

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Consolidated Financial and Compliance Report
June 30, 2021

Contents

Independent auditor's report	1-2
<hr/>	
Financial statements	
Consolidated statement of financial position	3
Consolidated statement of activities	4
Consolidated statement of functional expenses	5
Consolidated statement of cash flows	6
Notes to consolidated financial statements	7-23
<hr/>	
Supplementary information	
Consolidating statement of financial position	24
Consolidating statement of activities	25
Consolidating statement of cash flows	26
Schedule of support and revenue and expenses for programs funded by Juvenile Welfare Board of Pinellas County	27
Substance abuse and mental health services: Program/cost center actual expenses and revenues:	
Part I: Actual funding sources	28-30
Part II: Actual expenses	31-33
Schedule of state earnings	34
Schedule of bed-day availability payments	35
Schedule of related party transaction adjustments	36
Schedule of functional expenses as required by Area Agency on Aging of Pasco-Pinellas, Inc.	37
Schedule of program revenue and expenses for Conference on Jewish Material Claims Against Germany, Inc. in-home service program	38
<hr/>	
Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with <i>Government Auditing Standards</i>	39-40
<hr/>	
Report on compliance for each major federal program and state financial assistance Project and report on internal control over compliance required by Uniform Guidance And State of Florida Chapter 10.650, <i>Rules of the Auditor General</i>	41-42
<hr/>	
Schedule of expenditures of federal awards and state financial assistance	43-45
Notes to schedule of expenditures of federal awards and state financial assistance	46
Schedule of findings and questioned costs	47-51
Corrective action plans	52-54
<hr/>	



RSM US LLP

Independent Auditor's Report

Board of Directors
Gulf Coast Jewish Family and Community Services, Inc.

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Gulf Coast Jewish Family and Community Services, Inc. and Affiliates (the Organization), which comprise the consolidated statement of financial position as of June 30, 2021, the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, 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 of 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 Organization'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 Organization'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 estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gulf Coast Jewish Family and Community Services, Inc. and Affiliates as of June 30, 2021, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the accompanying financial statements, opening net assets have been restated due to errors in the application of accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating information, accompanying schedule of federal awards and state financial assistance, as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Grant Requirements, Cost Principles, and Audit Requirements of Federal Awards* and State of Florida Chapter 10.650, *Rules of the Auditor General*, and other supplementary information is presented for purposes of additional analysis rather than to present the financial position, changes in net assets and cash flows of the individual entities 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 March 31, 2022, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and 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 Organization'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 Organization's internal control over financial reporting and compliance.

RSM US LLP

St. Petersburg, Florida
March 31, 2022

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Consolidated Statement of Financial Position June 30, 2021

Assets	
Current assets:	
Cash and cash equivalents	\$ 7,628,991
Restricted cash	312,777
	<u>7,941,768</u>
Accounts receivable, net	5,936,358
Contributions receivable	183,200
Short-term investments	244,484
Prepaid expenses	766,653
Total current assets	<u>15,072,463</u>
Property and equipment, net	7,246,580
Long-term investments	6,760,131
Beneficial interest in assets held by foundations	1,196,861
Other assets	155,858
	<u>15,255,430</u>
Total assets	<u><u>\$ 30,431,893</u></u>
Liabilities and Net Assets	
Current liabilities:	
Current maturities of long-term debt	\$ 2,071,420
Accounts payable	624,660
Accrued expenses	1,703,414
Estimated provision for third-party payor liabilities	50,000
Refundable advances	3,427,571
Total current liabilities	<u>7,877,065</u>
Tenant deposits held in trust	26,173
Long-term debt, net of current maturities	6,890,294
	<u>6,916,467</u>
Total liabilities	<u>14,793,532</u>
Contingencies and commitments (Notes 8, 9 and 16)	
Net assets:	
Without donor restrictions	
Undesignated	6,955,513
Board-designated	2,273,868
	<u>9,229,381</u>
With donor restrictions	6,408,980
	<u>6,408,980</u>
Total net assets	<u>15,638,361</u>
Total liabilities and net assets	<u><u>\$ 30,431,893</u></u>

See notes to consolidated financial statements.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

**Consolidated Statement of Activities
Year Ended June 30, 2021**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and support:			
Grants and contracts:			
Governmental and other agencies	\$ 29,486,065	\$ -	\$ 29,486,065
Medicaid and Medicare	663,935	-	663,935
Local grants	5,466,060	-	5,466,060
Contributions	385,711	181,393	567,104
Special events revenue, net of \$62,453 of expenses	498,804	-	498,804
United Way and Jewish Federation allocations	317,263	-	317,263
In-kind contributions	368,120	-	368,120
Investment return designated for current operations	450,000	-	450,000
Program service fees	266,508	-	266,508
Rental income	924,809	-	924,809
Other income	123,510	-	123,510
Net assets released from restrictions:			
Expiration of time restrictions on capital assets	13,748	(13,748)	-
Expiration of other time restrictions	31,883	(31,883)	-
	45,631	(45,631)	-
Total revenues and support	38,996,416	135,762	39,132,178
Expenses:			
Program services	33,880,604	-	33,880,604
Supporting services	4,980,495	-	4,980,495
Total expenses	38,861,099	-	38,861,099
Changes in net assets before other changes	135,317	135,762	271,079
Other changes:			
Investment return, net	525,182	719,578	1,244,760
Less investment return appropriated under the endowment spending rate	(106,896)	(343,104)	(450,000)
Change in the value of beneficial interest in assets held by foundations	8,445	184,713	193,158
	426,731	561,187	987,918
Changes in net assets	562,048	696,949	1,258,997
Net assets:			
Beginning, as previously reported	12,335,918	4,825,029	17,160,947
Restatement—reporting entity (Note 2)	(2,781,583)	-	(2,781,583)
Restatement—endowment net asset reclassification (Note 2)	(887,002)	887,002	-
Beginning, as restated	8,667,333	5,712,031	14,379,364
Ending	\$ 9,229,381	\$ 6,408,980	\$ 15,638,361

See notes to consolidated financial statements.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Consolidated Statement of Functional Expenses Year Ended June 30, 2021

	Program Services							Supporting Services					Total
	Children and Family Services	Elder and Disabled Services	Employment Services	Jewish Family Services	Mental Health Services	Refugee Programs	Program Maintenance	Housing	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 11,765,951	\$ 1,428,968	\$ 965,652	\$ 387,338	\$ 2,621,902	\$ 1,532,955	\$ 88,911	\$ 96,477	\$ 18,888,154	\$ 2,672,943	\$ 304,510	\$ 2,977,453	\$ 21,865,607
Payroll taxes	891,960	109,884	71,439	29,823	197,514	118,396	6,391	8,220	1,433,627	197,729	24,366	222,095	1,655,722
Employee benefits	1,477,870	192,384	134,399	42,511	332,655	143,101	26,733	8,539	2,358,192	316,947	30,594	347,541	2,705,733
Total salaries and related expenses	14,135,781	1,731,236	1,171,490	459,672	3,152,071	1,794,452	122,035	113,236	22,679,973	3,187,619	359,470	3,547,089	26,227,062
Occupancy	578,507	23,193	113,793	21,196	248,573	563,216	(160,307)	184,159	1,572,330	226,126	5,651	231,777	1,804,107
Professional services	131,943	14,376	43,909	2,724,622	148,838	69,022	1,681	-	3,134,391	296,696	14,559	311,255	3,445,646
Travel	610,247	28,584	24,057	2,509	49,006	84,795	-	-	799,198	9,261	477	9,738	808,936
Equipment costs	185,305	25,696	33,036	17,096	88,655	261,059	3,806	-	614,653	357,256	19,896	377,152	991,805
Food	592	-	-	9,737	113,895	60,882	-	-	185,106	-	80	80	185,186
Medical and pharmacy	68	-	-	-	19,320	32,042	-	-	51,430	-	-	-	51,430
Subcontractors	328,692	-	-	-	-	-	-	-	328,692	-	-	-	328,692
Insurance	85,068	12,546	7,455	6,332	123,682	26,173	19,942	163,696	444,894	90,956	976	91,932	536,826
Interest	-	-	-	-	24,472	-	-	-	24,472	8,409	-	8,409	32,881
Adult family stipends	-	-	-	-	1,026,873	-	-	-	1,026,873	-	-	-	1,026,873
Operating supplies and expenses	672,319	92,044	205,631	264,183	337,144	431,879	2,127	1,248	2,006,575	154,028	77,265	231,293	2,237,868
In-kind expenses	325,451	-	-	23,440	-	8,393	-	-	357,284	10,836	-	10,836	368,120
Other	7,307	619	268	359	896	385	116	190,458	200,408	7,250	1,501	8,751	209,159
Total expenses before depreciation and amortization	17,061,280	1,928,294	1,599,639	3,529,146	5,333,425	3,332,298	(10,600)	652,797	33,426,279	4,348,437	479,875	4,828,312	38,254,591
Depreciation and amortization	26,794	19,049	349	17,403	194,133	16,049	10,876	169,672	454,325	148,141	4,042	152,183	606,508
Total expenses	\$ 17,088,074	\$ 1,947,343	\$ 1,599,988	\$ 3,546,549	\$ 5,527,558	\$ 3,348,347	\$ 276	\$ 822,469	\$ 33,880,604	\$ 4,496,578	\$ 483,917	\$ 4,980,495	\$ 38,861,099

See notes to consolidated financial statements.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Consolidated Statement of Cash Flows
Year Ended June 30, 2021

<hr/>	
Cash flows from operating activities:	
Change in net assets	\$ 1,258,997
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	606,508
Realized and unrealized gains on investments	(1,119,866)
Change in value of beneficial interest in assets held by foundations	(193,158)
(Increase) decrease in operating assets	
Accounts receivable, net	(1,298,960)
Contributions receivable	18,800
Prepaid expenses	(441,574)
Other assets	(96,550)
Increase (decrease) in operating liabilities	
Accounts payable	(299,353)
Accrued expenses	292,783
Refundable advances	2,517,642
Tenant deposits held in trust	2,297
Net cash provided by operating activities	<u>1,247,566</u>
Cash flows from investing activities:	
Purchases of property and equipment	(158,998)
Purchases of investments	(3,343,307)
Proceeds from sale of investments	3,668,363
Net cash provided by investing activities	<u>166,058</u>
Cash flows from financing activities:	
Principal payments on long-term debt	(154,600)
Net cash used in financing activities	<u>(154,600)</u>
Net increase in cash and cash equivalents and restricted cash	<u>1,259,024</u>
Cash and cash equivalents and restricted cash:	
Beginning (as restated)	<u>6,682,744</u>
Ending	<u>\$ 7,941,768</u>
Supplemental cash flow information:	
Cash paid for interest	<u>\$ 33,171</u>

See notes to consolidated financial statements.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: Gulf Coast Jewish Family and Community Services, Inc. (or Gulf Coast JFCS or the Agency) has been serving Florida since 1960. Inspired by Jewish values, we protect the vulnerable, empower individuals and strengthen families. When the agency began in 1960, its core programming was to provide counseling and family support services to the Jewish community in Pinellas County. The agency was incorporated as a 501(c)(3) organization in 1974. At that time, Gulf Coast JFCS began to diversify its array of services through public funding and broadened its scope to serve people of all backgrounds. Today, Gulf Coast JFCS has more than 500 employees and annually supports more than 37,000 people in 40 Florida Counties. The agency interacts with virtually every area of social services to provide a wide range of family support.

An affiliated organization, Gulf Coast Cares, Inc. (GCC) was formed in 2016 for the purpose of managing investments and providing financial support to Gulf Coast JFCS through annual distributions.

Additionally, Gulf Coast JFCS sponsors Gulf Coast Heron Housing, Inc. (Heron) and Gulf Coast Egret Housing, Inc. (Egret) (collectively, the Projects), which provide housing for low-income seniors and low-income individuals with disabilities under Section 202 of the National Housing Act. The projects are regulated by the U.S. Department of HUD with respect to rental charges and operating methods. The projects are also subject to either Project Rental Assistance Agreements with HUD or Section 8 Housing Assistance Payments agreements with HUD, and a significant portion of the project's rental income is received from HUD.

The following are the significant policies used in the preparation of the accompanying consolidated financial statements:

Principles of consolidation: The accompanying consolidated financial statements include the accounts for Gulf Coast JFCS, GCC and the Projects (collectively, the Organization), which are nonprofit corporations. The entities comprising the Organization are related through a controlling financial interest and Gulf Coast JFCS's direct and indirect ability to determine the direction of management. All significant intercompany accounts and transactions have been eliminated in consolidation.

Basis of presentation: A not-for-profit organization is required to report information regarding its financial position and activities in accordance to two classes of net assets: without donor restrictions and with donor restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions: Contributions and other inflows of assets that are not subject to donor-imposed stipulations but may be designated for specific purposes by action of the Board of Directors (Board). Net assets without donor restrictions include expendable funds available to support operations as well as net assets invested in property and equipment.

Net assets with donor restrictions: Contributions and other inflows of assets subject to donor-imposed stipulations that may or will be met by actions of the Organization or the passage of time or are permanently maintained by the Organization. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are released to net assets without donor restrictions and reported in the accompanying consolidated statement of activities as net assets released from restrictions.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

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

Cash and cash equivalents: The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

The Organization maintains its cash balances at several financial institutions, which, at times, may exceed federally insured limits. The Organization monitors its exposure associated with cash and cash equivalents and has not experienced any losses in such accounts.

Restricted cash: Restricted cash includes security deposits held, replacement reserves and residual receipt accounts required by HUD. Restricted cash is included in cash when reconciling the beginning-of-period and end-of-period total amounts shown on the consolidated statement of cash flows.

Accounts receivable: Accounts receivable are stated at cost less an allowance for doubtful accounts. Management's determination of an allowance is based on historical experience, third-party contracts and other circumstances which may affect the ability of payors to meet their obligations. It is the Organization's policy to write off uncollectible accounts receivable when management determines the receivable will not be collected. Management has set an allowance for approximately \$20,000 as of June 30, 2021.

Contributions receivable: Contributions receivable due in one year or less are reported at net realizable value. Amounts due under contributions receivable over a period of more than one year at the date of donation are reported at net present value using the market discount rate in effect at the date of the unconditional promise to give. Receivables are stated less an allowance for doubtful accounts. Management's determination of an allowance is based on historical experience, knowledge of donor and other circumstances. Management believes contributions receivable to be fully collectible as of June 30, 2021. All contribution receivables as of June 30, 2021, are due within one year.

Investments: Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their estimated fair values in the consolidated statement of financial position. Investment income is reported in the consolidated statement of activities and consists of interest and dividend income and realized and unrealized gains and losses, less external investment expenses.

Fair value measurements: The Organization measures investments and beneficial interests in assets held by others at fair value on a recurring basis. The Organization follows accounting guidance which defines fair value and specifies a hierarchy of valuation techniques used to measure fair value. The disclosure of fair value estimates is based on whether the significant inputs into the valuation are observable. In determining the level of hierarchy in which the estimate is disclosed, the highest priority is given to unadjusted quoted prices in active markets and the lowest priority to unobservable inputs.

The following is a brief description of the type of valuation information (inputs) that qualifies a financial asset for each level:

Level 1: Unadjusted quoted market prices for identical assets or liabilities in active markets which are accessible by the Organization.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Level 2: Observable prices in active markets for similar assets or liabilities. Prices for identical or similar assets or liabilities in markets that are not active. Market inputs that are not directly observable but are derived from or corroborated by observable market data.

Level 3: Unobservable inputs based on the Organization's own judgement as to assumptions a market participant would use, including inputs derived from extrapolation and interpolation that are not corroborated by observable market data.

The Organization evaluates the various types of financial assets and liabilities to determine the appropriate fair value hierarchy based upon trading activity and the observability of market inputs. The Organization employs control processes to validate the reasonableness of the fair value estimates of its assets and liabilities, including those estimates based on prices and quotes obtained from independent third-party sources.

While the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies and assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the report date.

During the year ended June 30, 2021, there were no changes in the Organization's valuation techniques that had, or are expected to have, a material impact on its consolidated statements of financial position or activities.

Property and equipment: Property and equipment are stated at cost if purchased, or at estimated market value at date of receipt if acquired by gift. Expenditures for property and equipment in excess of \$5,000 are capitalized. Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets.

Leasehold improvements are amortized over the shorter of their useful life or the lease term. Property acquired with governmental funds is considered to be owned by the Organization while used in the program for which it was purchased or in future authorized programs; however, its disposition, as well as the ownership of any proceeds therefrom, is subject to applicable regulations.

Expenditure for renewals and improvements that significantly add to the productive capacity to extend the useful life of the asset are capitalized. Expenditures for normal repairs and maintenance are expensed as incurred. Upon retirement, sale, or other disposition of property and equipment, the costs and accumulated depreciation are eliminated from the accounts and any resulting gain or loss is included within the consolidated statement of activities.

Impairment of long-lived assets: The Organization evaluates the recoverability of its property and equipment whenever adverse events and changes in the business climate indicate that the expected undiscounted future cash flows from the related asset may be less than previously anticipated. If the net book value of the related asset exceeds the undiscounted future cash flows of the asset, the carrying amount would be reduced to the present value of its expected future cash flows and an impairment loss would be recognized. Management believes no indication of impairment existed at June 30, 2021.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Revenue recognition: Effective July 1, 2020, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standard Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)* using the modified retrospective method of transition. No cumulative effect adjustment to net assets upon adoption of this standard was recorded as of July 1, 2020. The identified impact did not have a material effect on the Organization's overall consolidated financial statement as of and for the year ended June 30, 2021, from the amounts that would have been reported under legacy U.S. GAAP. In addition, the adoption of the Topic 606 had no impact to cash provided by or used in operating, financing, or investing on the Organization's consolidated statement of cash flows.

This ASU replaces existing revenue recognition guidance, including industry-specific guidance that require revenue to be recognized consistent with the consideration the Organization expects to be entitled for services provided. The Organization first determines if a transaction represents an exchange transaction and, if so, accounts for the transaction under Topic 606, which provides a five-step model for recognizing revenue from contracts with customer as follows:

- Identify the contact with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when or as performance obligations are satisfied

The Organization's revenue from contracts with customers consists of providing Medicaid and Medicare eligible services and other program service fees. The Organization's contracts have a single performance obligation. The transaction price is the amount of consideration to which the Organization expects to be entitled in exchange for transferring goods to the customer. Revenue is recorded based on transaction price, which is a fixed consideration. Performance obligations are satisfied at a point in time, at which point revenue is recognized. Revenue recognized at a point in time from reimbursements of direct and indirect costs of providing services by Medicaid and Medicare totaled \$663,935 for the year ended June 30, 2021, while revenue recognized at a point in time for program service fees totaled \$266,508 for the year ended June 30, 2021.

The Organization performs an evaluation at contract inception focused on whether a performance obligation is satisfied over time or at a point in time. If a performance obligation meets certain specific criteria, the related revenue is recognized over time as the customer consumes and receives the benefit of the Organization's services as they are performed. If certain criteria is not met, the revenue is recognized at a point in time.

The revenue streams noted above do not include significant financing components as the performance obligations are typically satisfied within a year of receipt of payment. Economic downturns can affect the level of revenue for all the revenue streams or can have a positive impact on cash flows in good economic times.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Public support: The Organization recognizes unconditional contributions when cash, securities, promises to give, or other assets; or a notification of a beneficial interest is received. Unconditional contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

Conditional contributions are those contributions that certain donor-imposed rights of refund/return and barriers (performance obligations and/or controlling stipulations). Conditional contributions are recorded as revenue when conditions are satisfied. Conditional contributions received in advance of satisfying conditions are recorded as deferred revenue.

A portion of the Organization's revenue is derived from cost-reimbursable contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenditures. Amounts received are recognized as revenue when the Organization has provided certain services and incurred expenditures in compliance with specific contract or grant provisions. Cash received in excess of revenue recognized is recorded as refundable advances. There were refundable advances of \$3,427,571 at June 30, 2021.

Donated materials and services: Donated materials are reflected in the accompanying consolidated financial statements at their estimated fair market value at date of receipt. Donations of services are recorded as support at their estimated fair value if the services require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Rental income: Rent charges are based on a HUD-approved rate schedule. The Projects are eligible to receive a monthly rental supplement in an amount equal to the difference between the fair rental value of its project units (as determined by HUD) and the amount charged to its tenants. The total amount of tenant assistance payments from HUD included in rental income in the accompanying consolidated statement of activities totaled approximately \$639,000 for the year ended June 30, 2021. Rental revenue is recognized in income monthly as earned under the terms of the lease agreement. Rental payments received in advance are deferred and classified as a liability until earned.

Functional expense allocations: The costs of providing the Organization's various programs and other activities have been summarized on a functional basis in the consolidated statement of activities and functional expenses. The consolidated statement of functional expenses presents the natural classification detail of expenses by function. Expenses that can be identified with a specific program or support service are charged directly to the function. Certain other costs have been allocated among program and supporting services benefited. Such allocations are determined by management on an equitable basis that is consistently applied. Personnel costs have been allocated to functional classifications based on the reporting of time spent on each by the employees. Building depreciation, insurance, maintenance and other related costs have been allocated to functional classifications based on square footage. Equipment depreciation, maintenance and related costs have been allocated based upon the location of the equipment and usage.

Advertising expenses: Advertising costs are expensed as incurred. Total advertising costs approximated \$51,000 for the year ended June 30, 2021.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Income taxes: Gulf Coast JFCS, GCC, Heron and Egret are recognized by the Internal Revenue Service (IRS) as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code. Income earned in furtherance of these entities' tax-exempt purposes is exempt from federal and state income taxes. As such, no provision for income tax expense has been made in the accompanying consolidated financial statements.

The Organization has adopted the accounting standard on accounting for uncertainty in income taxes. Management assessed whether there were any uncertain tax positions which may give rise to income tax liabilities and determined that there were no such matters requiring recognition in the accompanying consolidated financial statements. Generally, the Organization is no longer subject to U.S. federal or state income tax examinations by tax authorities for years before June 30, 2018.

Recent adopted accounting pronouncements: In August 2018, the FASB issued ASU 2018-13, Fair Value Measurements (Topic 820): *Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement*, which modifies the disclosure requirements for fair value measurements by removing, modifying or adding certain disclosures. ASU 2018-13 is effective for all entities for fiscal years beginning after December 15, 2019. The Organization adopted this standard retrospectively in the current year. The adoption of this ASU did not have a significant impact on the consolidated financial statements.

Pending accounting pronouncements: In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract (i.e., lessees and lessors). The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today. The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales type leases, direct financing leases and operating leases. The standard is effective for annual periods beginning after December 15, 2021, with early adoption permitted. The Organization is currently evaluating the impact this ASU will have on the consolidated financial statements.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This ASU is intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind, for not-for-profit entities. The ASU will require a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities apart from contributions of cash or other financial assets. The ASU will also require enhanced disclosure, including disaggregation of nonfinancial assets recognized by category and qualitative information about each category. The amendments in this ASU will be applied on a retrospective basis and are effective for annual reporting periods beginning after June 15, 2021, and interim periods beginning after June 15, 2022. Early adoption is permitted. The Organization is currently evaluating the impact this ASU will have on the consolidated financial statements.

Subsequent events: The Organization has evaluated subsequent events through March 31, 2022, the date the consolidated financial statements were available for issuance.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 2. Restatements

During the year ended June 30, 2021, management implemented the following two changes to the prior financial statements:

Reporting entity: Management determined that Gulf Coast JFCS's prior financial statements did not include the financial position and changes in net assets of the Projects. Accounting standards require an entity to consolidate another not-for-profit organization if there is a controlling financial interest in the other not-for-profit organization. Based on accounting standards criteria and review of the HUD Projects By-Laws, management has determined that Gulf Coast JFCS has a controlling financial interest in each of the Projects because of the requirement that members of each of the Projects' Board be on Gulf Coast JFCS's board or approved by Gulf Coast JFCS. The cumulative effect of the adjustment on beginning net assets without donor restrictions at July 1, 2020, was a decrease of \$2,781,583 and no adjustment to net asset with donor restrictions at July 1, 2020. The effect on the change in net assets without donor restriction and with donor restriction as of June 30, 2020, is a decrease of \$156,296 and \$0, respectively.

Endowment net asset classification: Management determined that the Organization's previously issued financial statements as of and for the year ended June 30, 2020, did not reflect the correct amount of net assets with donor restrictions for donor-restricted endowment funds under the provisions of Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) related to investment earnings and net appreciation, which should be accumulated in net assets with donor restrictions until such time as the earnings are appropriated for expenditure in accordance with U.S. GAAP. The cumulative effect of the adjustment on beginning net assets as of June 30, 2020, resulted in a reclassification adjustment of \$887,002 from net assets without donor restrictions to net assets with donor restrictions. There was no effect on the total change in net assets for year ended June 30, 2020.

Note 3. Investments

Short-term investments consist of certificates of deposits with an original maturity date greater than three months. The certificates of deposit are recorded at cost and were \$244,484 at June 30, 2021.

Long-term investments consist of the following at June 30, 2021:

Money market fund	\$ 3,116
Real estate investment trusts	362,147
Fixed income securities	2,552,391
Equity securities	3,842,477
	<u>\$ 6,760,131</u>

The Organization's investments in money market funds, real estate investment trusts, fixed income securities and equity securities are not concentrated in a single entity or in a few entities, nor are there any specific industry concentrations. Annually, the Board approves an annual appropriation from its donor restricted endowment and board designated endowment in accordance with the Organization's spending policy to support current operations.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 4. Beneficial Interest in Assets Held by Foundations

In 2002, the Organization established a fund with the use of net assets with donor restrictions with Tampa-Orlando-Pinellas Jewish Foundation, Inc. (the Foundation) in the amount of \$500,000, and named the Organization as beneficiary of the Fund. In 2015, the Organization established an additional fund with the use of net assets without donor restrictions in the amount of \$25,000 with the Foundation and also named the Organization as the beneficiary for the benefit of its food pantry. Under the terms of these transfers, the Foundation has no variance power over the funds. In 2017, the Organization transferred \$25,000 to the Community Foundation of Tampa Bay (the Community Foundation) and named itself as the beneficiary. The terms of the fund agreements are considered reciprocal in nature and, therefore, the assets are recorded in the consolidated statement of financial position of the Organization.

For the year ended June 30, 2021, the change in the value of assets held by others was an increase of \$193,158. As of June 30, 2021, the Organization's investment in beneficial interest in assets held by foundations totaled \$1,196,861.

Note 5. Property and Equipment

Property and equipment consist of the following at June 30, 2021:

		Estimated Useful Lives (Years)
Land	\$ 1,592,537	
Buildings and improvements	13,127,624	10-30
Leasehold improvements	32,705	5-7
Vehicles	222,803	5-7
Furniture and fixtures	333,973	5-7
Computer hardware and software	1,517,614	5-7
	<u>16,827,256</u>	
Less accumulated depreciation and amortization	<u>(9,580,676)</u>	
	<u>\$ 7,246,580</u>	

Depreciation and amortization expense for the year ended June 30, 2021, was approximately \$606,000.

Note 6. Line of Credit

The Organization has a line of credit from a commercial bank which allows the Organization to borrow up to \$2 million at the prime rate per the Wall Street Journal, with a floor of 3.75%, (3.75% at June 30, 2021), and is secured by substantially all assets of the Organization. Amounts drawn on the line of credit are due on demand and, the agreement expires in December 2045. There was no balance outstanding under the line of credit at June 30, 2021.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 7. Long-Term Debt

Long-term debt consists of the following at June 30, 2021:

2.64% mortgage note payable due in monthly installments of \$15,105, including including interest, through May 2025; secured by substantially all assets	\$ 646,322
Interest free deferred mortgage in the form of a capital advance provided by HUD. The capital advance bears no interest and is not required to be repaid as long as the housing remains available to eligible low-income elderly individuals for a period of 40 years in accordance with Section 202. The capital advance is secured by a mortgage on the property and matures on June 1, 2038.	5,693,300
Interest free loan with no principal payments required as long as Heron continues to comply with various affordability and other requirements through 2031, at which point the note will be forgiven. The loan is secured by a second mortgage on the property.	139,092
Interest free deferred mortgage in the form of a capital advance provided by HUD. The capital advance bears no interest and is not required to be repaid as long as the housing remains available to eligible low-income individuals with disabilities for a period of 40 years in accordance with Section 202. The capital advance is secured by a mortgage on the property and matures on May 1, 2036.	583,000
Paycheck Protection Program loan with a fixed interest rate of 1.00% payable in monthly installments, including interest, beginning October 2021 through May 2022, unless forgiven.	1,900,000
Total long-term debt	<u>8,961,714</u>
Less current maturities	<u>2,071,420</u>
Long-term debt, excluding current maturities	<u><u>\$ 6,890,294</u></u>

The 2.64% mortgage note payable agreement includes affirmative and negative covenants. The Organization was in compliance with affirmative and negative covenants at June 30, 2021.

The Organization applied for and received a forgivable Paycheck Protection Program Loan of \$1,900,000 as provided under the Federal Coronavirus Aid, Relief and Economic Security Act, and the loan was funded on May 26, 2020. Under the terms of the loan, the balance is forgivable to the extent the proceeds are used for certain qualified costs for the 24-week period through November 10, 2020, and that certain employment levels are maintained. To the extent a portion of the loan does not meet the criteria to be forgiven, such amount is due and payable in monthly installments beginning October 2021.

The Organization intends to use the entire loan amount for qualifying expenses; however, no assurance can be given that expenditures will qualify or be forgiven. The Organization has elected to account for this loan as debt under Accounting Standards Codification 470, Debt.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 7. Long-Term Debt (Continued)

The aggregate maturities of long-term debt for each of the five years subsequent to June 30, 2021, and thereafter, are as follows:

	Principal	Expected Forgiveness	Total
Years ending June 30:			
2022	\$ 171,420	\$ 1,900,000	\$ 2,071,420
2023	171,420	-	171,420
2024	171,420	-	171,420
2025	132,062	-	132,062
2026	-	-	-
Thereafter	-	6,415,392	6,415,392
	<u>\$ 646,322</u>	<u>\$ 8,315,392</u>	<u>\$ 8,961,714</u>

Note 8. Contingencies

The Organization routinely enters into grant agreements and contracts with governmental agencies that provide for reimbursement of the eligible direct and indirect costs of providing certain of the Organization's program services. The grants and contracts are subject to audit or review and retroactive adjustment based on a final determination by the grantor of eligible reimbursable expenditures. The effect of such adjustments, if any, on the Organization's consolidated financial statements cannot be determined at this time, and no provision has been made for any such adjustment in the accompanying consolidated financial statements.

The Organization is also subject to Medicare and Medicaid audits. As of June 30, 2021, the Organization has included a provision for any potential third-party payor liabilities in the amount of \$50,000. The effect of an adjustment, if any, resulting from future audits cannot be determined at this time, and no provision above these reserves has been made for any such adjustment in the accompanying consolidated financial statements.

The Organization is also involved in legal actions arising during the ordinary course of its operations. Management believes that any liability incurred in connection with these claims would be nominal in amount and covered under the Organization's insurance policies. In the opinion of management, no material liability exists with respect to these claims.

Note 9. Leases

The Organization leases office space, residences for its clients and certain equipment and vehicles. Security deposits related to such leases are included in other assets. Rental expense on all operating leases was approximately \$1,094,000 for the year ended June 30, 2021.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 9. Leases (Continued)

Future minimum lease payments for real estate, equipment and as of June 30, 2021, are as follows:

Years ending June 30:	
2022	\$ 1,052,167
2023	1,010,150
2024	276,277
2025	70,538
2026	70,538
	<u>\$ 2,479,670</u>

Note 10. Net Assets With Donor Restrictions

Net assets with donor restrictions were as follows as of June 30, 2021:

Subject to the passage of time:	
Facilities	\$ 42,007
Other time restrictions	26,200
	<u>68,207</u>
Subject to expenditure for specific purpose:	
Programmatic purposes	72,378
Trokey loan fund	15,476
Jewish Federation	325,311
	<u>413,165</u>
Subject to the Organization's spending policy and appropriation:	
Investments in perpetuity (including original corpus totaling \$3,979,420 as of June 30, 2021) and the net investment return from which is expendable to support:	
General operations:	
Weinberg endowment	1,002,462
Ohlhausen endowment	3,739,432
Yad b Yad endowment	50,000
	<u>4,791,894</u>
Beneficial interest in assets held by foundations (including original corpus totaling \$500,000 as of June 30, 2021)—Weinberg endowment	1,135,714
	<u>5,927,608</u>
	<u>\$ 6,408,980</u>

Note 11. Endowment Funds

The Organization's endowment funds are comprised of investments held in donor-restricted endowments and funds designated by the Board to function as endowments. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 11. Endowment Funds (Continued)

Effective July 1, 2012, the State of Florida adopted the Uniform Prudent Management of Institutional Funds Act (FUPMIFA). Absent explicit donor restrictions to the contrary, the Board has interpreted FUPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds. As a result of this interpretation, the Organization classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as net assets with donor restriction related to the endowment to be held in perpetuity is classified as net assets with donor restriction until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by that standard.

The Organization considers the following factors in making a determination to appropriate or accumulate endowment funds:

- The duration and preservation of the endowment fund
- The purpose of the institution and the endowment fund
- General economic conditions
- The possible effect of inflation or deflation
- Historical and expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policy of the Organization

Return objectives and risk parameters: The Board has adopted an investment policy approved by the Board. The policy stipulates that the endowment investments should be managed as a long-term goal designed to maintain the purchasing power of the endowment assets as well as to provide additional growth through investment return. To achieve that objective, the Organization has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation protected rate of return and grow the fund. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk. The Organization will pursue a strategy seeking a long-term rate of return of between 5.85% and 8.5%.

Spending policy and how the investment objectives relate to spending policy: The Organization's spending policy is based on actual investment returns and is annually determined and approved by the Board. Currently, the Board has determined that the Organization's annual appropriations from endowment shall not exceed 5% without specific recommendation from the Organization's Investment Committee and without the affirmative vote of 75% of the Board.

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Organization has interpreted FUPMIFA to permit spending from underwater endowments in accordance with prudent measures required by law. The Organization's policy is to allow spending from underwater endowments. As of June 30, 2021, the Organization has no underwater endowments.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 11. Endowment Funds (Continued)

The board designated endowment fund was established by the Board to benefit the Organization by providing regular, predictable operating income that will help fill gaps caused by increasing costs, demands and the possibility of diminishing government support. Management expects the principal to be preserved; however, the principal and earnings are available to provide support to the Organization's programs and facilities.

Endowment net assets by type of fund consist of the following at June 30, 2021:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Net Assets
Board-designated endowment funds	\$ 2,273,868	\$ -	\$ 2,273,868
Donor-restricted endowment funds	-	5,927,608	5,927,608
	<u>\$ 2,273,868</u>	<u>\$ 5,927,608</u>	<u>\$ 8,201,476</u>

Changes in endowment net assets for the year ended June 30, 2021, are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Balance at June 30, 2020, as restated (Note 2)	\$ 1,847,137	\$ 5,366,421	\$ 7,213,558
Investment return, net	525,182	719,578	1,244,760
Change in value beneficial interest of assets held by foundation	8,445	184,713	193,158
Appropriation of endowment assets for expenditure	(106,896)	(343,104)	(450,000)
Balance at June 30, 2021	<u>\$ 2,273,868</u>	<u>\$ 5,927,608</u>	<u>\$ 8,201,476</u>

Note 12. Concentrations

Substantially all of the Organization's activities are supported by funds provided by the United States federal government and the state of Florida. As of June 30, 2021, the Organization's receivables from these funding sources were approximately \$2,839,000.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 13. Fair Value Measurements

The following table summarizes major categories of the Organization's assets measured at fair value on a recurring basis at June 30, 2021:

	Fair Value	Level 1	Level 2	Level 3
Assets:				
Money market funds	\$ 3,116	\$ 3,116	\$ -	\$ -
Real estate investment trusts	362,147	-	362,147	-
Fixed income securities:				
Long-term	247,902	-	247,902	-
Intermediate-term	234,614	-	234,614	-
Short-term	529,061	-	529,061	-
International taxable	499,128	-	499,128	-
U.S. government bonds	1,041,686	-	1,041,686	-
Equity securities:				
Domestic funds	2,351,081	2,351,081	-	-
International funds	1,491,396	1,491,396	-	-
Total investments	6,760,131	3,845,593	2,914,538	-
Beneficial interest in assets				
held by foundations	1,196,861	-	-	1,196,861
Total assets	\$ 7,956,992	\$ 3,845,593	\$ 2,914,538	\$ 1,196,861

There were no liabilities measured at fair value on a recurring basis at June 30, 2021.

Level 1 investments are classified as such due to their closeness to cash or being valued based on quoted market prices. Investments classified as Level 2 in the fair value hierarchy include fixed income bonds which are measured at fair value based on market prices provided by recognized broker dealers which are based on observable prices in active markets for similar assets, when available.

The beneficial interest in assets held by foundations are managed by an independent third-party trustee, and the Organization has no authority over investment decisions. Thus, the assets are classified as Level 3 within the fair value hierarchy level.

There were no transfers into or out of Level 3 investments and no purchase or issues of Level 3 investments for the year ending June 30, 2021.

Note 14. Pension Plan

Effective July 1, 2005, the Organization adopted a 403(b) retirement plan (the Plan) administered by Mutual of America. Employees are eligible to participate once they attain the age of 18 and complete one year of service. The Organization matches contributions equal to the lesser of 25% of participant contributions or 2% of participant earnings. For the year ended June 30, 2021, total contributions were approximately \$88,000. Participants' rights to employer contributions fully vest after five years of service as defined in the Plan.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 15. In-Kind Contributions

The values of in-kind contributions (i.e., donated materials and services) included in the consolidated financial statements, and the corresponding expenses for the year ended June 30, 2021, is as follows:

Clothes and household items	\$	60,581
Office space		96,525
Food		40,320
Supplies and other		170,694
	\$	<u>368,120</u>

In addition, donated services for the year ended June 30, 2021, with an estimated value of approximately \$319,000, was not recognized in the consolidated financial statements because they did not meet the criteria for recognition.

Note 16. Risks and Uncertainties

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of National Concern” and, on March 11, 2020, declared it to be a pandemic. The U.S. economy has been growing as COVID-19 pandemic conditions have significantly improved in the United States from their low points. Commercial activities in the United States have been increasingly returning to pre-pandemic practices and operations as a result of recent and expected future government spending on pandemic relief, infrastructure and other matters.

However, there remains an uncertainty as to the ultimate duration and severity of the pandemic on commercial activities, supply chain constraints and labor availability, including risks that may arise from variants (such as the Omicron variant), mutations or related strains of the virus and the ability of countries to successfully administer vaccinations to a sufficient number of persons. As a result of these uncertainties, the Organization is unable to determine what the ultimate impact will be on its donors, customers, vendors and other stakeholders businesses, operations, financial result and financial position.

Note 17. Liquidity and Availability of Resources

The Organization regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities as well as the conduct of services undertaken to support those activities to be general expenditures.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 17. Liquidity and Availability of Resources (Continued)

The following represents the Organization's financial assets as of June 30, 2021, reduced by amounts not available for general use because of contractual, donor imposed, or board reserve designations within one year of the consolidated statement of financial position date. Those amounts not available include amounts set aside for longer-term investing in the endowments.

Financial assets:

Cash	\$ 7,628,991
Restricted cash	312,777
Accounts receivable, net	5,936,358
Contributions receivable	183,200
Short-term investments	244,484
Long-term investments	6,760,131
Beneficial interest in assets held by foundations	<u>1,196,861</u>
Total financial assets	22,262,802
Less amounts unavailable for general expenditure within one year due to:	
Restricted cash	(312,777)
Board-imposed restrictions:	
Board-designated endowment	(2,273,868)
Contractual or donor-imposed restrictions:	
Donor-restricted endowments	(5,927,608)
Less budgeted endowment appropriation for fiscal year 2022	225,000
Restricted for specific purpose or time	<u>(413,165)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 13,560,384</u></u>

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

The Organization's board has designated a portion of its unrestricted resources for endowment purposes (see Note 11). Those amounts are identified as board-designated in the table above. These funds are invested for long-term appreciation and current income but remain available and may be spent at the discretion of the Board.

The Organization also has a line of credit available to meet short-term liquidity needs (see Note 6).

Note 18. Related Party

During the year ended June 30, 2021, the Board provided the Organization with approximately \$50,000 in contributions.

Note 19. Conditional Promises to Give from Donors and Grantors

The Organization has conditional promises to give from donors and grantors of approximately \$2,160,000 as of June 30, 2021. Future payments or recognition of conditional promises to give are contingent upon the Organization carrying out certain stipulations of the grant or contract.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 20. Subsequent Events

On September 9, 2021, the Organization entered into a memorandum of agreement with TampaBay-Job-Links, Inc. (TBJL) to assume its prior operations, assets, and liabilities. TBJL is a 501(c)(3) nonprofit organization that provides individuals with career guidance and job-search coaching, and provides a variety of workforce development services tailored to the needs of local employers. As of the audit report date, the accounting for the business combination is incomplete.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Consolidating Statement of Financial Position June 30, 2021

	Gulf Coast Jewish Family and Community Services, Inc.	Gulf Coast Cares, Inc.	Gulf Coast Heron Housing, Inc.	Gulf Coast Egret Housing, Inc.	Eliminations	Total
Assets						
Current assets:						
Cash and cash equivalents	\$ 7,259,849	\$ -	\$ 359,493	\$ 9,649	\$ -	\$ 7,628,991
Restricted cash	11,404	-	290,482	10,891	-	312,777
	<u>7,271,253</u>	<u>-</u>	<u>649,975</u>	<u>20,540</u>	<u>-</u>	<u>7,941,768</u>
Accounts receivable, net	7,641,420	-	945	189	(1,706,196)	5,936,358
Contributions receivable	183,200	-	-	-	-	183,200
Short-term investments	244,484	-	-	-	-	244,484
Prepaid expenses	718,336	-	48,317	-	-	766,653
Total current assets	<u>16,058,693</u>	<u>-</u>	<u>699,237</u>	<u>20,729</u>	<u>(1,706,196)</u>	<u>15,072,463</u>
Property and equipment, net	4,101,007	-	2,854,930	290,643	-	7,246,580
Long-term investments	141,126	6,619,005	-	-	-	6,760,131
Beneficial interest in assets held by foundations	61,147	1,135,714	-	-	-	1,196,861
Other assets	101,512	-	34,500	19,846	-	155,858
Total assets	<u>\$ 20,463,485</u>	<u>\$ 7,754,719</u>	<u>\$ 3,588,667</u>	<u>\$ 331,218</u>	<u>\$ (1,706,196)</u>	<u>\$ 30,431,893</u>
Liabilities and Net Assets						
Current liabilities:						
Current maturities of long-term debt	\$ 2,071,420	\$ -	\$ -	\$ -	\$ -	\$ 2,071,420
Accounts payable	569,651	1,310,231	318,058	78,557	(1,651,837)	624,660
Accrued expenses	1,694,547	-	36,840	26,386	(54,359)	1,703,414
Estimated provision for third-party payor liabilities	50,000	-	-	-	-	50,000
Refundable advances	3,427,571	-	-	-	-	3,427,571
Total current liabilities	<u>7,813,189</u>	<u>1,310,231</u>	<u>354,898</u>	<u>104,943</u>	<u>(1,706,196)</u>	<u>7,877,065</u>
Tenant deposits held in trust	-	-	26,173	-	-	26,173
Long-term debt, net of current maturities	474,902	-	5,832,392	583,000	-	6,890,294
Total liabilities	<u>8,288,091</u>	<u>1,310,231</u>	<u>6,213,463</u>	<u>687,943</u>	<u>(1,706,196)</u>	<u>14,793,532</u>
Net assets (deficit):						
Without donor restrictions	11,513,338	697,564	(2,624,796)	(356,725)	-	9,229,381
With donor restrictions	662,056	5,746,924	-	-	-	6,408,980
Total net assets	<u>12,175,394</u>	<u>6,444,488</u>	<u>(2,624,796)</u>	<u>(356,725)</u>	<u>-</u>	<u>15,638,361</u>
Total liabilities and net assets	<u>\$ 20,463,485</u>	<u>\$ 7,754,719</u>	<u>\$ 3,588,667</u>	<u>\$ 331,218</u>	<u>\$ (1,706,196)</u>	<u>\$ 30,431,893</u>

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

Consolidating Statement of Activities Year Ended June 30, 2021

	Gulf Coast Jewish Family and Community Services, Inc.	Gulf Coast Cares, Inc.	Gulf Coast Heron Housing, Inc.	Gulf Coast Egret Housing, Inc.	Eliminations	Total
Revenues and support:						
Grants and contracts:						
Governmental and other agencies	\$ 29,486,065	\$ -	\$ -	\$ -	\$ -	\$ 29,486,065
Medicaid and Medicare	663,935	-	-	-	-	663,935
Local grants	5,466,060	-	-	-	-	5,466,060
Contributions	1,017,104	-	-	-	(450,000)	567,104
Special events revenue, net of \$62,453 of expenses	498,804	-	-	-	-	498,804
United Way and Jewish Federation allocations	317,263	-	-	-	-	317,263
In-kind contributions	368,120	-	-	-	-	368,120
Investment return designated for current operations	-	450,000	-	-	-	450,000
Program service fees	266,508	-	-	-	-	266,508
Management fees	102,040	-	-	-	(102,040)	-
Rental income	-	-	848,993	75,816	-	924,809
Other income	137,712	-	867	-	(15,069)	123,510
Total revenues and support	38,323,611	450,000	849,860	75,816	(567,109)	39,132,178
Expenses						
Program services	33,193,330	-	757,742	46,641	(117,109)	33,880,604
Supporting services	4,649,975	459,289	266,594	54,637	(450,000)	4,980,495
Total expenses	37,843,305	459,289	1,024,336	101,278	(567,109)	38,861,099
Changes in net assets before other changes	480,306	(9,289)	(174,476)	(25,462)	-	271,079
Other changes:						
Investment return, net	19,436	1,225,324	-	-	-	1,244,760
Less: investment return appropriated under the endowment spending rate	-	(450,000)	-	-	-	(450,000)
Change in the value beneficial interest in assets held by foundations	8,445	184,713	-	-	-	193,158
	27,881	960,037	-	-	-	987,918
Changes in net assets	508,187	950,748	(174,476)	(25,462)	-	1,258,997
Net assets (deficit):						
Beginning, as restated	11,667,207	5,493,740	(2,450,320)	(331,263)	-	14,379,364
Ending	\$ 12,175,394	\$ 6,444,488	\$ (2,624,796)	\$ (356,725)	\$ -	\$ 15,638,361

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

Consolidating Statement of Cash Flows Year Ended June 30, 2021

	Gulf Coast Jewish Family and Community Services, Inc.	Gulf Coast Cares, Inc.	Gulf Coast Heron Housing, Inc.	Gulf Coast Egret Housing, Inc.	Eliminations	Total
Cash flows from operating activities:						
Change in net assets	\$ 508,187	\$ 950,748	\$ (174,476)	\$ (25,462)	\$ -	\$ 1,258,997
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:						
Depreciation and amortization	436,835	-	156,819	12,854	-	606,508
Realized and unrealized gains on investments	(15,181)	(1,104,685)	-	-	-	(1,119,866)
Change in value of beneficial assets held by foundations	(8,445)	(184,713)	-	-	-	(193,158)
(Increase) decrease in operating assets						
Accounts receivable, net	(1,616,946)	-	324	(8)	317,670	(1,298,960)
Contributions receivable	18,800	-	-	-	-	18,800
Prepaid expenses	(393,901)	-	(47,673)	-	-	(441,574)
Other assets	(58,376)	-	(34,500)	(3,674)	-	(96,550)
Increase (decrease) in operating liabilities						
Accounts payable	(314,326)	9,289	266,205	2,790	(263,311)	(299,353)
Accrued expenses	336,760	-	10,210	172	(54,359)	292,783
Refundable advances	2,517,642	-	-	-	-	2,517,642
Tenant deposits held in trust	-	-	2,297	-	-	2,297
Net cash provided by (used in) operating activities	1,411,049	(329,361)	179,206	(13,328)	-	1,247,566
Cash flows from investing activities:						
Purchases of property and equipment	(158,279)	-	-	(719)	-	(158,998)
Purchases of investments	(5,990)	(3,337,317)	-	-	-	(3,343,307)
Proceeds from sale of investments	1,685	3,666,678	-	-	-	3,668,363
Net cash used in investing activities	(162,584)	329,361	-	(719)	-	166,058
Cash flows from financing activities:						
Principal payments on long-term debt	(154,600)	-	-	-	-	(154,600)
Net cash used in financing activities	(154,600)	-	-	-	-	(154,600)
Net increase (decrease) in cash and cash equivalents and restricted cash	1,093,865	-	179,206	(14,047)	-	1,259,024
Cash and cash equivalents and restricted cash:						
Beginning (as restated)	6,177,388	-	470,769	34,587	-	6,682,744
Ending	\$ 7,271,253	\$ -	\$ 649,975	\$ 20,540	\$ -	\$ 7,941,768
Supplemental cash flow information:						
Cash paid for interest	\$ 33,171	\$ -	\$ -	\$ -	\$ -	\$ 33,171

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

**Schedule of Support and Revenue and Expenses for Programs
Funded by Juvenile Welfare Board of Pinellas County
Year Ended June 30, 2021**

	Violence Prevention	Family Services Initiative	Total
Operating support and revenue:			
Juvenile Welfare Board	\$ 767,815	\$ 520,972	\$ 1,288,787
	<u>767,815</u>	<u>520,972</u>	<u>1,288,787</u>
Operating expenses:			
Salaries	480,589	363,888	844,477
Payroll taxes and employee benefits	113,243	79,390	192,633
Occupancy	8,507	69,331	77,838
Travel	2,060	1,740	3,800
Equipment costs	12,356	1,025	13,381
Insurance	3,565	2,767	6,332
Operating supplies and expenses	74,754	17,060	91,814
Other	104	-	104
Administrative cost allocations	92,151	-	92,151
	<u>787,329</u>	<u>535,201</u>	<u>1,322,530</u>
Program loss	<u>\$ (19,514)</u>	<u>\$ (14,229)</u>	<u>\$ (33,743)</u>

*These programs may show income or losses in the fiscal year being reported on an the contract term for this program is October 1st through September 30th.

See accompanying independent auditor's report.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

**Substance Abuse and Mental Health Services
Program/Cost Center Actual Expenses and Revenues
Part I: Actual Funding Sources**

Year Ended June 30, 2021

Funding Sources and Revenue	State-Designated SAMH Cost Centers													
	State SAMH-Funded Cost Centers													
	Audit Mental Health													
	Case Management	CFARS	Family Counseling	Fixed Amount	Incidental	Individual Counseling	Information & Referral	Intervention	Medical Services	Outpatient Group	Outpatient Individual	Outreach	Recovery Support Individual	Residential Level I
IA. State SAMH funding:														
(1) Contract # QB014-17	\$ 9,670	\$ -	\$ -	\$ -	\$ 90,671	\$ -	\$ 84,052	\$ -	\$ 102,546	\$ 74,865	\$ 106,075	\$ -	\$ 161,884	\$ -
(2) Contract # 34356-17	-	-	-	-	36,388	-	-	61,366	-	-	-	70,098	99,437	665,718
(3) Contract # LS018	-	-	-	113,329	-	-	-	-	-	-	-	-	-	-
(4) Contract # GCJ20	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(5) Contract # V5114	-	16,376	248	-	-	237	-	-	-	-	-	-	-	-
Total state SAMH funding	9,670	16,376	248	113,329	127,059	237	84,052	61,366	102,546	74,865	106,075	70,098	261,321	665,718
IB. Other government funding:														
(1) Other state agency funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2) Medicaid	15,882	-	-	-	-	9,361	-	-	3,798	170,864	54,668	-	-	23,784
(3) Local governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(4) Federal contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(5) In-kind from local government	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other government funding	15,882	-	-	-	-	9,361	-	-	3,798	170,864	54,668	-	-	23,784
IC. All other revenues:														
(1) 1st & 2nd party payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2) 3rd party payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3) Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(4) Contributions	-	-	-	-	-	-	-	40	-	-	-	-	-	-
(5) Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(6) In-kind	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total for all other revenues	-	-	-	-	-	-	-	40	-	-	-	-	-	-
Total funding	\$ 25,552	\$ 16,376	\$ 248	\$ 113,329	\$ 127,059	\$ 9,598	\$ 84,052	\$ 61,406	\$ 106,344	\$ 245,729	\$ 160,743	\$ 70,098	\$ 261,321	\$ 689,502

(Continued)

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

**Substance Abuse and Mental Health Services
Program/Cost Center Actual Expenses and Revenues
Part I: Actual Funding Sources (Continued)**

Year Ended June 30, 2021

Funding Sources and Revenue	State-Designated SAMH Cost Center												
	State SAMH Funded Cost Center												
	Adult Mental Health			Child Mental Health				Adult Substance Abuse					
	Residential Level IV	Room & Board / Supervision Level I	Room & Board / Supervision Level II	Total Adult Mental Health	Recovery Support Individual	Total Child Mental Health	Clinical Supervision	Incidental	Intervention	Outreach	Prevention	Recovery Support Individual	Total Adult Substance Abuse
IA. State SAMH funding:													
(1) Contract # QB014-17	\$ 1,966,720	\$ -	\$ 1,012,447	\$ 3,608,930	\$ -	\$ -	\$ -	\$ 64,374	\$ 103,975	\$ 16,139	\$ 65,910	\$ 197,951	\$ 448,349
(2) Contract # 34356-17	362,658	115,629	-	1,411,294	6,494	6,494	534	16,525	-	-	-	30,109	47,168
(3) Contract # LS018	233,939	-	-	347,268	-	-	-	-	-	-	-	-	-
(4) Contract # GCJ20	147,517	-	-	147,517	-	-	-	-	-	-	-	-	-
(5) Contract # V5114	-	-	-	16,861	-	-	-	-	-	-	-	-	-
Total state SAMH funding	2,710,834	115,629	1,012,447	5,531,870	6,494	6,494	534	80,899	103,975	16,139	65,910	228,060	495,517
IB. Other government funding:													
(1) Other state agency funding	(3,817)	-	-	(3,817)	-	-	-	-	-	-	-	-	-
(2) Medicaid	-	-	-	278,357	-	-	-	-	-	-	-	-	-
(3) Local governments	-	-	12,288	12,288	-	-	-	-	-	-	-	-	-
(4) Federal contracts	-	-	-	-	-	-	-	-	-	-	-	-	-
(5) In-kind from local government	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other government funding	(3,817)	-	12,288	286,828	-	-	-	-	-	-	-	-	-
IC. All other revenues:													
(1) 1st and 2nd party payments	-	30,762	87,638	118,400	-	-	-	-	-	-	-	-	-
(2) 3rd party payments	-	-	-	-	-	-	-	-	-	-	-	-	-
(3) Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-
(4) Contributions	-	-	2,900	2,940	-	-	-	-	-	-	-	-	-
(5) Other	-	25,995	35,395	61,390	-	-	-	-	-	-	-	-	-
(6) In-kind	-	-	-	-	-	-	-	-	-	-	-	-	-
Total for all other revenues	-	56,757	125,933	182,730	-	-	-	-	-	-	-	-	-
Total funding	\$ 2,707,017	\$ 172,386	\$ 1,150,668	\$ 6,001,428	\$ 6,494	\$ 6,494	\$ 534	\$ 80,899	\$ 103,975	\$ 16,139	\$ 65,910	\$ 228,060	\$ 495,517

(Continued)

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

**Substance Abuse and Mental Health Services
Program/Cost Center Actual Expenses and Revenues
Part I: Actual Funding Sources (Continued)**

Year Ended June 30, 2021

Funding Sources and Revenue	State-Designated SAMH Cost Center							
	State SAMH-Funded Cost Centers							
	Child Substance Abuse		State-Designated SAMH Cost Centers					
	Recovery Support Individual	Total Child Substance Abuse	Total for State SAMH-Funded Cost Centers	Total for Nonstate-Funded SAMH Cost Centers	Total for All State Designated SAMH Cost Centers	Non SAMH Cost Centers	Administrative	Total Funding
IA. State SAMH funding:								
(1) Contract # QB014-17	\$ -	\$ -	\$ 4,057,279	\$ -	\$ 4,057,279	\$ -	\$ -	\$ 4,057,279
(2) Contract # 34356-17	8,306	8,306	1,473,262	-	1,473,262	-	-	1,473,262
(3) Contract # LS018	-	-	347,268	-	347,268	-	-	347,268
(4) Contract # GCJ20	-	-	147,517	-	147,517	-	-	147,517
(5) Contract # V5114	-	-	16,861	-	16,861	-	-	16,861
Total state SAMH funding	8,306	8,306	6,042,187	-	6,042,187	-	-	6,042,187
IB. Other government funding:								
(1) Other state agency funding	-	-	(3,817)	-	(3,817)	15,945,374	-	15,941,557
(2) Medicaid	-	-	278,357	-	278,357	385,103	-	663,460
(3) Local governments	-	-	12,288	444,165	456,453	5,009,606	-	5,466,059
(4) Federal contracts	-	-	-	-	-	3,209,629	-	3,209,629
(5) In-kind from local government	-	-	-	-	-	-	-	-
Total other government funding	-	-	286,828	444,165	730,993	24,549,712	-	25,280,705
IC. All other revenues:								
(1) 1st and 2nd party payments	-	-	118,400	-	118,400	148,108	-	266,508
(2) 3rd party payments	-	-	-	-	-	-	-	-
(3) Medicare	-	-	-	-	-	476	-	476
(4) Contributions	-	-	2,940	-	2,940	1,376,254	-	1,379,194
(5) Other	-	-	61,390	-	61,390	5,038,318	504,295	5,604,003
(6) In-kind	-	-	-	-	-	357,283	10,837	368,120
Total for all other revenues	-	-	182,730	-	182,730	6,920,439	515,132	7,618,301
Total funding	\$ 8,306	\$ 8,306	\$ 6,511,745	\$ 444,165	\$ 6,955,910	\$ 31,470,151	\$ 515,132	\$ 38,941,193

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

Substance Abuse and Mental Health Services
 Program/Cost Center Actual Expenses and Revenues
 Part II: Actual Expenses

Year Ended June 30, 2021

Expense Categories	State-Designated SAMH Cost Center State SAMH-Funded Cost Center Adult Mental Health													
	Case Management	CFARS	Fixed Amount	Incidental	Incidental	Information and Referral	Intervention	Medical Services	Outpatient Group	Outpatient Individual	Outreach	Recovery Support Individual	Recovery Support Individual	Residential Level I
Contract Number	QB014-19	V5114	LS018	34356-20	QB014-20	QB014-20	34356-20	QB014-19	QB014-20	QB014-20	34356-20	34356-20	QB014-20	34356-20
I.A. Personnel expenses:														
Salaries	\$ 12,129	\$ 36,678	\$ 46,751	\$ -	\$ -	\$ 40,826	\$ 50,174	\$ 24,304	\$ 122,740	\$ 87,705	\$ 16,311	\$ 68,467	\$ 108,152	\$ 357,469
Payroll taxes and benefits	3,249	4,395	5,391	-	-	8,572	10,222	6,510	29,485	19,500	3,323	10,861	20,468	53,800
Total personnel costs	15,378	41,073	52,142	-	-	49,398	60,396	30,814	152,225	107,205	19,634	79,328	128,620	411,269
I.IB. Other expenses:														
Building occupancy	3,896	-	406	-	-	11,017	2,261	7,806	43,621	21,592	735	5,151	1,581	69,203
Professional services	808	177	387	-	-	1,562	208	1,620	7,154	3,621	68	669	782	52,342
Travel	32	-	5,847	-	-	575	288	64	371	1,283	93	2,331	4,178	28
Equipment	494	-	464	-	-	2,009	499	991	6,574	3,705	162	3,352	1,827	9,466
Food services	1,139	-	-	-	-	2,304	-	2,282	10,640	5,100	-	133	-	26,011
Indigent drug program	359	-	-	-	-	178	-	719	2,011	915	-	-	-	35
Medical and pharmacy	42	-	-	-	-	76	-	86	372	178	-	-	-	837
Subcontracted services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	1,101	181	307	-	-	2,675	311	2,207	11,161	5,590	101	2,599	788	22,717
Interest	238	-	-	-	-	-	-	477	1,045	458	-	-	-	10,005
Adult family stipends	-	-	28,010	-	-	-	-	-	-	-	-	-	-	-
Operating supplies and expenses	785	560	17,787	31,694	112,999	1,609	1,103	1,572	6,507	3,911	359	2,922	3,116	18,692
Other	1	-	-	-	-	37	-	1	85	52	-	-	30	-
In-kind	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other expenses	8,895	918	53,208	31,694	112,999	22,042	4,670	17,825	89,541	46,405	1,518	17,157	12,302	209,336
Total personnel and other expenses	24,273	41,991	105,350	31,694	112,999	71,440	65,066	48,639	241,766	153,610	21,152	96,485	140,922	620,605
I.IC. Distributed indirect costs:														
Administrative	3,252	5,407	13,566	-	-	9,983	8,379	6,516	32,139	21,629	2,724	16,481	23,350	79,918
Total actual operating expenses	27,525	47,398	118,916	31,694	112,999	81,423	73,445	55,155	273,905	175,239	23,876	112,966	164,272	700,523
I.ID. Unallowable costs:														
Unallowable costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
\$ 27,525	\$ 47,398	\$ 118,916	\$ 31,694	\$ 112,999	\$ 81,423	\$ 73,445	\$ 55,155	\$ 273,905	\$ 175,239	\$ 23,876	\$ 112,966	\$ 164,272	\$ 700,523	
I.IE. Capital expenditures:														
Capital expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

Substance Abuse and Mental Health Services
 Program/Cost Center Actual Expenses and Revenues
 Part II: Actual Expenses (Continued)

Year Ended June 30, 2021

Expense Categories	State-Designated SAMH Cost Center																	
	Adult Mental Health						Child Mental Health						Adult Substance Abuse					
	Residential Level IV	Residential Level IV	Residential Level IV	Residential Level IV	Room & Board Supervision Level I	Room & Board Supervision Level II	Total Adult Mental Health	Recovery Support Individual	Total Child Mental Health	Clinical Supervision	Incidental	Incidental	Intervention	Outreach	Prevention	Recovery Support Individual	Recovery Support Individual	Total Adult Substance Abuse
Contract Number	34356-20	GCJ20	LS018	QB014-20	34356-20	QB014-20		34356-20		34356-20	34356-20	QB014-20	QB014-20	QB014-20	QB014-20	34356-20	QB014-20	
I.A. Personnel expenses:																		
Salaries	\$ 49,793	\$ 112,679	\$ 38,132	\$ 377,645	\$ 209,942	\$ 576,722	\$ 2,336,619	\$ 4,491	\$ 4,491	\$ 369	\$ -	\$ -	\$ 12,946	\$ 41,021	\$ 40,893	\$ 20,820	\$ 132,247	\$ 248,296
Payroll taxes and benefits	5,693	21,913	5,195	87,561	31,597	142,189	469,924	712	712	59	-	-	3,640	10,777	12,748	3,303	25,028	55,555
Total personnel costs	55,486	134,592	43,327	465,206	241,539	718,911	2,806,543	5,203	5,203	428	-	-	16,586	51,798	53,641	24,123	157,275	303,851
I.IB. Other expenses:																		
Building occupancy	1,937	-	1,755	15,267	40,643	200,451	427,322	338	338	28	-	-	66	288	2,803	1,567	1,933	6,685
Professional services	334	711	433	3,769	30,741	34,718	140,104	44	44	4	-	-	93	296	283	203	956	1,835
Travel	419	2,627	3,881	13,373	17	1,692	37,099	153	153	13	-	-	962	2,754	1,921	709	5,109	11,468
Equipment	2,128	1,492	2,224	19,818	5,559	29,198	89,962	220	220	18	-	-	192	636	663	1,019	2,234	4,762
Food services	-	-	-	-	15,276	50,947	113,832	9	9	1	-	-	-	-	-	40	-	41
Indigent drug program	-	-	-	-	21	11,187	15,425	-	-	-	-	-	-	-	-	-	-	-
Medical and pharmacy	-	-	-	-	492	1,813	3,896	-	-	-	-	-	-	-	-	-	-	-
Subcontracted services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	344	1,492	296	3,133	13,342	52,423	120,768	170	170	14	-	-	72	243	228	790	964	2,311
Interest	-	-	-	-	5,876	6,374	24,473	-	-	-	-	-	-	-	-	-	-	-
Adult family stipends	119,232	25,035	178,895	675,699	-	-	1,026,871	-	-	-	-	-	-	-	-	-	-	-
Operating supplies and expenses	1,036	1,833	3,076	12,176	10,978	32,114	264,829	191	191	16	14,393	49,947	226	810	744	888	3,811	70,835
Other	-	-	-	320	-	316	842	-	-	-	-	-	-	2	7	-	37	46
In-kind	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other expenses	125,430	33,190	190,560	743,555	122,945	421,233	2,265,423	1,125	1,125	94	14,393	49,947	1,611	5,029	6,649	5,216	15,044	97,983
Total personnel and other expenses	180,916	167,782	233,887	1,208,761	364,484	1,140,144	5,071,966	6,328	6,328	522	14,393	49,947	18,197	56,827	60,290	29,339	172,319	401,834
I.IC. Distributed indirect costs:																		
Administrative	23,297	21,606	18,025	155,657	46,936	151,837	640,702	1,081	1,081	89	-	-	2,344	7,714	7,764	5,012	28,552	51,475
Total expenses	204,213	189,388	251,912	1,364,418	411,420	1,291,981	5,712,668	7,409	7,409	611	14,393	49,947	20,541	64,541	68,054	34,351	200,871	453,309
I.ID. Unallowable costs:																		
Unallowable costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 204,213	\$ 189,388	\$ 251,912	\$ 1,364,418	\$ 411,420	\$ 1,291,981	\$ 5,712,668	\$ 7,409	\$ 7,409	\$ 611	\$ 14,393	\$ 49,947	\$ 20,541	\$ 64,541	\$ 68,054	\$ 34,351	\$ 200,871	\$ 453,309
I.IE. Capital expenditures:																		
Capital expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

Substance Abuse and Mental Health Services
 Program/Cost Center Actual Expenses and Revenues
 Part II: Actual Expenses (Continued)

Year Ended June 30, 2021

Expense Categories	State-Designated SAMH Cost Center							
	State SAMH-Fund Cost Center							
	Child Substance Abuse		State-Designated SAMH Cost Center			Non SAMH		
Recovery Support Individual	Total Child Substance Abuse	Total for State SAMH- Funded Cost Centers	Total for Nonstate-SAMH Cost Centers	Total for All State Designated SAMH Cost Centers	Non SAMH Cost Centers	Administrative		
Contract Number	34356-20							
I.A. Personnel expenses:								
Salaries	\$ 6,038	\$ 6,038	\$ 2,595,444	\$ 333,919	\$ 2,929,363	\$ 16,101,685	\$ 2,684,684	\$ 21,715,732
Payroll taxes and benefits	958	958	527,149	65,050	592,199	3,224,117	528,376	4,344,692
Total personnel costs	6,996	6,996	3,122,593	398,969	3,521,562	19,325,802	3,213,060	26,060,424
I.B. Other expenses:								
Building occupancy	454	454	434,799	5,985	440,784	1,199,761	223,058	1,863,603
Professional services	59	59	142,042	2,050	144,092	2,997,959	270,774	3,412,825
Travel	206	206	48,926	4,391	53,317	746,123	9,497	808,937
Equipment	296	296	95,240	2,297	97,537	575,223	430,700	1,103,460
Food services	12	12	113,894	592	114,486	70,699	-	185,185
Indigent drug program	-	-	15,425	-	15,425	2,862	-	18,287
Medical and pharmacy	-	-	3,896	-	3,896	29,248	-	33,144
Subcontracted services	-	-	-	-	-	328,692	-	328,692
Insurance	229	229	123,478	3,367	126,845	154,964	91,320	373,129
Interest	-	-	24,473	-	24,473	-	8,409	32,882
Adult family stipends	-	-	1,026,871	-	1,026,871	-	-	1,026,871
Operating supplies and expenses	258	258	336,113	16,944	353,057	1,728,353	137,036	2,218,446
Other	-	-	888	29	917	10,534	3,836	15,287
In-kind	-	-	-	-	-	357,283	10,837	368,120
Total other expenses	1,514	1,514	2,366,045	35,655	2,401,700	8,201,701	1,185,467	11,788,868
Total personnel and other expenses	8,510	8,510	5,488,638	434,624	5,923,262	27,527,503	4,398,527	37,849,292
I.C. Distributed indirect costs:								
Administrative	1,453	1,453	694,711	55,968	750,679	3,550,445	(4,301,124)	-
Total expenses	9,963	9,963	6,183,349	490,592	6,673,941	31,077,948	97,403	37,849,292
I.D. Unallowable costs:								
Unallowable costs	-	-	-	-	-	-	-	-
	\$ 9,963	\$ 9,963	\$ 6,183,349	\$ 490,592	\$ 6,673,941	\$ 31,077,948	\$ 97,403	\$ 37,849,292
I.E. Capital expenditures:								
Capital expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

Schedule of State Earnings*
Year Ended June 30, 2021

*This schedule does not apply for the year ended June 30, 2021

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

**Substance Abuse and Mental Health Services
Schedule of Bed-Day Availability Payments*
Year Ended June 30, 2021**

*This schedule does not apply for the year ended June 30, 2021.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

**Substance Abuse and Mental Health Services
Schedule of Bed-Day Availability Payments*
Year Ended June 30, 2021**

*This schedule does not apply for the year ended June 30, 2021.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

**Schedule of Functional Expenses as Required by Area Agency on Aging of Pasco-Pinellas, Inc.
Year Ended June 30, 2021**

	Program Services				Supporting Services						
	Homemaker Services	Case Management	Case Aide	Counseling	Non-DoEA Program Services	Total Program Services	Fund Raising	Unallowable	Management and General	Total Supporting Services	Total Expenses
Salaries	\$ 326,260	\$ 350,143	\$ 139,362	\$ 109,792	\$ 17,926,154	\$ 18,851,711	\$ 244,475	\$ -	\$ 2,619,545	\$ 2,864,020	\$ 21,715,731
Payroll taxes and benefits	65,669	73,855	29,395	18,252	3,601,196	3,788,367	41,650	-	514,676	556,326	4,344,693
Total personnel costs	391,929	423,998	168,757	128,044	21,527,350	22,640,078	286,125	-	3,134,221	3,420,346	26,060,424
Travel	17,553	647	258	-	780,975	799,433	242	-	9,262	9,504	808,937
Communications and postage	8,520	6,879	2,738	6,483	390,493	415,113	2,505	-	75,955	78,460	493,573
Utilities	344	3,805	1,515	153	133,594	139,411	816	-	26,613	27,429	166,840
Advertising					47,882	47,882	2,750	-	350	3,100	50,982
Insurance	2,055	4,804	1,912	782	272,012	281,565	610	-	90,956	91,566	373,131
Maintenance and repair	1,664	10,738	4,274	432	193,063	210,171	2,300	-	76,649	78,949	289,120
Printing and supplies	147	6,215	2,474	9	171,962	180,807	16,640	-	16,364	33,004	213,811
Building cost					1,055,022	1,055,022		-	39,340	39,340	1,094,362
Equipment	1,715	11,642	4,634	4,397	602,195	624,583	19,008	-	356,910	375,918	1,000,501
Professional fees	5,277	1,948	775	798	3,132,496	3,141,294	7,657	-	263,872	271,529	3,412,823
Subcontractors					328,692	328,692		-		-	328,692
Program supplies					51,430	51,430		-		-	51,430
Depreciation	1,062	11,764	4,682	474	253,850	271,832	2,522	-	148,141	150,663	422,495
Food and supplies					185,106	185,106	79	-		79	185,185
Stipends					1,026,873	1,026,873		-		-	1,026,873
Interest					24,472	24,472		-	8,409	8,409	32,881
Other	266	482	192	1	1,713,491	1,714,432	54,871	7,733	60,208	122,812	1,837,244
Total direct expenses	430,532	482,922	192,211	141,573	31,890,958	33,138,196	396,125	7,733	4,307,250	4,711,108	37,849,304
Allocation of management and general	55,459	62,211	24,761	18,231	4,095,384	4,256,046	51,204	-	(4,307,250)	(4,256,046)	-
Total expenses	\$ 485,991	\$ 545,133	\$ 216,972	\$ 159,804	\$ 35,986,342	\$ 37,394,242	\$ 447,329	\$ 7,733	\$ -	\$ 455,062	\$ 37,849,304
Units served	10,209	10,138	4,034	1,801							

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

**Schedule of Program Revenue and Expenses for Conference on Jewish Material Claims
Against Germany, Inc. In-Home Services Program
Year Ended December 31, 2020***

Operating support and revenue:	
Grant revenue (GG22)	<u>\$ 3,124,461</u>
Operating expenses:	
Contract housekeeping services	2,054,605
Contracted personal care services	551,643
Client transportation services	541
Personnel	235,277
Socialization	5,536
Food, medical and dental	22,668
Administrative cost allocation	<u>254,191</u>
	<u>3,124,461</u>
Program income	<u><u>\$ -</u></u>

*The grant period is the year ended December 31, 2020.

Management believes the Organization has complied with the provisions of the grant documents and the grant funds were expenses exclusively for the purposes for which they were granted.



RSM US LLP

**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***

Independent Auditor's Report

Board of Directors
Gulf Coast Jewish Family and Community Services, 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 consolidated financial statements of Gulf Coast Jewish Family and Community Services, Inc. and Affiliates (the Organization), as of and for the year ended June 30, 2021, and the related notes to the consolidated financial statements, and have issued our report thereon dated March 31, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.

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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 Organization's consolidated financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2021-001 and 2021-003 to be material weaknesses.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2021-002 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated 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 consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Organization's Response to Findings

The Organization's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 result of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RSM US LLP

St. Petersburg, Florida
March 31, 2022



RSM US LLP

**Report on Compliance for Each Major Federal Program and State Financial Assistance Project
and Report on Internal Control Over Compliance Required by the Uniform Guidance
and State of Florida Chapter 10.650, *Rules of the Auditor General***

Independent Auditor's Report

Board of Directors
Gulf Coast Jewish Family and Community Services, Inc.

Report on Compliance for Each Major Federal Program and State Financial Assistance Project

We have audited Gulf Coast Jewish Family and Community Services, Inc. and Affiliates (the Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and in the State of Florida's *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs and state financial assistance projects for the year ended June 30, 2021. The Organization's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal awards and state financial assistance applicable to its federal programs and state financial assistance projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs and state financial assistance 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 the State of Florida Chapter 10.650, *Rules of the Auditor General* (Chapter 10.650). Those standards, the Uniform Guidance and Chapter 10.650, 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 financial assistance project occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program and State Financial Assistance Project

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state financial assistance 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 federal program and state financial assistance 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 financial assistance project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state financial assistance project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state financial assistance 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 financial assistance 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 have not been 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.

Purpose of this Report

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. Accordingly, this report is not suitable for any other purpose.

RSM US LLP

St. Petersburg, Florida
March 31, 2022

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

Schedule of Expenditures of Federal Awards and State Financing Assistance
Year Ended June 30, 2021

Federal Grantor / Pass-through Grantor / Program Title	Federal ALN Number	Contract/ Grant Number	Provided to Subrecipients	Total Federal Expenditures
U. S. Department of Health and Human Services				
Unaccompanied Alien Children Program	93.676	90ZU0322-01-01 90ZU0322-01-02	\$ - -	\$ 1,010,954 1,499,520 <u>2,510,474</u>
Assistance for Torture Victims	93.604	90ZT0190-02-00 90ZT0190-03-00	- -	162,784 440,166 <u>602,950</u>
<i>Passed-through from Jewish Federation of North America:</i>				
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	D- 14	-	61,594
<i>Passed-through from Central Florida Behavioral Health Network, Inc.:</i>				
Block Grants for Community Mental Health Services	93.958	QG014	-	543,422
Block Grants for Prevention and Treatment of Substance Abuse	93.959	QG014	-	95,444 <u>638,866</u>
<i>Passed-through from Area Agency on Aging:</i>				
Aging Cluster:				
Special Programs for the Aging- Title III, Part B				
Grants for Supportive Services and Senior Centers	93.044	EA019- GCJFCS EA020- GCJFCS	- -	3,955 102,776
COVID-19: Special Programs for the Aging- Title III, Part B				
Grants for Supportive Services and Senior Centers		COVID-19 ECA20-GCJFCS	-	75,408 <u>182,139</u>
<i>Passed-through from Eckerd Youth Alternatives, Inc.:</i>				
MaryLee Allen Promoting Safe and Stable Families	93.556	ECA-C13-CMO-GCJ-FY22 ECA-C13-FRS-GCJ-FY22 ECA-C13-KIN-GCJ-FY22 ECA-C6-DIV-GCHGA-FY21 ECA-C6-DIV-GCJ-FY22 ECA-C13-IHS-GCJ-FY22	- - - - - 55,023	12,863 636,938 140,383 64,332 310,077 296,049 <u>1,460,642</u>
Temporary Assistance for Needy Families	93.558	ECA-C13-CMO-GCJ-FY22 ECA-C13-FRS-GCJ-FY22 ECA-C13-KIN-GCJ-FY22 ECA-C6-DIV-GCJ-FY22 ECA-C13-IHS-GCJ-FY22	- - - - 69,485	1,348,814 30,938 993 601,180 428,578 <u>2,410,503</u>
Community-Based Child Abuse Prevention Grants	93.590	ECA- C6- DIV- GCJ- FY22	9,006	9,006
Stephanie Tubbs Jones Child Welfare Services Program	93.645	ECA-C13-CMO-GCJ-FY22 ECA-C13-FRS-GCJ-FY22	- -	90,033 223 <u>90,256</u>
Foster Care Title IV- E	93.658	ECA-C13-CMO-GCJ-FY22 ECA-C13-FRS-GCJ-FY22 ECA-C13-KIN-GCJ-FY22 ECA-C6-DIV-GCJ-FY22 ECA-C13-IHS-GCJ-FY22	- - - - 63,963	2,827,032 68,782 2,141 560,316 762,204 <u>4,220,475</u>
Adoption Assistance	93.659	ECA-C13-CMO-GCJ-FY22 ECA-C13-FRS-GCJ-FY22 ECA-C13-KIN-GCJ-FY22	- - -	168,378 1,415 129 <u>169,922</u>
Social Services Block Grant	93.667	ECA-C6-DIV-GCJ-FY22 ECA-C13-IHS-GCJ-FY22	- -	4,266 1,434 <u>5,700</u>
Child Abuse and Neglect State Grants	93.669	ECA-C6-DIV-GCJ-FY22 ECA-C13-IHS-GCJ-FY22	- 2,892	24,969 8,394 <u>33,363</u>

(Continued)

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

Schedule of Expenditures of Federal Awards and State Financing Assistance (Continued)
Year Ended June 30, 2021

Federal Grantor / Pass-through Grantor / Program Title	Federal ALN Number	Contract/ Grant Number	Provided to Subrecipients	Total Federal Expenditures
<i>Passed-through from Embrace Families:</i>				
MaryLee Allen Promoting Safe and Stable Families	93.556	OROS001-2023	\$ -	\$ 415,128
Temporary Assistance for Needy Families	93.558	OROS001-2023	-	548,824
Stephanie Tubbs Jones Child Welfare Services Program	93.645	OROS001-2023	-	31,694
Foster Care Title IV-E	93.658	OROS001-2023	-	1,431,110
Adoption Assistance	93.659	OROS001-2023	-	300,709
John H. Chafee Foster Care Independence Program for Successful Transition to Adulthood	93.674	OROS001-2023	-	269,698
			-	2,997,163
<i>Passed-through from Hebrew Immigrant Aid Society:</i>				
Refugee and Entrant Assistance Voluntary Agency Programs	93.567	2001MDRVMG 2101MDRVMG	-	11,099
			-	59,943
			-	71,042
Refugee and Entrant Assistance Discretionary Grants	93.576	90RP0116-04-00 90RP0116-05-00	-	60,359
			-	47,680
			-	108,039
<i>Passed-through from Broward Behavioral Health Coalition:</i>				
Block Grants for Community Mental Health Services	93.958	34356-17-5	-	309,339
Block Grants for Prevention and Treatment of Substance Abuse	93.959	34356-17-5	-	42,287
			-	351,626
<i>Passed-through from Central Florida Cares Health System, Inc.:</i>				
Block Grants for Community Mental Health Services	93.958	GCJ20	-	15,619
<i>Passed-through from State of Florida Department of Children and Families:</i>				
Refugee and Entrant Assistance – State Administered Programs	93.566	LK194	-	37,449
<i>Passed-through Lutheran Services Florida, Inc. :</i>				
Refugee and Entrant Assistance_ State Administered Programs	93.566	LK205	-	197,361
<i>Passed-through from Pasco Hernando Workforce Board, Inc.:</i>				
Temporary Assistance for Needy Families	93.558	n/ a	-	1,416,000
Subtotal – U. S. Department of Health and Human Services			200,369	17,590,189
U. S. Department of Housing and Urban Development				
<i>Passed-through Pasco County:</i>				
CDBG - Entitlement Grants Cluster				
Community Development Block Grants Section 108 Loan Guarantees	14.218	n/ a	-	93,745
Subtotal – U. S. Department of Housing and Urban Development			-	93,745
U. S. Department of State				
<i>Passed-through Hebrew Immigrant Aid Society:</i>				
U. S. Refugee Admissions Program	19.510	SPRMC019CA0029 SPRMC021CA3005	-	67,251
			-	73,460
Subtotal – U. S. Department of State			-	140,711
Total Expenditures of Federal Awards			\$ 200,369	\$ 17,824,645

(Continued)

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

Schedule of Expenditures of Federal Awards and State Financing Assistance (Continued)
Year Ended June 30, 2021

State Grantor / Pass-through Grantor / Program Title	State CSFA Number	Contract/ Grant Number	Provided to Subrecipients	Total State Expenditures
State of Florida Department of Children and Families				
Community Care for Disabled Adults	60.008	QG501	-	1,870
<i>Passed-through from Eckerd Youth Alternatives, Inc.:</i>				
Out-of-Home Supports	60.074	ECA-C13-KIN-GCJ-FY22	-	152,045
CBC – Purchase Therapeutic Services for Children	60.183	ECA-C13-IHS-GCJ-FY22	1,874	37,201
<i>Passed-through from Embrace Families:</i>				
Out-of-Home Supports	60.074	OROS00102023	-	82,745
<i>Passed-through from Central Florida Behavioral Health Network, Inc.:</i>				
SAMH ME State Funded Federal Excluded Services	60.190	QB014-19	-	30,000
Subtotal – Department of Children and Families			1,874	303,861
State of Florida Department of Economic Opportunity				
<i>Passed-through from Pasco Hernando Workforce Board, Inc.:</i>				
Workforce Development Projects	40.037	n/ a	-	235,000
Subtotal – Department of Economic Opportunity			-	235,000
State of Florida Department of Elder Affairs				
<i>Passed-through from Area Agency on Aging:</i>				
Home Care for the Elderly	65.001	EH019	-	102,068
Local Services Programs	65.009	EL019	-	71,787
Alzheimer's Respite Services	65.004	EZ019	-	131,996
Community Care for the Elderly	65.010	EC019	-	395,271
Subtotal – Department of Elder Affairs			-	701,122
State of Florida Department of Financial Services				
Holocaust Victims Assistance Act	43.003	CS094	-	37,449
Subtotal – Department of Financial Services			-	37,449
Total Expenditures of State Financial Assistance			1,874	1,277,432
Total Expenditures of Federal Awards and State Financial Assistance			\$ 202,243	\$ 19,102,077

Gulf Coast Jewish Family and Community Services, Inc. and Affiliate

**Schedule of Expenditures of Federal Awards and State Financing Assistance
Totals by Federal Award Program and State Financial Assistance Project
Year Ended June 30, 2021**

Federal Award Programs	ALN/ CSFA Number	Total Federal/State Expenditures
<i>U. S. Department of Health and Human Services</i>		
Temporary Assistance for Needy Families	93.558	\$ 4,375,327
Aging Cluster:		
Special Programs for the Aging – Title III, Part B		
Grants for Supportive Services and Senior Centers	93.044	106,731
COVID-19: Special Programs for the Aging – Title III, Part B		
Grants for Supportive Services and Senior Centers	93.044	75,408
Unaccompanied Alien Children Program	93.676	2,510,474
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	61,594
MaryLee Allen Promoting Safe and Stable Families	93.556	1,875,770
Refugee and Entrant Assistance – State Administered Programs	93.566	234,810
Refugee and Entrant Assistance Voluntary Agency Programs	93.567	71,042
Refugee and Entrant Assistance Discretionary Grants	93.576	108,039
Community-Based Child Abuse Prevention Grants	93.590	9,006
Assistance for Torture Victims	93.604	602,950
Stephanie Tubbs Jones Child Welfare Services Program	93.645	121,950
Foster Care Title IV- E	93.658	5,651,585
Adoption Assistance	93.659	470,631
Social Services Block Grant	93.667	5,700
Child Abuse and Neglect State Grants	93.669	33,363
John H. Chafee Foster Care Independence Program for Successful Transition to Adulthood	93.674	269,698
Block Grants for Community Mental Health Services	93.958	868,380
Block Grants for Prevention and Treatment of Substance Abuse	93.959	137,731
		<u>17,590,189</u>
<i>U. S. Department of State</i>		
U. S. Refugee Admissions Program	19.510	140,711
		<u>140,711</u>
<i>U. S. Department of Housing and Urban Development</i>		
CDBG - Entitlement Grants Cluster:		
Community Development Block Grants Section 108 Loan Guarantees	14.218	93,745
		<u>93,745</u>
Total Expenditures of Federal Awards		
		<u>\$ 17,824,645</u>
State Financial Assistance Projects		
<i>State of Florida Department of Children and Families</i>		
Community Care for Disabled Adults	60.008	1,870
Out-of-Home Supports	60.074	152,045
CBC – Purchase Therapeutic Services for Children	60.183	37,201
Out-of-Home Supports	60.074	82,745
SAMH ME State Funded Federal Excluded Services	60.190	30,000
		<u>303,861</u>
<i>State of Florida Department of Economic Opportunity</i>		
Workforce Development Projects	40.037	235,000
		<u>235,000</u>
<i>State of Florida Department of Elder Affairs</i>		
Home Care for the Elderly	65.001	102,068
Local Services Program	65.009	71,787
Alzheimer’s Respite Services	65.004	131,996
Community Care for the Elderly	65.010	395,271
		<u>701,122</u>
<i>State of Florida Department of Financial Services</i>		
Holocaust Victims Assistance Act	43.003	37,449
		<u>37,449</u>
Total Expenditures of State Financial Assistance		
		<u>\$ 1,277,432</u>

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance Year Ended June 30, 2021

Note 1. Basis of Presentation

The accompanying consolidated schedule of expenditures of federal awards and state financial assistance (the Schedule) includes the federal award and state financial assistance project activity of Gulf Coast Jewish Family and Community Services, Inc. and Affiliates, under programs of the federal government and the State of Florida for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State of Florida Chapter 10.650, *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of Gulf Coast Jewish Family and Community Services, Inc. and Affiliates, it is not intended to and does not present the financial position, changes in net assets or cash flows of Gulf Coast Jewish Family and Community Services, Inc. and Affiliates.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and cost principles established by the State of Florida Department of Financial Services, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Indirect Cost Rate

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4. Other

The accompanying Schedule presents federal expenditures and state financial assistance bypass-through agency. Expenditures of certain federal programs and state financial assistance projects were awarded to Gulf Coast Jewish Family and Community Services, Inc. and Affiliates by more than one pass-through agency or under more than one contract. Total expenditures by federal award program and state financial assistance project are summarized on page 46.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2021**

Section I - Summary of Auditor's Results

Financial Statements

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

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

X Yes

No

Significant deficiency(ies) identified?

X Yes

None Reported

Noncompliance material to the financial statements noted?

Yes

X No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

Yes

X No

Significant deficiency(ies) identified?

Yes

X None Reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?

Yes

X No

Identification of major federal programs:

ALN Number(s):

93.676

93.604

93.958

Name of Federal Program or Cluster:

Unaccompanied Alien Children Program

Assistance to Torture Victims

Block Grants for Community Mental Health Services

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

X Yes

No

State Financial Assistance Projects

Internal control over major projects:

Material weakness(es) identified?

Yes

X No

Significant deficiency(ies) identified?

Yes

X None Reported

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

Unmodified

Identification of major state projects:

CSFA Number(s)

40.037

65.010

65.001

Name of State Financial Assistance Project

Workforce Development Projects

Community Care for the Elderly

Home Care for the Elderly

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650?

Yes

X No

Dollar threshold used to distinguish between type A and type B programs:

\$383,230

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

Schedule of Findings and Responses Year Ended June 30, 2021

Section II – Financial Statement Findings

A. Internal Control Over Financial Reporting

Finding No. 2021-001—Prior Year Restatement—Incorrect Application of Accounting Principles Generally Accepted in the United States of America (U.S. GAAP)—Reporting Entity

Material Weakness

Criteria: Based on principles and guidance contained within the 2013 *Internal Control—Integrated Framework* as published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), management is responsible for the design, implementation and maintenance of internal controls over financial reporting with the objective that the consolidated financial statements are accurate under accounting principles generally accepted in the United States of America (U.S. GAAP).

Condition: We noted a restatement related to the prior year in the following area that stems from incorrect application of U.S. GAAP:

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates (Gulf Coast JFCS) prior financial statements did not include the financial position and changes in net assets of Gulf Coast Heron Housing, Inc. (Heron), Housing and Urban Development (HUD) Project No. 067-EE052-WAH, and Gulf Coast Egret Housing, Inc. (Egret), HUD Project 067-HD017 (collectively, the HUD Projects). U.S. GAAP requires an entity to consolidate another not-for-profit organization if there is a controlling financial interest in the other not-for-profit organization. Based on accounting standards criteria and review of the HUD Projects By-Laws, management has determined that Gulf Coast JFCS has a controlling financial interest in the HUD Projects because of the requirement that members of each of the Projects' Board be on Gulf Coast JFCS's board or approved by Gulf Coast JFCS.

Context: Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-810, *Not-for-Profit Entities—Consolidation* and FASB ASC 810, Consolidation, provides guidance on when consolidation is required based on various criteria, including whether both economic interest and control exist.

Effect: The cumulative effect of the adjustment on beginning net assets without donor restrictions at July 1, 2020, was decreased by \$2,781,583 and no adjustment to net asset with donor restrictions at July 1, 2020. The effect on the change in net assets without donor restriction and with donor restriction as of June 30, 2020, is a decrease of \$156,296 and \$0, respectively.

Cause: Management's internal control procedures for evaluating and determining the required entities to be included within the Organization's consolidated financial statement were not sufficient to identify the above condition.

Recommendation: We recommend that the Organization review its current policies and procedures over accounting and financial reporting including its review of its relationship with related entities and the accounting implications of said relationships. Review procedures should be designed to identify potential U.S. GAAP departures.

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding. See Corrective Action Plan.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

**Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2021**

Finding No. 2021-002—Pre-Audit Financial Statement Close Process

Significant Deficiency

Criteria: Based on principles and guidance contained within the 2013 *Internal Control—Integrated Framework* as published by the COSO, management is responsible for the design, implementation and maintenance of internal controls over financial reporting with the objective that the consolidated financial statements are accurate under U.S. GAAP.

Condition: During the course of our audit, we noted that the Organization had experienced turnover and, therefore, did not perform a timely close of the 2021 year-end, resulting in several adjustments to the consolidated financial statements. Additionally, schedules received to support the general ledger transactions or general ledger account balances were either not accurate or incomplete, which required multiple versions. The Organization did provide updated documentation upon request, but the lack of a formal review and timely close process led to significant adjustments of either the general ledger balances or supporting schedules.

Context: Misstatements were noted in cash, intercompany accounts, accrual balances, net assets including the endowment activity, revenues and classifications of receivables, investment earnings and debt. In addition, multiple versions of documents to support the audit were provided by management throughout the course of the audit due to lack of timely review.

Effect: Schedules that were not prepared accurately resulted in entries to the general ledger. In the aggregate, material adjustments were made to the consolidated financial statements for the year ending June 30, 2021. Additionally, the completion of the 2021 audit was delayed due to lack of a full close being completed timely.

Cause: The Organization does not have an internal control system designed to identify all necessary adjustments. Additionally, it was noted that the Organization relied heavily on a few key individuals, including assistance from the predecessor auditor, to perform certain reconciliations and, with the unexpected turnover, the reconciliation process did not occur timely and/or accurately.

Recommendation: We recommend that the Organization establish procedures to ensure a formal closing process is completed timely. We recommend that the Organization review general ledger accounts to determine the balances are accurate; that schedules prepared support the general ledger balances; that general ledger accounts be reviewed for completeness and accuracy and that the Organization implement controls to require that any schedules that contain financial information must be timely reviewed by a responsible official.

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding. See Corrective Action Plan.

Gulf Coast Jewish Family and Community Services, Inc. and Affiliates

**Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2021**

Finding No. 2021-003—Prior Year Restatement—Incorrect Application of Accounting Principles Generally Accepted in the United States of America (U.S. GAAP)—Endowment Net Asset Classification

Material Weakness

Criteria: As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. Additionally, effective July 1, 2012, the state of Florida adopted the Uniform Prudent Management of Institutional Funds Act (FUPMIFA). Absent explicit donor restrictions to the contrary, the Board has interpreted FUPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds. As a result of this interpretation, the Organization classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Condition: Per review of the historical treatment of the Organization's donor-restricted endowment funds, it was determined that the Organization did not properly make changes to comply with FUPMIFA to accumulate the earnings on its donor-restricted endowments within net assets with donor restrictions until such time as the funds were appropriated in accordance with the Organization's adopted spending policy. We noted a restatement related to the prior year in the following area that stems from this incorrect application of U.S. GAAP:

Context: FASB ASC 958-205, Not-for-Profit Entities—Presentation of Financial Statements, provides guidance on classification of endowment-related assets.

Effect: The cumulative effect of the restatement on beginning net assets with and without donor restrictions at July 1, 2020, was an increase of \$887,002 and decrease of \$887,002, respectively. The effect on the change in net assets as of June 30, 2020, is \$0.

Cause: Management's internal control procedures for tracking and properly reporting endowment restrictions were not sufficient to identify the above condition.

Recommendation: We recommend that the Organization review its current policies and procedures over the tracking of endowment activity. Review procedures should be designed to identify potential U.S. GAAP departures.

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding. See Corrective Action Plan.

Section III – Findings and Questioned Costs for Federal Awards and State Financial Assistance

No matters to report.

Section IV – Other Reporting

No Summary Schedule of Prior Audit Findings is presented because there were no prior audit findings.



March 31, 2022

14041 Icot Blvd
Clearwater, FL 33760

CORRECTIVE ACTION PLAN: June 30, 2021

Identifying Number 2021-001: Prior Year Restatement – Incorrect Application of Accounting Principles Generally Accepted in the United States of America (U.S. GAAP) – Reporting Entity

Finding: Based on principles and guidance contained within the 2013 Internal Control – Integrated Framework as published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), management is responsible for the design, implementation, and maintenance of internal controls over financial reporting with the objective that the consolidated financial statements are accurate under accounting principles generally accepted in the United States of America (U.S. GAAP). Gulf Coast Jewish Family and Community Services, Inc. and Affiliates (Gulf Coast JFCS) prior financial statements did not include the financial position and changes in net assets of Gulf Coast Heron Housing, Inc. (Heron), Housing and Urban Development (HUD) Project No. 067-EE052-WAH, and Gulf Coast Egret Housing, Inc. (Egret), HUD Project 067-HD017 (collectively, the HUD Projects). U.S. GAAP requires an entity to consolidate another not-for-profit organization if there is a controlling financial interest in the other not-for-profit organization. Based on accounting standards criteria and review of the HUD Projects By-Laws, management has determined that Gulf Coast JFCS has a controlling financial interest in the HUD Projects because of the requirement that members of each of the Projects' Board be on Gulf Coast JFCS's board or approved by Gulf Coast JFCS. The cumulative effect of the adjustment on beginning net assets without donor restrictions at July 1, 2020 was decreased by \$2,781,583 and no adjustment to net asset with donor restrictions at July 1, 2020. The effect on the change in net assets without donor restriction and with donor restriction as of June 30, 2020 is a decrease of \$156,296 and \$0, respectively.

Corrective Action Taken or Planned: Management will review current policies and procedures over its accounting and financial reporting including its review of its relationship with related entities and the accounting implications of said relationships. Review procedures are designed to identify potential GAAP departures. Management will consolidate all related entities, specifically to include HUD Project No. 067-EE052-WAH and HUD Project No. 067-HD017 (the HUD Projects) into the organization's financial statements. The corrective action will be implemented by the close of the current fiscal year, June 30, 2022.

The primary designated official is Paul Dennison, Chief Financial Officer.

With our best regards,

Paul S Dennison

Paul Dennison
Chief Financial Officer



March 31, 2022

14041 Icot Blvd
Clearwater, FL 33760

CORRECTIVE ACTION PLAN: June 30, 2021

Identifying Number 2021-002: Pre-Audit Financial Statement Close Process

Finding: Based on principles and guidance contained within the 2013 Internal Control – Integrated Framework as published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), management is responsible for the design, implementation, and maintenance of internal controls over financial reporting with the objective that the consolidated financial statements are accurate under accounting principles generally accepted in the United States of America (U.S. GAAP). During the course of our audit, we noted that the Organization had experienced turnover and therefore did not perform a timely close of the 2021 year end, resulting in several adjustments to the financial statements. Additionally, schedules received to support the general ledger transactions or general ledger account balances were either not accurate or incomplete which required multiple versions. The Organization did provide updated documentation upon request, but the lack of a formal review and timely close process led to significant adjustments of either the general ledger balances or supporting schedules. Schedules that were not prepared accurately resulted in entries to the general ledger. In the aggregate, material adjustments were made to the consolidated financial statements for the year ending June 30, 2021. Additionally, the completion of the 2021 audit was delayed due to lack of a full close being completed timely.

Corrective Action Taken or Planned: Management will establish and implement procedures to ensure a formal closing process is completed timely. These procedures will include – but is not limited to – review of general ledger account to determine the balances are accurate; schedules prepared support the general ledger balances; general ledger accounts are regularly reviewed for completeness and accuracy; and controls are in place requiring that any schedules that contain financial information are timely reviewed and approved by designated official(s). Corrective action will be implemented by the close of the current fiscal year, June 30, 2022.

The primary designated official is Paul Dennison, Chief Financial Officer.

With our best regards,

Paul S Dennison

Paul Dennison
Chief Financial Officer



March 31, 2022

14041 Icot Blvd
Clearwater, FL 33760

CORRECTIVE ACTION PLAN: June 30, 2021

Identifying Number 2021-003: Prior Year Restatement – Incorrect Application of Accounting Principles Generally Accepted in the United States of America (U.S GAAP) – Endowment Net Asset Classification

Finding: As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. Additionally, effective July 1, 2012, the State of Florida adopted the Uniform Prudent Management of Institutional Funds Act (FUPMIFA). Absent explicit donor restrictions to the contrary, the Board has interpreted FUPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds. As a result of this interpretation, the Organization classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment; and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Condition: Per review of the historical treatment of the Organization’s donor-restricted endowment funds, it was determined that the Organization did not properly make changes to comply with Florida UPMIFA to accumulate the earnings on its donor-restricted endowments within net assets with donor restrictions until such time as the funds were appropriated in accordance with the Organization’s adopted spending policy. The cumulative effect of the restatement on beginning net assets with and without donor restrictions at July 1, 2020 was an increase of \$887,002 and decrease of \$887,002, respectively. The effect on the change in net assets with and without donor restriction as of June 30, 2020 is \$0.

Corrective Action Taken or Planned: Management has reviewed its current procedures regarding the tracking and recording of endowment activity. The policies and procedures for reporting endowment activities and reporting endowment restrictions is being updated to be in accordance with U.S GAAP. Corrective action will be implemented by the close of the current fiscal year, June 30, 2022.

The primary designated official is Paul Dennison, Chief Financial Officer.

With our best regards,

Paul S Dennison

Paul Dennison
Chief Financial Officer