

CITRUS HEALTH NETWORK, INC.

FINANCIAL STATEMENTS,
INDEPENDENT AUDITOR'S REPORT
AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED
JUNE 30, 2021

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors of
Citrus Health Network, Inc.
Hialeah, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Citrus Health Network, Inc. (the "Center") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statement of activities and changes in net assets, 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.

Prior Period Adjustment

As described in Note 18 to the financial statements, The Center reimbursed a funding source due to overpayments in fiscal 2020 . Our opinion is not modified with respect to that matter.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Center as of June 30, 2021, 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2021, on our consideration of the Center’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 the Center’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 the Center’s internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
December 20, 2021

CITRUS HEALTH NETWORK, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2021

ASSETS

CURRENT ASSETS

Cash	\$ 21,985,579
Funds held for clients - social security benefits	341,025
Grants receivable - federal and non-federal awards	7,028,996
Accounts receivable - patients and third-party payers, net of allowance	2,537,108
Prepaid expenses	2,039,122
Inventory	398,187
TOTAL CURRENT ASSETS	<u>34,330,017</u>

PROPERTY AND EQUIPMENT, net	9,650,525
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OTHER ASSETS

Advances and loans to sponsored companies, net	216,863
Long term investments	463,000
Deposits and other assets	162,133
TOTAL OTHER ASSETS	<u>841,996</u>

TOTAL ASSETS	<u><u>44,822,538</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued expenses	11,474,411
Due to clients - social security benefits	341,025
Deferred revenue	7,280,168
Installment, line of credit, and other obligations including capital leases, current portion	489,881
	<u>19,585,485</u>

Installment and other obligations, including capital leases	5,024,326
	<u>24,609,811</u>

NET ASSETS

Without Donor Restriction	19,050,963
With Donor Restriction	1,161,764
TOTAL NET ASSETS	<u>20,212,727</u>

TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 44,822,538</u></u>
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The accompanying notes are an integral part of these financial statements.

CITRUS HEALTH NETWORK, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2021

SUPPORT AND REVENUE	
PUBLIC SUPPORT	
Federal, State, and Local grants	\$ 146,872,176
TOTAL PUBLIC SUPPORT	<u>146,872,176</u>
COMMUNITY SUPPORT	
United Way	118,477
Contributed services	34,388
Contribution	82,268
TOTAL COMMUNITY SUPPORT	<u>235,133</u>
TOTAL SUPPORT	<u>147,107,309</u>
REVENUE	
Patient services, net	38,674,473
In-kind and other revenues	2,319,197
TOTAL REVENUE	<u>40,993,670</u>
TOTAL SUPPORT AND REVENUE	<u>188,100,979</u>
EXPENSES	
Program services	174,166,471
Support services	12,667,052
TOTAL EXPENSES	<u>186,833,523</u>
Change in net assets before investment income	1,267,456
Investment income	43,410
PPP loan forgiveness	<u>3,566,765</u>
CHANGE IN NET ASSETS	4,877,631
NET ASSETS AT BEGINNING OF YEAR, AS RESTATED	<u>15,335,096</u>
NET ASSETS AT END OF YEAR	<u><u>\$ 20,212,727</u></u>

The accompanying notes are an integral part of these financial statements.

CITRUS HEALTH NETWORK, INC.
STATEMENT OF FUNCTIONAL EXPENSES AND COST CENTER EXPENSES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021

Expense Categories	Program Services														Program Sub Total
	Case Management	CAT Teams	Comprehensive Community Service Team	Child Welfare	Community Support	Crisis Stabilization	Crisis Support	DJJ	Early Childhood	Fact Team	FERAS	Foster Care	Health Connect in Our Schools	Housing Programs	
A. Personnel Expenses															
(1) Salaries	\$ 1,123,875	\$ 1,068,712	\$ 738,643	\$ 10,049,311	\$ 1,348,630	\$ 5,013,629	\$ 2,194,022	\$ 458,682	\$ 816,334	\$ 1,493,573	\$ 49,340	\$ 3,471,792	\$ 1,811,267	\$ 2,476,828	\$ 32,114,638
(2) Fringe benefits	190,294	224,296	129,717	1,400,118	271,207	789,243	292,669	85,973	169,788	297,235	4,506	658,485	313,359	476,204	5,303,094
Total Personnel Expenses	1,314,169	1,293,008	868,360	11,449,429	1,619,837	5,802,872	2,486,691	544,655	986,122	1,790,808	53,846	4,130,277	2,124,626	2,953,032	37,417,732
B. Other expenses															
(1) Building occupancy	84,489	17,416	19,521	438,786	490,333	307,884	46,945	239	110,563	39,713	4,592	587,438	32,691	198,839	2,379,450
(2) Other Expense - Client Cost	2,793	17,246	111,221	44,849,576	14,003	124,475	5,844	5,510	-	888,314	(1,950)	155,626	-	7,634,577	53,807,235
(3) Other Expense - E.H.R.	54,920	54,920	32,453	-	84,876	284,586	79,884	19,971	34,949	57,416	2,496	227,362	99,855	127,315	1,161,003
(4) Professional Services	57	19	39	108,972	676	43,244	1,786	-	3,917	19	1	57,308	2,293	15,134	233,465
(5) Travel	578	2,259	46	66,417	39	95	88	-	312	22,105	-	14,409	-	2,562	108,910
(6) Equipment	3,386	157	294	76,652	18,395	23,739	4,191	-	5,060	2,018	105	1,133	574	10,204	145,908
(7) Other Expense - Transportation	28,144	-	8,243	-	40,209	15,318	1,702	-	-	12,108	-	9,323	542	32,387	147,977
(8) Other Expense - Food	164	-	-	-	45,018	274,379	317	85	-	1,372	-	268	(160)	382	321,825
(9) Medical Expenses	38	1,011	547	-	1,362	193,333	8,874	277	-	5,526	305	3,723	18,696	3,060	236,752
(10) Subcontracted Services	575	-	-	36,149,901	87,700	46,582	108,504	-	52,773	-	-	1,108,116	1,955	1,113	37,557,218
(11) Insurance	28,891	5,401	10,627	1,165,038	19,402	63,644	18,779	2,106	5,536	22,757	788	41,836	13,513	42,253	1,440,571
(12) Interest	1,903	-	-	-	1,957	132,541	17,297	-	-	-	-	342	5,501	-	159,541
(13) Other Expense - Operating Supplies	13,583	6,193	2,329	142,906	16,834	156,282	13,419	2,346	4,883	10,930	38	17,063	15,824	21,428	424,058
(14) In-Kind	-	-	-	-	320,063	-	-	-	-	-	-	-	-	-	320,063
(15) Other Expense - Miscellaneous	8,368	3,926	1,628	18,682	2,160	12,900	2,821	736	6,215	2,293	300	51,412	4,314	4,529	120,285
(16) Unallowable Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Expenses	227,889	108,549	186,948	83,016,929	1,143,027	1,679,002	310,451	31,270	224,208	1,064,571	6,675	2,275,359	195,598	8,093,783	98,564,259
Total Personnel and Other Expenses	1,542,058	1,401,557	1,055,308	94,466,358	2,762,864	7,481,874	2,797,142	575,925	1,210,330	2,855,379	60,521	6,405,636	2,320,224	11,046,815	135,981,991
C. Distributed Costs															
Other Support	77,016	70,007	48,166	2,205,015	138,004	373,716	139,718	28,767	60,457	142,626	3,023	313,951	115,894	151,997	3,868,357
Administration	114,506	104,085	71,611	3,302,203	205,180	555,630	207,726	42,770	89,883	212,050	4,495	464,671	172,308	214,213	5,761,331
Total Distributed Indirect Costs	191,522	174,092	119,777	5,507,218	343,184	929,346	347,444	71,537	150,340	354,676	7,518	778,622	288,202	366,210	9,629,688
Total Operating Expenses	1,733,580	1,575,649	1,175,085	99,973,576	3,106,048	8,411,220	3,144,586	647,462	1,360,670	3,210,055	68,039	7,184,258	2,608,426	11,413,025	145,611,679
D. Unallowable Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Allowable Operating Expenses	1,733,580	1,575,649	1,175,085	99,973,576	3,106,048	8,411,220	3,144,586	647,462	1,360,670	3,210,055	68,039	7,184,258	2,608,426	11,413,025	145,611,679
E. Capital Expenditures	\$ 18,605	\$ 3,216	\$ 6,093	\$ -	\$ -	\$ 12,037	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,140	\$ -	\$ -	\$ 64,091

The accompanying notes are an integral part of these financial statements.

CITRUS HEALTH NETWORK, INC.
STATEMENT OF FUNCTIONAL EXPENSES AND COST CENTER EXPENSES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021

Expense Categories	Program Services										Support Services			Combined Totals	
	Medical Services	Navigate	Outpatient	Pharmacy	Prevention Intervention	Residential Level I	Residential Level II	Ryan White	Short-term Residential Treatment	Program Sub Total	Program Total	General and Administrative	Other Support		Support Services Total
A. Personnel Expenses															
(1) Salaries	\$ 6,987,492	\$ 544,624	\$ 7,087,407	\$ 1,041,107	\$ 974,674	\$ 3,323,370	\$ 510,913	\$ 221,260	\$ 1,667,640	\$ 22,358,487	\$ 54,473,125	\$ 5,506,732	\$ 2,351,004	\$ 7,857,736	\$ 62,330,861
(2) Fringe benefits	1,190,498	107,648	962,668	169,403	179,466	545,969	39,250	29,533	287,235	3,511,670	8,814,764	869,612	428,822	1,298,434	10,113,198
Total Personnel Expenses	8,177,990	652,272	8,050,075	1,210,510	1,154,140	3,869,339	550,163	250,793	1,954,875	25,870,157	63,287,889	6,376,344	2,779,826	9,156,170	72,444,059
B. Other expenses															
(1) Building occupancy	899,095	29,030	201,878	25,543	21,478	408,685	76,296	24,816	131,658	1,818,479	4,197,929	110,762	546,354	657,116	4,855,045
(2) Other Expense - Client Cost	4,366	-	1,510	-	12,837	12,567	4,535	27,941	3,324	67,080	53,874,315	-	-	-	53,874,315
(3) Other Expense - E.H.R.	234,658	27,460	197,213	42,438	52,424	182,235	4,993	9,985	74,891	826,297	1,987,300	122,322	147,285	269,607	2,256,907
(4) Professional Services	18,378	-	18,945	47,386	41,020	9,786	5,052	18	1,056	141,641	375,106	567,194	283,618	850,812	1,225,918
(5) Travel	130	121	8,062	-	140	48	224	-	80	8,805	117,715	12,435	580	13,015	130,730
(6) Equipment	59,460	15	13,642	18,649	419	16,011	5,821	708	4,434	119,159	265,067	167,736	384,274	552,010	817,077
(7) Other Expense - Transportation	1,120	4,211	5,939	322,334	500	6,456	6,311	-	5,755	352,626	500,603	6,333	12,000	18,333	518,936
(8) Other Expense - Food	3,739	-	19,903	(337)	236	148,954	47,374	-	78,232	298,101	619,926	1,149	76	1,225	621,151
(9) Medical Expenses	260,449	-	38,719	3,309,739	11,079	54,664	12,070	53,241	42,742	3,782,703	4,019,455	-	-	-	4,019,455
(10) Subcontracted Services	719,008	15,400	232,065	5,210	-	25,346	-	-	7,414	1,004,443	38,561,661	139,669	92,648	232,317	38,793,978
(11) Insurance	60,779	3,901	55,772	10,337	11,249	34,868	26,737	924	15,103	219,669	1,660,240	170,897	9,065	179,962	1,840,202
(12) Interest	3,479	-	60,290	7,393	-	-	-	-	-	71,162	230,703	74,034	28,066	102,100	332,803
(13) Other Expense - Operating Supplies	83,710	799	36,193	20,259	8,726	112,713	11,049	1,329	39,444	314,222	738,280	108,507	189,289	297,796	1,036,076
(14) In-Kind	-	-	-	1,362,979	31,000	65,349	-	-	-	1,459,328	1,779,391	-	-	-	1,779,391
(15) Other Expense - Miscellaneous	24,062	330	110,062	27,977	5,554	15,723	2,453	78	4,630	190,869	311,154	549,067	1,178,064	1,727,131	2,038,285
(16) Unallowable Costs	-	-	-	-	-	-	-	-	-	-	-	245,202	3,994	249,196	249,196
Total Other Expenses	2,372,433	81,267	1,000,193	5,199,907	196,662	1,093,405	202,915	119,040	408,763	10,674,584	109,238,844	2,275,307	2,875,313	5,150,620	114,389,464
Total Personnel and Other Expenses	10,550,423	733,539	9,050,268	6,410,417	1,350,802	4,962,744	753,078	369,833	2,363,638	36,544,741	172,526,733	8,651,651	5,655,139	14,306,790	186,833,523
C. Distributed Costs															
Other Support Administration	526,990	36,640	452,058	303,401	41,887	247,887	37,389	18,473	118,063	1,782,788	5,651,145	-	(5,651,145)	(5,651,145)	-
Administration	783,511	54,475	672,104	451,086	56,806	368,551	55,589	27,465	175,531	2,645,118	8,406,449	(8,406,449)	-	(8,406,449)	-
Total Distributed Indirect Costs	1,310,501	91,115	1,124,162	754,487	98,693	616,438	92,978	45,938	293,594	4,427,906	14,057,594	(8,406,449)	(5,651,145)	(14,057,594)	-
Total Operating Expenses	11,860,924	824,654	10,174,430	7,164,904	1,449,495	5,579,182	846,056	415,771	2,657,232	40,972,647	186,584,327	245,202	3,994	249,196	186,833,523
D. Unallowable Costs															
Allowable Operating Expenses	11,860,924	824,654	10,174,430	7,164,904	1,449,495	5,579,182	846,056	415,771	2,657,232	40,972,647	186,584,327	-	-	-	186,584,327
E. Capital Expenditures															
	\$ 101,425	\$ -	\$ -	\$ 78,353	\$ 8,678	\$ 1,800	\$ -	\$ -	\$ -	\$ 190,256	\$ 254,347	\$ 155,820	\$ -	\$ 155,820	\$ 410,167

The accompanying notes are an integral part of these financial statements.

CITRUS HEALTH NETWORK, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 4,877,631
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	1,096,077
Gain on sale of property	(500)
Forgiveness of debt	(3,526,800)
Change in allowance for doubtful accounts	404,839
(Increase) Decrease in assets:	
Grants receivable	(2,140,393)
Accounts receivable	672,344
Prepaid expenses	(1,638,360)
Advances and loans to sponsored companies, net	19,544
Inventory	(60,938)
Deposits and other assets	14,418
Increase in liabilities:	
Accounts payable and accrued expenses	2,357,008
Deferred revenue	3,724,078
Total adjustments	<u>921,317</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>5,798,948</u></u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(47,900)
Property and equipment acquisitions, net of sales	(272,604)
Proceeds from sale of investments	80,128
NET CASH USED IN INVESTING ACTIVITIES	<u><u>(240,376)</u></u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Repayment of notes payable	(420,066)
NET CASH USED IN FINANCING ACTIVITIES	<u><u>(420,066)</u></u>
NET INCREASE IN CASH	5,138,506
CASH AT BEGINNING OF YEAR	<u>16,847,073</u>
CASH AT YEAR END	<u><u>\$ 21,985,579</u></u>

SUPPLEMENTAL DISCLOSURES:

Interest paid	<u><u>\$ 332,804</u></u>
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The accompanying notes are an integral part of these financial statements.

**CITRUS HEALTH NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Citrus Health Network, Inc. (the "Center") was incorporated in the State of Florida on October 2, 1978 as a not-for-profit corporation for the purpose of providing behavioral health services. In 2004, the Health Resources and Services Administration (HRSA) designated Citrus Health Network, a Federally Qualified Health Center (FQHC). Citrus currently provides comprehensive primary health and behavioral health care services.

On July 1, 2019, the Center was awarded a contract with the Department of Children and Families, and is administered by a division of the Center, Family Care Network ("FCN").

Financial Statement Presentation

The financial statements have been prepared on the accrual basis of accounting and in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"). The Center is required to report information regarding its financial position and activities according to two classes of net assets based on the existence or absence of donor-imposed restrictions on the use of the net assets. The two net asset categories are as follows:

Net Assets Without Donor Restrictions

The portion of the net assets of the Center that can be used subject to the broad limits resulting from the nature of the Center, the environment in which it operates, and the purposes specified in its articles of incorporation or bylaws. In some cases, the use of these resources is also subject to limits resulting from contractual agreements with suppliers, creditors, and others entered into by the Center in the normal course of business. The Center has the greatest ability to choose when using these resources. Net assets without donor restrictions generally result from contributions that are not subject to donor-imposed restrictions.

Net Assets With Donor Restrictions

The portion of net assets of the Center that is subject to either donor-imposed time restrictions or donor-imposed purpose restrictions. These restrictions limit the Center's choices when using these resources because the Center has a fiduciary responsibility to its donors to follow the donors' instructions. Net assets with donor restrictions generally result from donor-restricted contributions. As of June 30, 2021, net assets with donor restrictions totaled \$1,161,764.

Restricted Contributions Whose Restrictions Are Met in the Same Reporting Period

Donor restricted contributions whose restrictions are met in the same reporting period, are reported as unrestricted within the unrestricted fund.

Property and Equipment

Property and equipment are recorded at cost. Depreciation, including the amortization of capitalized leases is provided for on the straight-line method over the estimated useful lives of the assets. Cost of major additions and improvements are capitalized and expenditures for maintenance and repairs which do not extend the useful life of the assets are expensed. Donated equipment is recorded at fair market value at the date of the gift.

Impairment of Long-Lived Assets

Management evaluates the recoverability of the investment in long-lived assets on an ongoing basis and recognizes any impairment in the year of determination. Long-lived assets were tested for impairment as of June 30, 2021, and in the opinion of management, there was no impairment. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

CITRUS HEALTH NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributed Services

Contributed services are reflected in the financial statements at the fair value of the services received. The contributions of services are recognized if the services received (a) create or enhance nonfinancial assets, or (b) require specialized skills that are provided by the individual possessing those skills and would typically need to be purchased if not provided by donation.

Use of Estimates

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

Income Taxes

The Center is exempt from income tax under Section 501(c) (3) of the Internal Revenue Code and therefore, has made no provision for federal income taxes in the accompanying financial statements. In addition, the Center qualifies for the charitable contribution deduction under Section 170 (b) (1) (A) and has been classified as an organization other than a private foundation under Section 509 (a) (2).

There are no reserves held for uncertain tax positions at June 30, 2021. Tax years that are open under the statute of limitations remain subject to examination by the IRS. The Center is generally no longer subject to U.S. Federal or State examinations by tax authorities for years before 2019.

Accounts Receivable

Accounts receivable are stated at the amount the Center expects to collect. The Center maintains allowances for doubtful accounts and for estimated losses resulting from the inability of its customers to make required payments. Management considers the following factors when determining the collectability of specific customer accounts: customer credit-worthiness, past transaction history with the customer, current economic industry trends, and changes in customer payment terms. If the financial condition of the Center's customers were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Based on management's assessment, the Center provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Center has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Cash and Cash Equivalents

The Center considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Third-Party Reimbursements

Net patient service revenue is reported at the estimated net realizable amounts from third-party payers. Because the Center is a federally qualified health center, the Center must prepare FQHC cost reports. These reports are subject to audit. Any adjustments to the cost reports are recorded in the year they become known.

Credit Risk

The Center may, from time to time, be subject to credit risk to its cash and cash equivalent investments, which are placed with high credit-quality financial institutions.

CITRUS HEALTH NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Allocation of Administrative & Indirect Costs

Professional Support Services are allocated based on amounts budgeted by senior management and by way of analysis as to expenditures for each program. Main building costs are allocated by the square footage of each program. Pharmacy costs are allocated by prescriptions prescribed per program.

Fair Value of Financial Instruments

Unless otherwise indicated, the fair values of all reported assets and liabilities that are financial instruments approximate the carrying values of such amounts.

Functional Allocation of Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the statements of functional expenses. The financial statements report certain categories of expenses that are attributable to the program or supporting function of the Center, including certain administrative costs, depreciation, interest, and insurance. Allocation of such expenses is based upon the Center's personnel time and effort. Such estimates are determined by management.

Subsequent Events

The Center has evaluated subsequent events through December 20, 2021, which is the date the financial statements were available to be issued. (See Note 16).

NOTE 2 – GRANTS AND ACCOUNTS RECEIVABLE

Grants and accounts receivable from awards, patients, and third-party payers consist of the following as of June 20, 2021:

Grants receivable	<u>\$ 6,986,247</u>
Accounts receivable	5,278,442
Less: allowance for doubtful accounts	<u>(2,701,698)</u>
	<u>2,576,744</u>
	<u>\$ 9,562,991</u>

NOTE 3 – RELATED PARTIES/ ADVANCES AND LOANS TO SPONSORED COMPANIES

The amounts recorded as advances and loans to sponsored companies represent expenses paid on behalf of two affiliated organizations. The Center and these affiliated organizations share the same management and board of directors. There is no conflict of interest between the Center and these organizations since they operate within the same mission of Citrus Health Network. These advances will be repaid from future operations of the sponsored companies when funds are available and they obtain approval from the U.S. Department of Housing and Urban Development ("HUD").

CITRUS HEALTH NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 – RELATED PARTIES/ ADVANCES AND LOANS TO SPONSORED COMPANIES (Continued)

The Center sponsors Buena Vista of Northwest Dade, Inc. ("Buena Vista"), a non-profit organization that owns and operates a housing facility for elderly and handicapped persons under HUD Section 202. As of June 30, 2021, the Center had an outstanding balance of \$264,318 due from Buena Vista used to fund operations. For the year ended June 30, 2021, Buena Vista had \$749,708 in total assets and \$322,678 in net assets. In addition, Buena Vista had \$131,674 in total revenues for the year ended June 30, 2021.

The Center also sponsors Northwest Dade Adult Residential Treatment Systems, Inc. ("NWDARTS"), a non-profit organization that owns and operates a multifamily residential apartment project for eligible families under HUD Section 202. At June 30, 2021, the amount due to the Center aggregated \$226,056, which has been fully allowed for. For the year ended June 30, 2021, NWDARTS had total assets of \$278,673 and an accumulated deficit of \$232,137. In addition, NWDARTS had \$157,416 in total revenues for the year ended June 30, 2021.

Due from Buena Vista	\$ 264,318
Due from NWDARTS	226,056
	<u>490,374</u>
Less: allowance for doubtful accounts	(273,511)
	<u><u>\$ 216,863</u></u>

NOTE 4 – PROPERTY AND EQUIPMENT, NET

Property and equipment consists of the following:

	<u>Estimated Useful Life</u>	
Land		\$ 2,294,312
Building and improvements	30 Years	13,468,618
Furniture, equipment and vehicles	5 Years	7,598,100
Leasehold improvements	5 Years	2,357,771
		<u>25,718,801</u>
Less: accumulated depreciation and amortization		(16,068,276)
Property and equipment, net		<u><u>\$ 9,650,525</u></u>

Property and equipment serve as collateral on installment and mortgages payable as indicated in Note 5.

Depreciation and amortization expense as of June 30, 2021 was \$1,096,077.

CITRUS HEALTH NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 5 – INSTALLMENTS, MORTGAGES AND NOTES PAYABLE, LINE OF CREDIT AND CAPITAL LEASES

Installments and Other Obligations

On March 2018, the Center entered into a promissory note in the amount of \$5,200,000. The note bears interest at a fixed rate of 5%. The note requires one interest only payment followed by monthly consecutive principal and interest payments of \$41,321 until maturity March 2033. In addition, the promissory note has certain covenants, such as a minimum depository relationship, mandatory annual repayment terms, as well as debt service coverage ratio. The note is collateralized by real property.

\$ 4,405,024

On May 2018, the Center entered into a note payable with unrelated not for profit for the original amount of \$890,036. The note does not call for interest nor principal payments for the first 9 months. Beginning February 4, 2019 interest accrues at a rate of 4.75% per annum. Beginning on March 4, 2019, monthly payments of principal and interest in the amount of \$6,922 are required. All unpaid interest and principal is due January 2034.

789,572

\$ 5,194,596

Less current portion

(325,533)

Long term portion

\$ 4,869,063

Installments and other obligations consist of the following:

<u>Fiscal years ending June 30,</u>	
2022	\$ 325,533
2023	342,270
2024	359,357
2025	378,342
2026	397,793
Thereafter	3,391,301
Total	<u>\$ 5,194,596</u>

CITRUS HEALTH NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 5 – INSTALLMENTS, MORTGAGES AND NOTES PAYABLE, LINE OF CREDIT AND CAPITAL LEASES (Continued)

Line of Credit

In March 2018, the Center obtained a revolving line of credit in the amount of \$2,500,000. The line of credit is callable on demand and matures in March of 2023. The Center will pay regular payments of all accrued unpaid interest due each payment date beginning April 2018. Interest is charged at the wall street journal prime rate plus 1% with a floor interest rate of 5.25%. In addition, the line of credit has certain covenants such as a minimum depository relationship, mandatory annual repayment terms as well as debt service coverage ratio. The note is collateralized by real property.

Both the promissory note and the line of credit are collateralized by the property located at 4175 W 20 Avenue, Hialeah, FL including all fixtures, inventories and equipment. Both the promissory note and the line of credit have certain restrictive covenants some of which require audited financial statements within a prescribed time after fiscal year end as well as a specific debt to service ratio.

Capital Leases

The Center has acquired equipment under the provisions of long-term leases. For financial reporting purposes, minimum lease payments relating to the equipment have been capitalized and included in equipment on the balance sheet. The leased equipment under capital leases as of June 30, 2021 has a cost of approximately \$677,000, respectively, with monthly consecutive principal and interest payments ranging between \$3,456 and \$9,643 until maturity July 2023. Amortization of the leased equipment is included in depreciation expense.

The following is a schedule of future minimum lease payments under the capital leases:

Year Ended June 30,	Amount
2022	\$ 178,833
2023	157,190
2024	3,456
2025	-
2026	-
Total	<u>339,479</u>
Less: Amount Attributable to Interest (5.99%)	<u>(19,868)</u>
Total	319,611
Less: Current Portion	<u>(164,348)</u>
Long-term Portion	<u><u>\$ 155,263</u></u>

CITRUS HEALTH NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 5 – INSTALLMENTS, MORTGAGES AND NOTES PAYABLE, LINE OF CREDIT AND CAPITAL LEASES (Continued)

Capital Leases (Continued)

Principal payments are due as follows for installments, other obligations, and capital leases:

<u>Fiscal years ending June 30,</u>		
2022	\$	489,881
2023		494,133
2024		362,757
2025		378,342
2026		397,793
Thereafter		<u>3,391,301</u>
Total	\$	<u><u>5,514,207</u></u>

NOTE 6 – SUPPORT AND REVENUES

Approximately 83% of the Center’s revenue is derived from federal, state, and local government grants for the year ended June 30, 2021. The current level of the Center’s operations and program services may be impacted or segments discontinued, if the funding is not renewed. The Center is dependent upon government support for its operation and the timeliness in which the grants are collected is essential to meet the normal cash flow needs of the Center. For financial statements purposes, grant revenue is recognized based on expenses incurred.

The Center provides primary care and behavioral health services to residents of Miami-Dade County. Most of these patients are classified as indigent and/or are covered by Medicaid.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

The Center has various non-cancelable operating leases for office equipment which expire at various dates through 2023 in the amount of approximately \$157,190 in 2023 and \$178,833 in 2022.

Rent expense for the year ended June 30, 2021 was approximately \$10,890,000. A substantial portion (approximately \$8,390,000) of the expense was payments that the Center paid on behalf of the individuals serviced by the Center.

NOTE 8 – CONTRIBUTED SERVICES

Contributed services recognized for the year ended June 30, 2021, in the amount of approximately \$34,400 represents in-kind services received from Miami-Dade School Board at no charge to support the Center's residential and day treatment programs.

NOTE 9 – STATE EXCLUDED COSTS

State excluded costs in the accompanying schedule of functional expenses totaled approximately \$249,000 for the year ended June 30, 2021.

CITRUS HEALTH NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 – FAIR VALUE MEASUREMENTS

For the year ended June 30, 2021, the Center adapted FASB ASC, *Fair Value Measurements*, which establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The Center uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Center measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were used only when Level 1 or Level 2 inputs were not available.

FASB ASC establishes a three-level valuation hierarchy for measurement and disclosure of fair value. The valuation hierarchy is based upon the transparency of inputs used to measure fair value. The three levels are as follows:

Level 1 – asset value is based on actual quoted prices in active markets for identical securities (market-to-market).

Level 2 – other significant observable inputs are used to arrive at fair value (including yield, quality, coupon rate, maturity, issue type, quoted prices for similar securities, prepayment speeds, trading characteristics, etc.).

Level 3 – significant unobservable inputs (including management’s own assumptions in determining the fair value of investments).

The Center’s investments are reported at fair value in the accompanying statements.

June 30, 2021

	Fair Value Measurements Using:		
	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
Fair Value	(Level 1)	(Level 2)	(Level 3)
Investments - Privately Held	\$ 463,000	\$ -	\$ 463,000
	<u>\$ 463,000</u>	<u>\$ -</u>	<u>\$ 463,000</u>

Fair Value Measurements Using Significant Unobservable Inputs (Level 3)

Investments are recorded at cost. The Center’s management believes that the fair value of these investments approximate their cost.

A summary of the changes in Level 3 assets, measured at fair value on a recurring basis at June 30, 2021 is as follows:

CITRUS HEALTH NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 – FAIR VALUE MEASUREMENTS (Continued)

Balance at beginning of year	\$ 415,100
Purchases (sales)	47,900
Balance at ending of year	<u>\$ 463,000</u>

NOTE 11 – INVESTMENTS

The Center holds interest in several Companies: Family Urgent Care Centers of South Florida Inc., Citrus Health Holding, Inc. and Florida Premier, Inc.

Health Choice Care, LLC

In 2015, the Center entered into a membership interest purchase agreement with Health Choice Care (“HCC”). HCC was formed as an Accountable Care Organization to contract with the Centers for Medicare and Medicaid services. The Center has an investment of 1,991 units in the amount of \$199,100 during fiscal year ended June 30, 2021.

Florida Premier

The Center has an investment in Florida Premier, Inc. in the amount of \$16,000 as of June 30, 2021.

Pediatric and Family Urgent Care Centers of South Florida, Inc. and Pediatric Family Clinics

The Center has an investment in Pediatric and Family Urgent Care Centers of South Florida, Inc. and Pediatric Family Clinics in the amount of \$150,000 as of June 30, 2021.

Eckard Youth Alternative

The Center has an investment in Eckard Youth Alternative in the amount of \$47,900 as of June 30, 2021.

Behavioral Health Partners, LLC

The Center has an investment in Behavioral Health Partners, LLC. in the amount of \$50,000 as of June 30, 2021.

At June 30, 2021, total investments amounted to \$463,000, which includes Pediatric and Family Urgent Care Centers of South Florida, Inc., Citrus Health Holding, Inc., Florida Premier, Inc., Health Choice Care, LLC.

NOTE 12 – LITIGATION

Counsel for the Center has indicated that there are several litigation cases pending against the Center. Counsel and management have indicated that the cases are covered by insurance. Management of the Center has indicated that an adjustment is not needed to these financial statements because any loss contingency would be covered by the Center’s liability insurance.

NOTE 13 – SUPPORT FROM OUTSIDE AGENCIES

The Center receives a substantial amount of its support from federal, state, and local government grants and contracts. Accordingly, the Center is subject to audit examination by its funding sources to determine compliance with grant conditions. In the event that expenditures would be disallowed, repayment may be required.

CITRUS HEALTH NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 14 – NET ASSETS WITH DONOR RESTRICTIONS

In prior years, the County contributed \$2,000,000 towards the acquisition of a building, with the condition that the Center continues operating as a facility benefiting the public for at least 25 to 30 years. Accordingly, each year, \$70,000 will be released from restriction. The balance in donor restricted net assets at June 30, 2021 is \$1,090,000, and the assets are classified under property and equipment in the Statements of Financial Position.

In addition, the Center has \$71,764 in net assets with donor restrictions with a purpose restriction of welcome home packages. The assets are classified under cash in the Statement of Financial Position.

NOTE 15 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects the Center’s financial assets as of June 30, 2021, reduced by amounts not available for general use within one year as of June 30, 2021 because of the contractual or donor-imposed restrictions or internal designations:

Financial assets at year-end:	
Cash	\$ 21,985,579
Accounts receivable	2,537,108
Grants receivable	7,028,996
Inventory	398,187
Total financial assets	<u>31,949,870</u>
Less amounts not available to be used within one year:	
Cash: donor restricted	\$ (71,764)
	<u>(71,764)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>31,878,106</u></u>

The Center has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

NOTE 16 – COVID - 19

The World Health Organization (“WHO”) declared the coronavirus (COVID-19), a global pandemic and public health emergency. At this point, the Center cannot reasonably estimate the extent to which this disruption may continue to impact the Organization’s financial statements and future results of operations.

NOTE 17 – PAYROLL PROTECTION

The Center received \$3,518,400 in funding under the Payment Protection Program established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act on May 6, 2020. The terms of the funding indicate that CGC must utilize the proceeds to fund qualifying expenses over a twenty- four-week period. The terms of the agreement specify that CGC must repay the principal of the loan back plus interest, which accrues at 1% interest annually and matures in two years. Upon maturity the loan and accrued interest payable may be forgiven if the Organization fulfills the agreed to terms.

The Center has met the conditions of eligibility for forgiveness of the loan. For the year ended June 30, 2021, The Center recognized \$3,518,400 as grant revenue included in the statements of activities. On June 6, 2021, the Organization received forgiveness of the PPP loan in the amount of \$3,518,400.

CITRUS HEALTH NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 18 – PRIOR PERIOD ADJUSTMENT / RESTATEMENT OF BEGINNING NET ASSETS

During 2021, the Center performed a reconciliation of fiscal 2020 with a funding source. The results of the reconciliation required the Center to reimburse the funding source \$412,573.

SUPPLEMENTARY INFORMATION

CITRUS HEALTH NETWORK, INC.
STATEMENT OF FINANCIAL POSITION - INTERDIVISIONAL
AS OF JUNE 30, 2021

	CHN	FCN	Total	Interdivisional Elimination	Total
ASSETS					
CURRENT ASSETS					
Cash	\$ 11,921,639	\$ 10,063,940	\$ 21,985,579	\$ -	\$ 21,985,579
Funds held for clients - social security benefits	-	341,025	341,025	-	341,025
Grants receivable - federal and non-federal awards	6,862,790	166,206	7,028,996	-	7,028,996
Accounts receivable - patients and third-party payers, net of allowance	2,537,108	-	2,537,108	-	2,537,108
Prepaid expenses	152,607	1,886,515	2,039,122	-	2,039,122
Inventory	353,759	44,428	398,187	-	398,187
Interdivisional receivable	404,604	-	404,604	(404,604)	-
TOTAL CURRENT ASSETS	<u>22,232,507</u>	<u>12,502,114</u>	<u>34,734,621</u>	<u>(404,604)</u>	<u>34,330,017</u>
PROPERTY AND EQUIPMENT, net	9,616,996	33,529	9,650,525	-	9,650,525
OTHER ASSETS					
Advances and loans to sponsored companies, net	216,863	-	216,863	-	216,863
Long term investments	463,000	-	463,000	-	463,000
Deposits and other assets	162,133	-	162,133	-	162,133
TOTAL OTHER ASSETS	<u>841,996</u>	<u>-</u>	<u>841,996</u>	<u>-</u>	<u>841,996</u>
TOTAL ASSETS	<u>\$ 32,691,499</u>	<u>\$ 12,535,643</u>	<u>\$ 45,227,142</u>	<u>\$ (404,604)</u>	<u>\$ 44,822,538</u>
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts payable and accrued expenses	\$ 7,330,306	\$ 4,144,105	\$ 11,474,411	\$ -	\$ 11,474,411
Due to clients - social security benefits	-	341,025	341,025	-	341,025
Deferred revenue	42,009	7,238,159	7,280,168	-	7,280,168
Installment, line of credit, and other obligations including capital leases, current portion	489,881	-	489,881	-	489,881
Interdivisional payables	-	404,604	404,604	(404,604)	-
TOTAL CURRENT LIABILITIES	<u>7,862,196</u>	<u>12,127,893</u>	<u>19,990,089</u>	<u>(404,604)</u>	<u>19,585,485</u>
Installment and other obligations, including capital leases	5,024,326	-	5,024,326	-	5,024,326
TOTAL LIABILITIES	<u>12,886,522</u>	<u>12,127,893</u>	<u>25,014,415</u>	<u>(404,604)</u>	<u>24,609,811</u>
NET ASSETS					
Without Donor Restriction	18,714,977	335,986	19,050,963	-	19,050,963
With Donor Restriction	1,090,000	71,764	1,161,764	-	1,161,764
TOTAL NET ASSETS	<u>19,804,977</u>	<u>407,750</u>	<u>20,212,727</u>	<u>-</u>	<u>20,212,727</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 32,691,499</u>	<u>\$ 12,535,643</u>	<u>\$ 45,227,142</u>	<u>\$ (404,604)</u>	<u>\$ 44,822,538</u>

The accompanying notes are an integral part of these financial statements.

CITRUS HEALTH NETWORK, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS - INTERDIVISIONAL
FOR THE YEAR ENDED JUNE 30, 2021

	Without Donor Restriction			With Donor Restriction			Elimination	Total
	CHN	FCN	Total	CHN	FCN	Total		
SUPPORT AND REVENUE								
PUBLIC SUPPORT								
Federal, State, and Local grants	\$ 47,320,138	\$ 104,364,111	\$ 151,684,249	\$ -	\$ 123,803	\$ 123,803	\$ (4,935,875)	\$ 146,872,177
TOTAL PUBLIC SUPPORT	47,320,138	104,364,111	151,684,249	-	123,803	123,803	(4,935,875)	146,872,177
COMMUNITY SUPPORT								
United Way	118,477	-	118,477	-	-	-	-	118,477
Contributed services	34,388	-	34,388	-	-	-	-	34,388
Contribution	5,519	2,924	8,443	-	73,825	73,825	-	82,268
TOTAL COMMUNITY SUPPORT	158,384	2,924	161,308	-	73,825	73,825	-	235,133
TOTAL SUPPORT	47,478,522	104,367,035	151,845,557	-	197,628	197,628	(4,935,875)	147,107,310
REVENUE								
Patient services, net	38,674,473	-	38,674,473	-	-	-	-	38,674,473
In-kind and other revenues	1,919,468	399,729	2,319,197	-	-	-	-	2,319,197
TOTAL REVENUE	40,593,941	399,729	40,993,670	-	-	-	-	40,993,670
TOTAL SUPPORT AND REVENUE	88,072,463	104,766,764	192,839,227	-	197,628	197,628	(4,935,875)	188,100,980
EXPENSES								
Program services	75,855,360	101,607,249	177,462,609	-	-	-	(4,935,875)	172,526,734
Support services	11,004,588	3,302,202	14,306,790	-	-	-	-	14,306,790
TOTAL EXPENSES	86,859,948	104,909,451	191,769,399	-	-	-	(4,935,875)	186,833,524
Change in net assets before investment income	1,212,515	(142,687)	1,069,828	-	197,628	197,628	-	1,267,456
Investment income	43,410	-	43,410	-	-	-	-	43,410
PPP loan forgiveness	3,566,765	-	3,566,765	-	-	-	-	3,566,765
Net assets released from restrictions	70,000	157,499	227,499	(70,000)	(157,499)	(227,499)	-	-
CHANGE IN NET ASSETS	4,892,690	14,812	4,907,502	(70,000)	40,129	(29,871)	-	4,877,631
NET ASSETS AT BEGINNING OF YEAR, AS RESTATED	13,822,287	321,174	14,143,461	1,160,000	31,635	1,191,635	-	15,335,096
NET ASSETS AT END OF YEAR	\$ 18,714,977	\$ 335,986	\$ 19,050,963	\$ 1,090,000	\$ 71,764	\$ 1,161,764	\$ -	\$ 20,212,727

The accompanying notes are an integral part of these financial statements.



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

The Board of Directors of
Citrus Health Network, Inc.
Hialeah, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Citrus Health Network, Inc. (the “Center”) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities and cash flows for the year then ended, and the notes to the financial statements, and have issued our report thereon dated December 20, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Center'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 Center'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 Center's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
December 20, 2021

CITRUS HEALTH NETWORK, INC.

SINGLE AUDIT REPORT

FOR THE YEAR ENDED
JUNE 30, 2021

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors of
Citrus Health Network, Inc.
Hialeah, Florida

Report on the Schedule of Expenditures of Federal Awards and State Financial Assistance

We have audited the accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance of Citrus Health Network, Inc. (the "Center") for the year ended June 30, 2021, and the related notes (the financial statement).

Management's Responsibility

Management is responsible for the preparation and fair presentation of this financial statement 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 a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, 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 statement 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 statement.

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 statement referred to above presents fairly, in all material respects, the expenditures of federal awards and state financial assistance of the Center for the year ended June 30, 2021, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statement. The accompanying Schedule of State Earnings, Schedule of Cost Center Actual Expenses and Revenues – Substance Abuse and Mental Health, and Schedule of Bed Day Availability Payments are presented for the purposes of additional analysis as required by South Florida Behavioral Health and Broward Behavioral Health Coalition and are not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates to directly from the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, 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 statement as a whole.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
December 20, 2021



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND MAJOR STATE PROJECT
AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE AND
CHAPTER 10.650, *RULES OF THE AUDITOR GENERAL***

Board of Directors
Citrus Health Network, Inc.
Hialeah, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Citrus Health Network, Inc.’s (the “Center”), 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 the Center’s major federal programs and state projects for the year ended June 30, 2021. The Center’s major federal programs and 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 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 the Center’s major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); 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 the Center’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program and State Project

In our opinion, the Center 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, 2021.

Report on Internal Control Over Compliance

Management of the Center 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 Center's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program or 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 the Center's internal control over compliance.

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

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

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



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
December 20, 2021

**CITRUS HEALTH NETWORK, INC.
SCHEDULE OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

<i>Federal Agency/ Program Title/ Pass-Through Grantor</i>	<i>Federal ALN Number</i>	<i>Contract Number</i>	<i>CHN Expenditure</i>	<i>FCN Expenditure</i>	<i>Total Expenditure</i>	<i>Transfer to Subrecipients</i>
U.S. Department of Agriculture:						
Special Supplemental Nutrition Program for Women, Infants, and Children Program: Passed through Miami-Dade County Department of Health and Human Services	10.557	N/A	\$ 76,814	\$ -	\$ 76,814	\$ -
Total U.S. Department of Agriculture			76,814	-	76,814	-
U.S. Department of Housing and Urban Development:						
Community Development Block Grants Program: Passed through City of Hialeah	14.218	FY 2019-2020/FY 2020-2021	62,394	-	62,394	-
Emergency Solutions Grant Program: Passed through City of Hialeah	14.231	ESG FY2018-19 / FY2019-2020	646,259	-	646,259	-
Passed through City of Miami	14.231	HUD ESG FY2019-2020 / HUD ESG FY 2020-2021	510,843	-	510,843	-
Passed through Miami-Dade County	14.231	R-841-19	1,082,929	-	1,082,929	-
Passed through Miami-Dade County Homeless Trust	14.231	KP009-1	133,431	-	133,431	-
Passed through Miami-Dade County Homeless Trust	14.231	KP009-2	157,748	-	157,748	-
Program Total			2,531,210	-	2,531,210	-
Supportive Housing Program: Passed through Better Way of Miami Supportive Housing, Inc.	14.235	FL0218L4D001811/FL0218L4D001912	190,713	-	190,713	-
Home Investment Partnerships Program: Passed through Miami-Dade County	14.239	R-814-18	53,861	-	53,861	-
Continuum of Care Program: Passed through Miami-Dade County Homeless Trust	14.267	Various	115,718	-	115,718	-
Passed through Miami-Dade County Homeless Trust	14.267	FL0838L4D001900	81,633	-	81,633	-
Passed through Miami-Dade County Homeless Trust	14.267	FL0184L4D001800 & FL0184L4D001710	427,169	-	427,169	-
Passed through Miami-Dade County Homeless Trust	14.267	FL0227L4D001811	445,124	-	445,124	-
Passed through Miami-Dade County Homeless Trust	14.267	FL0431L4D001807 / FL0431L4D001908	1,874,997	-	1,874,997	-
Passed through Miami-Dade County Homeless Trust	14.267	FL0195L4D001912	2,449,878	-	2,449,878	-
Passed through Carrfour Coalition Lift	14.267	FL0587L4D001500	27,968	-	27,968	-
Program Total			5,422,487	-	5,422,487	-
Total U.S. Department of Housing and Urban Development			8,260,665	-	8,260,665	-
U.S. Department of Justice						
Services for Trafficking Victims Program: Passed through Florida Department of Justice	16.320	SK253	111,418	-	111,418	-
Total U.S. Department of Justice			111,418	-	111,418	-
U.S. Department of the Treasury						
CORONAVIRUS Relief Fund Program: Passed through City of Hialeah	21.019	0812020_CFR	1,502,731	-	1,502,731	-
Total U.S. Department of the Treasury			1,502,731	-	1,502,731	-
U.S. Department of Transportation:						
Enhanced Mobility of Seniors and Individuals with Disabilities Program: Passed through Florida Department of Transportation	20.513	FY2019-2020	23,440	-	23,440	-
Total U.S. Department of Transportation			23,440	-	23,440	-
U.S. Department of Federal Communications Commission						
COVID-19 Telehealth Program Direct - U.S. Department of Federal Communications Commission	32.006	311	404,143	-	404,143	-
Total U.S. Department of Federal Communications Commission			404,143	-	404,143	-
U.S. Department of Veteran Affairs:						
VA Supportive Services for Veteran Families Program: Passed through The Advocate Program	64.033	FY2019-20/ FY 2020-2022	128,076	-	128,076	-
Total U.S. Department of Veteran Affairs			128,076	-	128,076	-
U.S. Department of Health and Human Services:						
Enhance Safety of Children Affected by Substance Abuse Program: Passed through Miami IMPACT and Partner Project	93.087	N/A	-	731,977	731,977	347,719
Guardship Assistance Program: Passed through Florida Department of Children and Families	93.090	KJ138	-	71,860	71,860	-
Passed through Florida Department of Children and Families	93.090	KJ138 - MATCH	-	42,598	42,598	-
Program Total			-	114,458	114,458	-
Mental Health Research Grants Program: Passed through Florida International University	93.242	N/A	71,744	-	71,744	-
Passed through Northwell Health	93.242	AWD00001140-CHN	34,641	-	34,641	-
Program Total			106,385	-	106,385	-
Health Center Program: Direct - U.S. Department of Health and Human Services	93.224	H80CS04214	5,232,109	-	5,232,109	-
Substance Abuse and Mental Health Services Program: Direct - U.S. Department of Health and Human Services	93.243	1H79SM083057-01	91,942	-	91,942	-
Passed through Florida Behavioral Health Association	93.243	FY 2020-2021	27,000	-	27,000	-
Program Total			118,942	-	118,942	-
Minority Health and Health Disparities Research Program: Passed through Health Choice Network	93.307	HCN-UM-SUCCESS	50,500	-	50,500	-
Provider Relief Fund Program: Direct - U.S. Department of Health and Human Services	93.498	N/A	668,531	-	668,531	-
Promoting Safe and Stable Families Program: Passed through Florida Department of Children and Families	93.556	KJ138	-	2,415,022	2,415,022	1,325,854
Passed through Florida Department of Children and Families	93.556	KJ138 - MATCH	-	41,251	41,251	33,799
Program Total			-	2,456,273	2,456,273	1,359,653
Temporary Assistance for Needy Families Program: Passed through Miami-Dade County Homeless Trust	93.558	KP009-4	45,865	-	45,865	-
Passed through South Florida Behavioral Health Network	93.558	ME225 - TANF	89,372	-	89,372	-
Passed through Florida Department of Children and Families	93.558	KJ138	-	5,846,454	5,846,454	4,689,300
Passed through Florida Department of Children and Families	93.558	KJ138 - MATCH	-	9,577,414	9,577,414	6,453,823
Program Total			135,237	15,423,868	15,559,105	11,143,123
Child Care Development Fund (CCDF) Cluster: CCDF Block Grant Passed through Early Learning Coalition of Miami-Dade/Monroe	93.575	C20-01	766,000	-	766,000	-
Grants to States for Access and Visitation Program: Passed through Florida Department of Children and Families	93.597	KJ138	-	33,326	33,326	33,326

See accompanying notes to the schedules of state

See accompanying notes to the schedules of state financial assistance and federal awards.

CITRUS HEALTH NETWORK, INC.
SCHEDULE OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

<i>Federal Agency/ Program Title/ Pass-Through Grantor</i>	<i>Federal ALN Number</i>	<i>Contract Number</i>	<i>CHN Expenditure</i>	<i>FCN Expenditure</i>	<i>Total Expenditure</i>	<i>Transfer to Subrecipients</i>
U.S. Department of Health and Human Services (Continued):						
Chafee Education and Training Vouchers (ETV) Program:						
Passed through Florida Department of Children and Families	93.599	KJ138	-	746,863	746,863	-
Passed through Florida Department of Children and Families	93.599	KJ138 - MATCH	-	2,150,074	2,150,074	-
Program Total			-	2,896,937	2,896,937	-
Stephanie Tubbs Jones Child Welfare Services Program:						
Passed through Florida Department of Children and Families	93.645	KJ138	-	468,110	468,110	393,510
Passed through Florida Department of Children and Families	93.645	KJ138 - MATCH	-	373,907	373,907	315,182
Program Total			-	842,017	842,017	708,692
Foster Care Title IV-E Program:						
Passed through Florida Department of Children and Families	93.658	KJ138	-	15,649,717	15,649,717	7,940,565
Passed through Florida Department of Children and Families	93.658	KJ138 - MATCH	-	26,207,406	26,207,406	12,577,302
Program Total			-	41,857,123	41,857,123	20,517,867
Adoption Assistance Program:						
Passed through Florida Department of Children and Families	93.659	KJ138	-	14,661,728	14,661,728	1,187,689
Passed through Florida Department of Children and Families	93.659	KJ138 - MATCH	-	8,464,153	8,464,153	1,530,788
Program Total			-	23,125,881	23,125,881	2,718,477
Social Services Block Grant Program:						
Passed through Florida Department of Children and Families	93.667	KJ138	-	3,719,856	3,719,856	668,506
Passed through Florida Department of Children and Families	93.667	KJ138 - MATCH	-	1,911,106	1,911,106	1,025,884
Program Total			-	5,630,962	5,630,962	1,694,390
Child Abuse and Neglect State Grants Program:						
Passed through Florida Department of Children and Families	93.669	KJ138	-	180,989	180,989	96,782
Passed through Florida Department of Children and Families	93.669	KJ138 - MATCH	-	65,349	65,349	34,945
Program Total			-	246,338	246,338	131,727
John H. Chafee Foster Care Program for Successful Transition to Adulthood Program:						
Passed through Florida Department of Children and Families	93.674	KJ138	-	1,595,951	1,595,951	155,204
Passed through Florida Department of Children and Families	93.674	KJ138 - MATCH	-	401,538	401,538	38,801
Passed through Childnet, Inc.	93.674	CIT20RAP	81,875	-	81,875	-
Program Total			81,875	1,997,489	2,079,364	194,005
Medical Assistance Program:						
Passed through South Florida Behavioral Health Network	93.778	ME225-11-08	507,109	-	507,109	-
Passed through Florida Department of Children and Families	93.778	KJ138	-	911,733	911,733	621,515
Passed through Florida Department of Children and Families	93.778	KJ138 - MATCH	-	911,733	911,733	621,515
Program Total			507,109	1,823,466	2,330,575	1,243,030
State Opioid Response Discretionary Grant Program:						
Passed through South Florida Behavioral Health Network	93.788	ME225-11-08 ASA	180,000	-	180,000	-
HIV Emergency Relief Project Grants Program:						
Passed through Miami-Dade County	93.914	BURWCHN31	273,513	-	273,513	-
HIV Care Formula Grants (Ryan White HIV/AIDS Program Part B) Program:						
Passed through Florida Department of Health in Miami-Dade County	93.917	DEX41	2,244	-	2,244	-
Block Grants for Community Mental Health Services Program:						
Passed through Broward Behavioral Health Coalition	93.958	34382	1,274,562	-	1,274,562	-
Passed through South Florida Behavioral Health Network	93.958	ME225-11-08	2,227,434	-	2,227,434	-
Passed through South Florida Behavioral Health Network	93.958	ME225-11-08 - MATCH	9,840,177	-	9,840,177	-
Program Total			13,342,173	-	13,342,173	-
Block Grants for Prevention and Treatment of Substance Abuse Program:						
Passed through South Florida Behavioral Health Network	93.959	ME225-11-08 ASA	461,044	-	461,044	-
Passed through South Florida Behavioral Health Network	93.959	ME225-11-08 CSA	1,606,892	-	1,606,892	-
Passed through South Florida Behavioral Health Network	93.959	ME225-11-08 CSA PPG	123,778	-	123,778	-
Program Total			2,191,714	-	2,191,714	-
Total U.S. Department of Health and Human Services			23,656,332	97,180,115	120,836,447	40,092,009
Total Expenditures of Federal Awards and Passed Through			\$ 34,163,619	\$ 97,180,115	\$ 131,343,734	\$ 40,092,009

See accompanying notes to the schedules of state financial assistance and federal awards.

CITRUS HEALTH NETWORK, INC.
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2021

<i>State Agency/ Program Title/ Pass-Through Grantor</i>	<i>State CSFA Number</i>	<i>State Contract Number</i>	<i>CHN Expenditure</i>	<i>FCN Expenditure</i>	<i>Total Expenditure</i>	<i>Transfer to Subrecipients</i>
Department of Children and Families						
The Independent Living and Road-to-Independence Program:						
Direct - Department of Children and Families	60.112	KJ138	\$ -	\$ 1,918	\$ 1,918	\$ -
Out-of-Home Supports Program:						
Direct - Department of Children and Families	60.074	KJ138	-	5,198,824	5,198,824	3,445,824
CBC-Sexually Exploited Children Program:						
Direct - Department of Children and Families	60.138	KJ138	-	320,233	320,233	-
Passed through Childnet, Inc.	60.138	CIT20RAP	29,969	-	29,969	-
Program Total			<u>29,969</u>	<u>320,233</u>	<u>350,202</u>	<u>-</u>
Family Safety Program:						
Direct - Department of Children and Families	60.175	19010050	34,516	-	34,516	-
CBC-Purchase of Therapeutic services for Children Program:						
Direct - Department of Children and Families	60.183	KJ138	-	1,559,624	1,559,624	200,498
Passed through Childnet, Inc.	60.183	CIT20RAP	252,128	-	252,128	-
Program Total			<u>252,128</u>	<u>1,559,624</u>	<u>1,811,752</u>	<u>200,498</u>
Community Substance Abuse and Mental Health Services Program:						
Passed through South Florida Behavioral Health Network	60.155	ME225-11-08	455,000	-	455,000	-
Total Department of Children and Families			<u>771,613</u>	<u>7,080,599</u>	<u>7,852,212</u>	<u>3,646,322</u>
Florida Housing Finance Corporation						
State Housing Initiatives Partnership Program:						
Passed through City of Hialeah	40.901	FY2020-21 SHIP	87,298	-	87,298	-
Total Florida Housing Finance Corporation			<u>87,298</u>	<u>-</u>	<u>87,298</u>	<u>-</u>
Department of Juvenile Justice						
Mental Health Services Program:						
Direct - Department of Juvenile Justice	80.011	10593	30,273	-	30,273	-
Total Department of Juvenile Justice			<u>30,273</u>	<u>-</u>	<u>30,273</u>	<u>-</u>
Total Expenditures of State Awards and Passed Through			<u>\$ 889,184</u>	<u>\$ 7,080,599</u>	<u>\$ 7,969,783</u>	<u>\$ 3,646,322</u>

See accompanying notes to the schedules of state financial assistance and federal awards.

CITRUS HEALTH NETWORK, INC.

**NOTES TO THE SCHEDULES OF STATE FINANCIAL ASSISTANCE AND FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

1. BASIS OF PRESENTATION

The accompanying Schedules of State Financial Assistance and Federal Awards (the "Schedules") presents the activity of all state and federal award programs of the Center for the year ended June 30, 2021. All federal and state awards received directly from federal and state agencies, as well as federal and state awards received from other government agencies are included in the Schedules.

The information in the Schedules are presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Department of Financial Services Rules, Chapter 69I-5, Florida Administrative Code, *State Financial Assistance*. Because the Schedules present only a selected portion of the operations of the Center, they are not intended to and do not present the financial position, changes in net assets, or cash flows of the Center.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3. INDIRECT COST RATE

The Center has negotiated and received a federally approved indirect rate of 22.72% with its cognizant agency. When a contract is subjected to legislative limitations on administrative/indirect cost by the funding source, it is not eligible for the federally approved indirect rate and the Center therefore applies the indirect cost rate in accordance with the limitations.

**CITRUS HEALTH NETWORK, INC.
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
 FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS
 FOR THE YEAR ENDED JUNE 30, 2021**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

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

Internal control over major programs:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? yes no

Identification of major federal programs:

Federal Program or Cluster	CFDA Number	Expenditures
Health Center Program	93.224	\$ 5,232,109
Coronavirus Relief Fund	21.019	\$ 1,502,731
Foster Care Title IV-E	93.658	\$41,857,123

Dollar threshold used to distinguish between type A and type B programs: \$ 3,000,000

Auditee qualified as low-risk auditee? yes no

**CITRUS HEALTH NETWORK, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS
FOR THE YEAR ENDED JUNE 30, 2021**

SECTION I - SUMMARY OF AUDITOR'S RESULTS (Continued)

State Financial Assistance

Type of auditor's report issued on compliance for major projects:

Unmodified

Internal control over major projects:

- Material weakness(es) identified? yes no
- Significant deficiency(ies)? yes none reported

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650, *Rules of the Auditor General*?"

yes no

Identification of major projects:

Name of State Project or Cluster	CSFA Number	Expenditures
Out-of-Home Supports	60.074	\$ 5,198,824

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

\$ 750,000

**CITRUS HEALTH NETWORK, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS
FOR THE YEAR ENDED JUNE 30, 2021**

SECTION II - FINANCIAL STATEMENT FINDINGS

None

SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS PROGRAMS

None

SECTION IV - FINDINGS AND QUESTIONED COSTS - MAJOR STATE FINANCIAL ASSISTANCE PROJECTS

None

SECTION V - OTHER ISSUES

1. No management letter was issued for the year ended June 30, 2021.
2. No Summary Schedule of Prior Audit Findings is required because there were no prior audit findings related to Federal awards programs or State financial assistance projects.
3. No corrective action plan is required because there were no findings required to be reported under the Federal *OMB Circular Compliance Supplement* or the *Department of Financial Services' State Project Compliance Supplement*.

SUPPLEMENTARY INFORMATION

CITRUS HEALTH NETWORK, INC.
SCHEDULE OF STATE EARNINGS
FOR THE YEAR ENDED JUNE 30, 2021

	South Florida Behavioral Health Network
1. Total Expenditures	\$ 186,833,523
2. Less Other State and Federal Funds	(153,767,624)
3. Less Non-Match SAMH Funds	(9,861,383)
4. Less Unallowable Costs Per 65E-14, FAC	<u>(249,203)</u>
5. Total Allowable Expenditures (Sum of lines 1,2,3, and 4)	<u>22,955,313</u>
6. Maximum Available Earnings (Line 5 times 75%)	17,216,485
7. Amount of State Funds Requiring Match	<u>4,878,591</u>
8. Amount Due to Department	<u>\$ -</u>

See accompanying note to the statement of functional expenses and cost center expenses, schedules of state earnings, revenues, and funding sources, and bed day availability.

**CITRUS HEALTH NETWORK, INC.
 SCHEDULE OF COST CENTER ACTUAL EXPENSES AND REVENUES- SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES
 - PART I
 FOR THE YEAR ENDED JUNE 30, 2021**

Part I: Funding Sources and Revenues - 34382

FUNDING SOURCES & REVENUES		STATE-FUNDED																	Total for State SAMH-Funded Covered Services or Projects (B+C) D	Total for Non-State-Funded Covered Services or Projects E	Total for All Covered Services or Projects (D+E) F	Non-SAMH Covered Services or Projects G	Total Funding (F+G) H														
		Mental Health										Substance Abuse																									
A		Case Management 2	Crisis Stabilization 3	Crisis Support / Emergency 4	Outreach 15	Residential I 18	Incidental Expenses 28	Short-term Residential 39	CCST (Indiv.) 44	Care Coordination A4	First Episode Team A5	Transition Voucher B2	CAT Team B4	FACT Team B5	Provider Provisio Projects B6	Other Bundled Projects C0	Mental Health Total B	Crisis Support/ Emergency 04	Inpatient Detoxification 24	CCST (Indiv.) 44	Prevention- Indicated 48	Prevention- Selective 49	Prevention Universal Direct 50	Care Coordination A4	Federal Project Grant A7	Other Bundled Projects C0	Substance Abuse Total C										
IA. STATE SAMH FUNDING																																					
Current Year Funding																																					
MH018	34382	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,219,987	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,219,987	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,219,987	\$ -	\$ 1,219,987	\$ -	\$ 1,219,987
MH071	34382	\$ -	\$ -	\$ -	\$ -	\$ 54,575	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,575	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,575	\$ -	\$ 54,575	\$ -	\$ 54,575	
Total Current Year Funding		\$ -	\$ -	\$ -	\$ -	\$ 54,575	\$ -	\$ 1,219,987	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,274,562	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,274,562	\$ -	\$ 1,274,562	\$ -	\$ 1,274,562	
Total Carry Forward Funding		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL STATE SAMH FUNDING =		\$ -	\$ -	\$ -	\$ -	\$ 54,575	\$ -	\$ 1,219,987	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,274,562	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,274,562	\$ -	\$ 1,274,562	\$ -	\$ 1,274,562	
IB. OTHER GOVERNMENT FUNDING																																					
(1) Other State Agency Funding		89,372	2,511,768	1,933,727	52,630	375,973	520,227	1,390,966	525,239	23,045	750,000	24,098	1,555,284	2,301,361	454,998	1,458,452	13,967,140	50,000	943,802	172,992	20,757	468,871	100,466	34,825	180,000	399,999	2,371,712	16,338,853	2,299,056	18,637,908	104,813,869	123,451,777					
(2) Medicaid		540	2,466,142	2,103,384	-	-	-	350,789	-	1,441	-	3,321	-	-	5,280	3,037,897	-	-	-	-	-	-	-	-	-	-	-	3,037,897	13,460,588	18,499,483	7,410,059	25,989,544					
(3) Local Government		-	927,578	89,160	-	-	-	-	-	34,641	-	-	-	-	1,051,379	-	-	-	-	-	-	-	-	-	-	-	1,051,379	476,971	1,528,350	7,461,053	8,989,403						
(4) Federal Grants and Contracts		-	27,603	-	-	-	37,927	-	-	-	-	-	-	-	27,000	92,530	-	27,602	-	-	-	-	-	-	-	-	27,602	120,132	1,413,572	1,533,704	11,873,662	13,407,366					
(5) In-kind from local govt. only		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
TOTAL OTHER GOVERNMENT FUNDING =		89,912	5,933,091	2,233,271	52,630	375,973	520,227	1,428,893	876,028	23,045	786,082	24,098	1,558,605	2,301,361	454,998	1,490,732	18,148,946	50,000	971,404	172,992	20,757	468,871	100,466	34,825	180,000	399,999	2,399,314	20,548,260	19,650,187	40,198,447	131,618,643	171,817,090					
IC. ALL OTHER REVENUES																																					
(1) 1st & 2nd Party Payments		-	26,690	14,984	-	-	-	-	(1,549)	-	(2,638)	-	575	-	-	38,042	-	-	-	-	-	-	-	-	-	-	-	38,042	317,498	355,540	9,358,639	9,714,179					
(2) 3rd Party Payments (except Medicare)		-	168,951	321	-	-	-	4,855	-	1,371	-	815	-	-	1,041	177,354	-	-	-	-	-	-	-	-	-	-	-	177,354	1,297,216	1,474,570	1,148,685	2,623,255					
(3) Medicare		-	(5,237)	(357)	-	-	-	-	(145)	-	(155)	-	-	-	-	(5,894)	-	-	-	-	-	-	-	-	-	-	-	(5,894)	88,816	82,922	285,573	368,495					
(4) Contributions and Donations		-	-	1,000	-	-	-	150	-	-	-	-	-	-	-	1,150	-	-	-	-	-	-	-	-	-	-	1,150	963	2,113	80,155	82,268						
(5) Other		-	763,608	341,759	-	-	-	229,701	-	-	-	-	-	-	-	1,335,068	-	-	-	-	-	-	-	-	-	-	-	1,335,068	2,064,963	3,400,031	819,041	4,219,072					
(6) In-kind		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31,000	-	-	-	-	31,000	385,412	416,412	1,362,979	1,779,391						
TOTAL ALL OTHER REVENUES =		-	954,012	357,707	-	-	-	229,851	3,161	(1,442)	-	1,390	-	-	1,041	1,545,720	-	-	-	-	-	31,000	-	-	-	-	31,000	1,576,720	4,154,868	5,731,588	13,055,072	18,786,660					
TOTAL FUNDING =		\$ 89,912	\$ 6,887,103	\$ 2,590,978	\$ 52,630	\$ 430,548	\$ 520,227	\$ 2,878,731	\$ 879,189	\$ 23,045	\$ 784,640	\$ 24,098	\$ 1,559,995	\$ 2,301,361	\$ 454,998	\$ 1,491,773	\$ 20,969,228	\$ 50,000	\$ 971,404	\$ 172,992	\$ 20,757	\$ 499,871	\$ 100,466	\$ 34,825	\$ 180,000	\$ 399,999	\$ 2,430,314	\$ 23,399,542	\$ 23,805,055	\$ 47,204,597	\$ 144,673,715	\$ 191,878,312					

CITRUS HEALTH NETWORK, INC.
SCHEDULE OF BED DAY AVAILABILITY PAYMENTS
FOR THE YEAR ENDED JUNE 30, 2021

Program A	Cost Center B	State Contracted Rate C	Total Units of Service Provided D	Total Units of Service Paid for by 3rd Party Contracts, Local Govt. or Other State Agencies E	Maximum # of Units Eligible for Payment by Department (D-E) F	Amount Paid for Services by the Department G	Maximum \$ Value of Units in Column F (F x C) H	Amount Owed to Department (G-H or \$0, whichever is greater) I
Children's Mental Health	Crisis Stabilization Unit	\$ 427	5,456	2,881	2,575	\$ 1,099,329	\$ 1,099,525	\$ -
Adult Mental Health	Crisis Stabilization Unit	\$ 427	5,189	813	4,376	\$ 1,867,355	\$ 1,868,552	\$ -
Adult Mental Health	Short Term Residential-SFBHN	\$ 257	10,195	4,745	5,450	\$ 1,390,965	\$ 1,401,250	\$ -
Adult Mental Health	Short Term Residential-BBHC	\$ 257	10,195	5,450	4,745	\$ 1,219,987	\$ 1,219,987	\$ 0
Total Amount Owed to Department =								\$ -

See accompanying note to the statement of functional expenses and cost center expenses, schedules of state earnings, revenues, and funding sources, and bed day availability.

CITRUS HEALTH NETWORK, INC.

NOTES TO THE SCHEDULE OF STATE EARNINGS, SCHEDULE OF COST CENTER ACTUAL EXPENSES AND REVENUES – SUBSTANCE ABUSE AND MENTAL HEALTH, AND SCHEDULE OF BED DAY AVAILABILITY PAYMENTS FOR THE YEAR ENDED JUNE 30, 2021

GENERAL

The Statement of Schedule of State Earnings, Revenues and Funding Sources, and Bed Day Availability Payments were prepared in accordance with the requirements in the South Florida Behavioral Network Contract ME225-11-08 and 34382.