369	369	578
Office expenses	8,992	5,986	603	6,589	15,581
Insurance	1,355	792	-	792	2,147
Staff development	98	490	-	490	588
Marketing	-	2,512	5,489	8,001	8,001
Other expenses	-	3,522	251	3,050	3,773
Total expenses	<u>\$ 5,144,133</u>	<u>\$ 118,247</u>	<u>\$ 88,425</u>	<u>\$ 205,949</u>	<u>\$ 5,350,805</u>

The accompanying notes are an integral part of this statement.

Big Brothers Big Sisters Association of Florida, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended June 30, 2020

	Program Services	Support Services		Total Support Services	Total Expenses
		General and administrative	Fundraising		
Salaries	\$ 181,816	\$ 82,610	\$ 23,714	\$ 106,324	\$ 288,140
Payroll taxes	11,882	5,399	1,550	6,949	18,831
Employee benefits	15,697	7,132	2,047	9,179	24,876
Total salaries and related expenses	209,395	95,141	27,311	122,452	331,847
Grants to members	5,373,435	-	-	-	5,373,435
Professional fees - legislative	-	-	54,699	54,699	54,699
Professional fees - accounting	15,420	1,021	-	1,021	16,441
Professional fees - other	37	3,316	-	3,316	3,353
Travel	3,046	-	5,363	5,363	8,409
Office expenses	6,398	4,259	429	4,688	11,086
Insurance	1,353	792	-	792	2,145
Staff development	2,953	14,772	-	14,772	17,725
Marketing expenses	-	674	3,658	4,332	4,332
Other expenses	-	17,969	1,612	19,581	19,581
Total expenses	\$ 5,612,037	\$ 137,944	\$ 93,072	\$ 231,016	\$ 5,843,053

The accompanying notes are an integral part of this statement.

Big Brothers Big Sisters Association of Florida, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A brief description of the organization and a summary of its significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

1. Description of Organization

Big Brothers Big Sisters Association of Florida, Inc. (the "Organization") is a nonprofit entity organized in the state of Florida in 1995. The Organization supports its affiliate members who each enhance their communities of caring individuals committed to assuring a bright future for all, by befriending young people who need positive role models. Big Brothers Big Sisters is a mentoring organization that creates and supports one-to-one mentoring relationships that ignite the power and promise of youth. When children and teens are inspired and encouraged by a caring adult – an ally – they are more likely to avoid risky behaviors. When their potential is recognized and defended, they can focus on making positive life choices. A Big Brother or Big Sister, who is also their champion, is that special person who will help them navigate challenges and become their best self. Big Brothers Big Sisters Association of Florida works to increase resources and create opportunities that sustain and grow program services at each of our 11 local affiliates that span from the Panhandle to Miami. The Organization's purpose is to increase resources and create opportunities to enhance and support service growth and sustainability for member agencies. The Organization's primary source of revenue is derived from state grants.

2. Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

- With Donor Restriction – Net assets with donor restrictions are net assets subject to donor-imposed stipulations that may be fulfilled by actions of the Organization to meet the stipulations, that may become undesignated by the passage of time, or that require net assets to be permanently maintained, thereby restricting the use of principal.
- Without Donor Restriction – Net assets without donor restrictions are net assets not subject to donor-imposed restrictions or the donor-imposed restrictions have expired. These net assets are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes.

Big Brothers Big Sisters Association of Florida, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

3. Revenue Recognition

The Organization recognizes grants, contracts and contributions of cash or other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor's restriction expires, when a stipulated time restriction ends or the purpose restriction is accomplished, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets without donor restriction.

Contributions received with donor-imposed restrictions that may be met in the same year as the contribution, if any, are classified as unrestricted contributions. The Organization recognizes revenues from exchange transactions when the services are rendered.

4. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

5. Investments

Investments are recorded in accordance with Accounting for Certain Investments Held by Not-for-Profit Organizations. As such, investments in marketable securities with readily determinable fair values are reported at fair value in the statement of financial position. Fair value is determined by reference to exchange or dealer-quoted prices. If a quoted market price is not available, fair value is estimated using quoted market prices for similar investment securities. Unrealized gains and losses are included in the statement of activities.

6. Grants Receivable

Grants receivable represents qualified grant expenses incurred that have not yet been reimbursed. Management considers grants receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

7. Fair Value Measurement

The Organization has adopted the Financial Accounting Standards Board Accounting Standard, Fair Value Measurements, and Disclosures. The Organization categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

Big Brothers Big Sisters Association of Florida, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Assets and liabilities valued at fair value are categorized based on the inputs to the valuation techniques as follows:

Level 1 - Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 - Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 - Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

8. Income Taxes

The Organization is exempt from income taxes under Internal Revenue Code Section 501 (c)(3). Accordingly, no provision for federal and state income taxes has been recorded in the accompanying financial statements.

The Organization has adopted the standard for accounting for uncertain tax positions. The standard prescribes a recognition threshold and measurement principles for the financial statement recognition and measurement of tax positions taken or expected to be taken on a tax return that are not certain to be realized.

The Organization's tax returns are subject to review and examination by federal and state authorities. The Organization is not aware of any activities that would jeopardize its tax-exempt status. The Organization is not aware of any activities that are subject to tax on unrelated business income or excise taxes.

9. Functional Allocation of Expenses

The costs of providing the various programs have been summarized on a functional basis in the statement of functional expenses. Salaries and other expenses that are associated with a specific program are charged directly to that program. Salaries and other expenses that benefit more than one program are allocated to the various programs based on the relative benefit provided.

Big Brothers Big Sisters Association of Florida, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

10. Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain 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 support, revenues and expenses during the reporting period including grant and contact revenues subject to review by applicable funding agencies. Accordingly, actual results could differ from those estimates.

11. Liquidity

Assets and liabilities are presented in the accompanying statement of financial position according to their nearness of conversion to cash and, their maturity and resulting use of cash, respectively. See also note B.

12. Concentration of Credit Risk

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist principally of cash and grants receivable from state of Florida agencies.

At June 30, 2021 and 2020, there was \$231,571 and \$73,736 in grants receivable, respectively. For the years ended June 30, 2021 and 2020, approximately 87% and 88% of unrestricted revenues were from two funding agencies, respectively. Concentration of credit risk with respect the grants receivable and revenues from State of Florida agencies are minimized due to the amounts being backed by the respective governmental agency. The Organization has not experienced any material losses with respect to its receivables.

NOTE B - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

At June 30, 2021, the Organization had \$1,440,428 of financial assets available within one year of the statement of financial position date to meet cash needs for general operating expenditures, consisting of cash of \$1,187,422, grants receivable of \$231,571 and short-term investments of \$15,329, association dues receivable of \$2,075, and other assets of \$4,031.

At June 30, 2020, the Organization had \$1,001,753 of financial assets available within one year of the statement of financial position date to meet cash needs for general operating expenditures, consisting of cash of \$908,781 grants receivable of \$73,736 short-term investments of \$15,486, and other assets of \$3,750.

Big Brothers Big Sisters Association of Florida, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020

NOTE C - INVESTMENTS

The Organization maintains investments in equity stock in a brokerage account. Investment activities were as follows during the years ended June 30,:

	<u>2021</u>	<u>2020</u>
Investments - Beginning of Year	\$ 15,486	\$ 15,345
Investment Returns/Losses:		
Net Unrealized Gain on Investments	132	836
Sale of Investments	(15,500)	(15,100)
Additions - Donations	<u>15,211</u>	<u>14,405</u>
Investments - End of Year	<u>\$ 15,329</u>	<u>\$ 15,486</u>

NOTE D - FAIR VALUE MEASUREMENT

Financial Accounting Standards Board ASC 820 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described below:

- Level 1      Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- Level 2      Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in inactive markets;
  - Inputs other than quoted prices that are observable for that asset or liability;
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3      Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Big Brothers Big Sisters Association of Florida, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020

NOTE D - FAIR VALUE MEASUREMENT- Continued

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for significant assets measured at fair value at June 30, 2021:

*Equity Stock* – Valued at the closing price reported on the active market on which the individual stocks are traded.

The methods described above may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization's investments measured at fair value on a recurring basis at June 30,:

2021	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Equities - Stock	\$ 15,329	\$ 15,329	\$ -	\$ -
2020	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Equities - Stock	\$ 15,486	\$ 15,486	\$ -	\$ -

NOTE E - RELATED PARTY TRANSACTIONS

During the years ended June 30, 2021 and 2020, the board of directors includes representatives from member agencies that received funding from the Organization.

During the years ended June 30, 2021 and 2020, the Organization received contribution revenue in the amount of \$52,211 and \$34,913, respectively, each year from board members or companies that board members are affiliated with.

During the years ended June 30, 2021 and 2020, member agencies with representatives on the board of directors received \$1,488,643 and \$1,699,440, respectively, in grant funding.

Big Brothers Big Sisters Association of Florida, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020

NOTE F - PAYCHECK PROTECTION PROGRAM

In May 2020, the Organization received a \$55,256 U.S. Small Business Administration (SBA) Paycheck Protection Program ("PPP") loan for organizations who continued to pay their employees during the COVID-19 crisis (see note I). PPP loans and accrued interest are forgivable after a "covered period" (8 or 24 weeks) as long as the borrower maintains its payroll levels and uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities. The Organization was granted forgiveness in April 2021, as it fully met the requirements for loan forgiveness under the PPP program. The forgiveness has been recognized as revenue in the Statement of Activities and Changes in Net Assets for the year ended June 30, 2021.

NOTE G - COMMITMENTS AND CONTINGENCIES

The Organization is the recipient of grants and other third-party reimbursement funds that are subject to special compliance audits by the granting agency and other third-party agencies that provide these reimbursements. Disallowed amounts, if any, would constitute a contingent liability of the Organization. The Organization does not believe there are any material contingent liabilities.

NOTE H - RETIREMENT PLAN

The Organization has a Simple Individual Retirement Account plan (the Plan) to benefit all employees. The Organization elected to make contributions in the amount of 2% of employee compensation for employees who make at least \$5,000 in compensation during the year. During the years ended June 30, 2021 and 2020, the Organization contributed \$5,588 and \$5,608, respectively, to the Plan.

NOTE I - COVID-19

On January 30, 2020, the World Health Organization declared the coronavirus (COVID-19) outbreak a Public Health Emergency of International Concern and on March 11, 2020, declared it to be a global pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas and forces closures of certain types of public places and businesses. The coronavirus and actions taken to mitigate it have and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Organization operates. It is unknown how long these conditions will last and what the complete financial effect will be to the Organization. As a result, the Organization could be impacted and may experience a certain degree of business interruption. The extent to which the COVID-19 outbreak impacts the Organization's operations will depend on future developments, which are highly uncertain and unpredictable as of January 13, 2022, the date financial statements were available to be used.

Big Brothers Big Sisters Association of Florida, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020

NOTE J - SUBSEQUENT EVENTS

The Organization has evaluated events and transactions occurring subsequent to June 30, 2021 as of January 13, 2022 which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

BIG BROTHERS BIG SISTERS ASSOCIATION OF FLORIDA, INC.

For the year ended June 30, 2021

Big Brothers Big Sisters Association of Florida, Inc.

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

For the year ended June 30, 2021

<u>Agency/Pass-Through Entity Program or Cluster Title</u>	<u>State CSFA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Expenditures</u>	<u>Passed Through to Subrecipients</u>
<b>State of Florida Department of Education</b>				
Mentoring / Student Assistance Initiatives	48.068	168-96448-1Q001	\$ 2,982,896	\$ 2,875,042
<b>State of Florida Department of Juvenile Justice</b>				
Delinquency Prevention	80.029	10525	1,582,200	1,459,357
<b>State of Florida Department of Economic Opportunity</b>				
Workforce Development Projects	40.037	WL042	485,873	459,399
<b>State of Florida Department of Highway Safety and Motor Vehicles</b>				
Big Brothers Big Sisters	76.141	N/A	<u>220,018</u>	<u>91,872</u>
Total Expenditures of State Financial Assistance			<u>\$ 5,270,987</u>	<u>\$ 4,885,670</u>

The accompanying notes are an integral part of this schedule

Big Brothers Big Sisters Association of Florida, Inc.

NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

June 30, 2021

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of state financial assistance includes the state grant activity of Big Brothers Big Sisters of Florida, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Chapter 10.650 Rules of the Auditor General, State of Florida. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the basic financial statements.

NOTE B - GRANT EXPENDITURES

A portion of the expenditures were retained by the Organization to pay certain program service expenses in accordance with the respective grant agreements. For the year ended June 30, 2021, the total amount was \$382,669.

## COMPLIANCE REPORTS

INDEPENDENT AUDITORS' 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*

BIG BROTHERS BIG SISTERS ASSOCIATION OF FLORIDA, INC.

June 30, 2021



INDEPENDENT AUDITORS' 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  
Big Brothers Big Sisters Association of Florida, Inc.

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 Big Brothers Big Sisters Association of Florida, Inc. (the "Organization"), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 13, 2022.

**Internal Control Over Financial Reporting**

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

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

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.

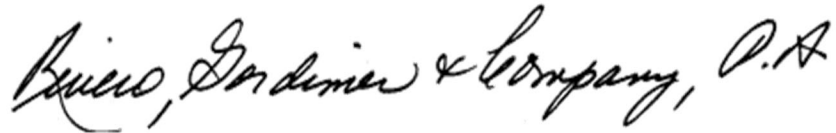


## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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.

A handwritten signature in black ink that reads "Buico, Gardner & Company, P.A." in a cursive script.

Tampa, Florida  
January 13, 2022

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE  
PROJECT AND REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY  
CHAPTER 10.650, *RULES OF THE AUDITOR GENERAL*  
BIG BROTHERS BIG SISTERS ASSOCIATION OF FLORIDA, INC.

June 30, 2021



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CHAPTER 10.650, RULES OF THE AUDITOR GENERAL**

Board of Directors  
 Big Brothers Big Sisters Association of Florida, Inc.

**Report on Compliance for Each Major Federal Program and State Project**

We have audited Big Brothers Big Sisters Association of Florida, Inc.'s (the "Organization") compliance with the types of compliance requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of the Organization's major State projects for the year ended June 30, 2021. The Organization's major State projects are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the Organization's State projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.650, *Rules of the Auditor General*. Those standards, 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 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 State project. However, our audit does not provide a legal determination of the Organization's compliance.



### **Opinion on Each Major State Project**

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major State projects for the year ended June 30, 2021.

### **Report on Internal Control Over Compliance**

Management of the Organization 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 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 State project and to test and report on internal control over compliance in accordance with 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 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 State project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a 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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.



Tampa, Florida  
January 13, 2022

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
BIG BROTHERS BIG SISTERS ASSOCIATION OF FLORIDA, INC.  
June 30, 2021

Big Brothers Big Sisters Association of Florida, Inc.  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For the year ended June 30, 2021

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

     yes      X   no

Significant deficiency(ies) identified?

     yes      X   none reported

Noncompliance material to financial statements noted?

     yes      X   no

**State Financial Assistance**

Internal control over state projects:

Material weakness(es) identified?

     yes      X   no

Significant deficiency(ies) identified?

     yes      X   none reported

Type of auditors' report issued on compliance for state projects?

Unmodified

Any audit findings disclosed that are to be reported in accordance with Department of Financial Services Compliance Supplement?

     yes      X   no

Identification of major state projects:

**State Project**

CFSA Number

Name of State Project

48.068

Mentoring / Student Assistance  
Initiatives

Dollar threshold used to distinguish between type A and type B state projects

\$        750,000

Big Brothers Big Sisters Association of Florida, Inc.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended June 30, 2021

**Section II - Financial Statement Findings**

No matters were reported for the year ended June 30, 2021.

**Section III - State Financial Assistance Findings and Questioned Costs**

No matters were reported for the year ended June 30, 2021.

**Other Issues**

- a) 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)).
- b) A Summary Schedule of Prior Audit Findings is not required because there were no prior audit findings related to State projects (see AG Rules 10.557(3)(e)5. and 10.656(3)(d)5.).