

**Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.**

Consolidated Financial Statements,  
Supplemental Information,  
Contract Compliance, and  
Independent Auditor's Report  
June 30, 2021

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**Kerkering, Barberio & Co.**  
Certified Public Accountants

## **Independent Auditor's Report**

The Board of Directors  
Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.  
Sarasota, Florida

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of Safe Children Coalition, Inc. (SCC) and Safe Children Coalition Foundation, Inc. (Foundation), (collectively the Organization), which comprise the consolidated statement of financial position as of June 30, 2021, and 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.

### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Safe Children Coalition, Inc. and Safe Children Coalition Foundation, Inc. as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.650, *Rules of the Auditor General*, and the Schedule of Expenditures of Local Assistance and Matching Funds are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

### *Supplemental Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplemental information on pages 21-22 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements and accordingly, we do not express an opinion or provide any assurance on it.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2021 on our consideration of Safe Children Coalition, Inc. and Safe Children Coalition Foundation, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Safe Children Coalition, Inc. and Safe Children Coalition Foundation, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Safe Children Coalition, Inc. and Safe Children Coalition Foundation, Inc.'s internal control over financial reporting and compliance.



Sarasota, Florida  
November 19, 2021

**Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.**

Consolidated Statement of Financial Position

June 30, 2021

**Assets**

Cash and cash equivalents (Note 4)	\$ 5,430,251
Accounts receivable	6,822
Contracts receivable (Note 5)	267,552
Assets held in charitable trusts (Note 6)	183,587
Contributions receivable from trusts (Note 6)	460,467
Other assets (Note 7)	129,988
Investments - partnership (Note 8)	94,328
Investments - trust account (Note 8)	3,297,045
Land, buildings and equipment, net (Note 9)	794,524
Total Assets	<u>\$ 10,664,564</u>

**Liabilities and Net Assets**

Liabilities:

Accounts payable	\$ 1,278,414
Accrued expenses	674,075
Refundable advances and deferred contract revenue (Note 11)	1,616,600
Liability under trust agreements	3,469
Custodial liabilities (Note 15)	141,096
Total Liabilities	<u>3,713,654</u>

Net Assets:

Without donor restrictions:

Undesignated	2,924,206
Board designated (Note 18)	930,229
Total net assets without donor restrictions	<u>3,854,435</u>

With donor restrictions:

Purpose and time restrictions (Note 19)	1,870,863
Perpetual in nature (Note 19)	1,225,612
Total net assets with donor restrictions	<u>3,096,475</u>

Total Net Assets	<u>6,950,910</u>
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Total Liabilities and Net Assets	<u>\$ 10,664,564</u>
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See accompanying notes to consolidated financial statements.

**Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.**

Consolidated Statement of Activities

Year Ended June 30, 2021

Net Assets Without Donor Restrictions:

Revenue, Support and Releases:

Contracts and government grants	\$ 41,531,542
Government grant - Paycheck Protection Program	1,223,637
Program fees, net of discounts of \$13,720	224,405
SCC Foundation, Inc. grants	23,403
United Way grants	75,791
Net assets released from restrictions	39,624
Total revenue, support and releases	43,118,402

Functional Expenses:

Program services	42,361,993
Management and general	1,079,438
Fundraising	190,375
Total functional expenses	43,631,806

Non-Operating Activities:

Contributions	682,105
In-kind contributions	205,144
Event loss, net of contributions and expenses	(2,573)
Interest and dividends, net of investment expenses	70,885
Gain on disposal of land, buildings and equipment	14,854
Unrealized and realized gains on investments - trust account	549,862
Change in value of split interest agreements	19,169
Total non-operating activities	1,539,446

Change in net assets without donor restrictions	1,026,042
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Net Assets With Donor Restrictions:

Purpose and time restricted net assets:

Contributions	47,555
Change in value of split interest agreements	51,021
Net assets released from restrictions	(39,624)
Change in purpose and time restricted net assets	58,952

Change in net assets with donor restrictions	58,952
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Change in net assets	1,084,994
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Net assets, at the beginning of year	5,865,916
Net assets, at the end of year	\$ 6,950,910

See accompanying notes to consolidated financial statements.

**Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.**

Consolidated Statement of Cash Flows  
Year Ended June 30, 2021

Cash Flows from Operating Activities:	
Change in net assets	\$ <u>1,084,994</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	190,593
Gain on disposal of land, buildings and equipment	(14,854)
Unrealized and realized gain on investments - trust account	(549,862)
Change in value of split interest agreements	(70,190)
Bad debts	11,650
Change in operating assets:	
Accounts and contracts receivable, net	1,505,871
Assets held in charitable trusts	(41,637)
Contributions receivable from trusts	(9,383)
Other assets	15,726
Change in operating liabilities:	
Accounts payable	(120,040)
Accrued expenses	46,883
Refundable advances and deferred contract revenue	168,909
Payroll Protection Program forgivable loan	(1,223,637)
Liability under trust agreements	51,020
Custodial liabilities	38,401
Total adjustments	<u>(550)</u>
Net cash provided by operating activities	<u>1,084,444</u>
Cash Flows from Investing Activities:	
Purchases of investments - trust account	(1,521,428)
Purchases of land, buildings and equipment	(329,655)
Proceeds from sale of investments	1,016,642
Proceeds from disposal of assets	15,520
Net cash used in investing activities	<u>(818,921)</u>
Cash Flows from Financing Activities:	
Principal payments on notes payable	<u>(52,116)</u>
Net cash used in financing activities	<u>(52,116)</u>
Change in cash and cash equivalents	213,407
Cash and cash equivalents, at the beginning of year	5,216,844
Cash and cash equivalents, at the end of year	\$ <u><u>5,430,251</u></u>
Supplemental disclosure of cash flow information:	
Cash paid for interest	\$ <u><u>1,243</u></u>
In-kind contributions	\$ <u><u>205,144</u></u>

See accompanying notes to consolidated financial statements.

**Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.**  
Consolidated Statement of Functional Expenses  
Year Ended June 30, 2021

	<b>Youth &amp; Family Services</b>	<b>Educational Outreach Services</b>	<b>Foster Care / Child Welfare</b>	<b>Program Services</b>	<b>Management and General</b>	<b>Fund- Raising</b>	<b>Total</b>
Subcontracted services	\$ -	\$ -	\$ 2,821,006	\$ 2,821,006	\$ -	\$ -	\$ 2,821,006
Residential services	-	-	8,721,972	8,721,972	-	-	8,721,972
Foster parent, adoption and independent living subsidies	-	-	9,979,762	9,979,762	-	-	9,979,762
Client services	7,803	-	2,031,310	2,039,113	-	-	2,039,113
Youth scholarships	1,240	27,500	-	28,740	-	-	28,740
Salaries	1,371,247	461,908	8,895,647	10,728,802	517,066	83,528	11,329,396
Employee benefits and payroll taxes	365,404	104,790	2,388,117	2,858,311	141,275	11,167	3,010,753
Professional services	36,669	17,366	1,296,450	1,350,485	138,154	10,381	1,499,020
Supplies	109,379	85,020	517,978	712,377	41,882	45,962	800,221
Telephone and networking	20,463	7,116	229,344	256,923	2,984	1,001	260,908
Postage and shipping	292	793	18,036	19,121	1,146	1,895	22,162
Occupancy	82,960	35,292	1,025,360	1,143,612	78,322	2,129	1,224,063
Repairs and maintenance	26,832	13,272	503,202	543,306	74,871	19,608	637,785
Community relations	-	-	1,790	1,790	-	10,500	12,290
In-kind contribution expense	-	-	205,144	205,144	-	-	205,144
Travel and client transportation	21,173	8,208	250,830	280,211	254	13	280,478
Staff development and conferences	10,704	5,634	65,218	81,556	9,312	1,903	92,771
Dues and licenses	11,383	5,580	24,640	41,603	1,299	385	43,287
General insurance	45,425	14,429	283,389	343,243	39,221	900	383,364
Credit card and bank charges	29	8,254	15,024	23,307	3,597	930	27,834
Miscellaneous	1,361	510	145	2,016	6,211	-	8,227
Bad debts	-	(710)	12,360	11,650	-	-	11,650
Total functional expenses before depreciation, amortization, and interest	<u>2,112,364</u>	<u>794,962</u>	<u>39,286,724</u>	<u>42,194,050</u>	<u>1,055,594</u>	<u>190,302</u>	<u>43,439,946</u>
Depreciation and amortization	32,919	2,849	132,151	167,919	22,601	73	190,593
Interest	24	-	-	24	-	-	24
Mortgage interest	-	-	-	-	1,243	-	1,243
Total functional expenses	<u>\$ 2,145,307</u>	<u>\$ 797,811</u>	<u>\$ 39,418,875</u>	<u>\$ 42,361,993</u>	<u>\$ 1,079,438</u>	<u>\$ 190,375</u>	<u>\$ 43,631,806</u>

See accompanying notes to consolidated financial statements.



**Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.**

Notes to Consolidated Financial Statements  
June 30, 2021

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**I. Description of Organization**

Safe Children Coalition, Inc. (SCC) is a 501(c)(3) non-profit organization founded in 1945. SCC is committed to providing a diverse array of services to the most disadvantaged and at-risk youth and families in our community and provided various programs and services in three counties during the year ended June 30, 2021. Safe Children Coalition Foundation, Inc. (Foundation) was created in 1981 for the sole purpose of raising funds to support the organization. SCC is the sole member of the Foundation.

The mission statement of the organization is “To protect children, strengthen families, and build community” and our Vision is for “All children to grow up in safe, stable, nurturing families and communities.”

The major program areas of the Safe Children Coalition include:

**Foster Care/Child Welfare** – Since 1997, SCC has been the contracted lead agency with the Department of Children and Families to provide foster care, adoptions and related child welfare services in Circuit 12. SCC provided its Child Welfare/Foster Care Program in Sarasota, Manatee and Desoto counties during the year ended June 30, 2021. The Child Welfare/Foster Care Program provides the following services: diversion, intervention, child and family assessment, case management, family preservation, parent training and support groups, out of home placement, reunification and adoptions.

**Youth & Family Services** - SCC Youth Prevention Services provide family counseling and consultation on a non-residential basis, directed at preventing youth from running away, being truant or becoming ungovernable. Residential services are provided through the Youth Shelter for homeless, foster and runaway youth ages 10 through 17 and at the Group Home for at-risk foster care youth ages 8 through 17. The Schoolhouse Link program coordinates educational services for homeless youth in Sarasota County

**Educational Outreach Services** - Educational outreach programs serving children from preschool to high school seniors. Programs include the Home Instruction for Parents of Preschool Youngsters (HIPPI), a home-based educational early childhood literacy program in which SCC Parent Educators teach parents and other guardians to prepare their children for school; and the Achievers program for middle and high school students to enhance academic achievement and assist with college and career preparation. The Adventure Club program provides before and/or afterschool programming for 3 elementary schools within Sarasota County.

**2. Summary of Significant Accounting Policies**

**Principles of Consolidation**

The consolidated financial statements include the amounts of SCC and Foundation, collectively referred to as the Organization. SCC holds an economic interest in the Foundation. All material intercompany transactions have been eliminated.

**Consolidated Financial Statements**

The consolidated financial statements and notes are representations of the Organization’s management who is responsible for their integrity and objectivity. The accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the consolidated financial statements.

**Safe Children Coalition, Inc.**  
**and Safe Children Coalition Foundation, Inc.**

Notes to Consolidated Financial Statements (Continued)

June 30, 2021

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**2. Summary of Significant Accounting Policies (Continued)**

**Use of Estimates**

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

**Revenue Recognition**

The accounting and reporting policies of the Organization comply with the accounting and reporting provisions of the American Institute of Certified Public Accountants. Net assets and public support, revenue and gains are classified based on the existence or absence of donor-imposed restrictions. When the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Accordingly, net assets and changes therein are classified as follows:

**Net assets without donor restrictions** - net assets that are not subject to donor imposed restrictions and Board designated funds, established by SCC's Board of Directors (SCC Directors) or Foundation's Board of Trustees (Foundation Trustees), are classified as net assets without donor restrictions. Donor-restricted contributions whose restrictions are met in the year of contribution are reported as net assets without donor restrictions.

**Net assets with donor restrictions** - net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor.

Other donor-imposed restrictions are perpetual in nature and represent donor-restricted endowments whereby the use of principal is prohibited. The income generated by these endowments may be without restrictions or designated for a specific program by the donor.

**Donated Materials and Services**

Donated property and equipment for use by the Organization are capitalized at the fair value at the time of receipt. The Organization has recorded the revenue and expense relating to services donated by attorneys, architects and contractors. The value of these services recorded in the accompanying consolidated financial statements amounted to \$205,144 for the year ended June 30, 2021.

A number of unpaid volunteers have made significant contributions of their time to support the programs of the Organization. These services do not meet the criteria for recognition as donated revenue under accounting principles generally accepted in the United States of America, and as a result, the value of these volunteer hours has not been recognized in the consolidated statement of activities.

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services that benefited. The expenses that are allocated include depreciation and amortization, salaries, benefits and payroll taxes, and other expenses for services which are allocated on the basis of estimated time and effort.

**Safe Children Coalition, Inc.**  
**and Safe Children Coalition Foundation, Inc.**

Notes to Consolidated Financial Statements (Continued)

June 30, 2021

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**2. Summary of Significant Accounting Policies (Continued)**

**Income Taxes**

SCC and Foundation have been recognized by the Internal Revenue Service as tax-exempt under Section 501(c)(3) of the Internal Revenue Code of 1986. Under the Income Taxes Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), SCC and Foundation have reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the consolidated financial statements.

SCC and Foundation file income tax returns in the U.S. federal jurisdiction and the state of Florida. The tax periods open to examination by the major taxing jurisdictions to which SCC and Foundation are subject include the fiscal years ended June 30, 2018 through June 30, 2021.

**Financial Instruments Not Measured at Fair-Value**

Certain of the Organization's financial instruments are not measured at fair value on a recurring basis but are recorded at amounts that approximate fair value due to their liquid or short-term nature. Such financial assets and liabilities include cash and cash equivalents, accounts receivable, contracts receivable, other assets, accounts payable, accrued expenses, refundable advances and deferred contract revenue, and custodial liabilities.

**3. Liquidity and Availability**

Financial assets available within one year of the consolidated statement of financial position date for general expenditures are as follows:

Cash and cash equivalents	\$ 5,430,251
Accounts receivable	6,822
Contracts receivable	267,552
Investments - trust account	3,297,045
Total financial assets available	<u>9,001,670</u>
Less: Amounts unavailable for general expenditures within one year due to:	
Restricted cash for federal grants and other purposes	(3,945,637)
Restricted by donors with purpose and time restrictions	(1,870,863)
Restricted by donors in perpetuity	(1,225,612)
Total amounts unavailable for general expenditures within one year	<u>(7,042,112)</u>
Less: Amounts unavailable to management without Foundation Trustee's approval:	
Board designated endowment	(930,229)
Total amounts unavailable to management without Foundation Trustee's approval:	<u>(930,229)</u>
Total financial assets available to management for general expenditure within one year	\$ <u>1,029,329</u>

**Safe Children Coalition, Inc.**  
**and Safe Children Coalition Foundation, Inc.**

Notes to Consolidated Financial Statements (Continued)

June 30, 2021

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**3. Liquidity and Availability (Continued)**

The Organization manages its liquid assets in accordance with regular budgeting processes developed through the coordinated efforts of management and the Organization's Boards. Monthly reporting by management to those charged with governance ensures the results from operating activities are monitored closely.

The Board designated endowment of \$930,229 may be distributed to fund the operating budget. This amount could be made available if necessary.

**4. Cash and Cash Equivalents**

Cash consists of various checking and money market accounts. Cash equivalents are short-term, highly liquid investments with original maturities of three months or less, except for investments to be applied to specific purposes that are included in the Organization's long-term investment strategies. Due to the timing of receipts from its various funding sources, the Organization may periodically have cash balances with any one financial institution exceeding the FDIC insured amount. Management makes every effort to maintain accounts with various financial institutions to minimize the occurrence of this situation.

SCC is a fiscal agent for certain funding sources. Funds are received and payments are distributed to program participants based upon requirements established by the funding sources. SCC maintains separate bank accounts for the cash received on behalf of the program participants and records the related custodial liability.

Restricted cash for federal grants and other purposes at June 30, 2021 amounted to \$3,945,637.

**5. Contracts Receivable**

Contracts receivable represent funds due from federal, state and local government agencies for SCC social service programs including Educational Outreach Services, Youth and Family Services and Foster Care/Child Welfare. Contracts receivable totaled \$267,552 at June 30, 2021. Management considers contracts receivable to be fully collectible.

**6. Charitable Trusts and Trusts Receivable**

The Foundation has been named the remainderman in several irrevocable charitable remainder trusts. The Foundation's beneficial interest in the trusts is measured at the present value of the estimated future distributions based upon the stated rates of return to be received by the designated beneficiaries, equal to 7%, over the trusts' terms.

Trust assets for which the trustees are not independent of the Foundation are recorded as assets held in charitable trusts with the related liability for payments to beneficiaries in the consolidated statement of financial position. The agreements for which the Foundation is not the trustee or the trustees are independent of the Foundation are recorded as contributions receivable from trusts.

**7. Other Assets**

Other assets are comprised of the following at June 30, 2021:

Prepaid expenses	\$	87,479
Deposits		42,509
Total	\$	<u>129,988</u>

**Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.**

Notes to Consolidated Financial Statements (Continued)

June 30, 2021

**8. Investments**

**Partnership**

SCC is a limited partner in Community Based Care Integrated Health, LLC (CBCIH). The purpose of the CBCIH is to establish a trust to cover medical expenses in excess of Medicare payments. SCC's investment in the CBCIH totaled \$94,328 as of June 30, 2021. The CBCIH makes a quarterly determination of whether the assets held by the trust are sufficient to meet the obligations under the service agreement. If deemed insufficient, SCC is liable for any obligations under the services agreement or debt of the CBCIH as determined by their respective share of the CBCIH's revenue. SCC will have thirty days from the date of the notice from the CBCIH to provide additional contributions.

**Trust Account**

The market value, cost and provision for unrealized gain on investments are summarized in the aggregate as follows at June 30, 2021:

	<u>Cost</u>	<u>Fair Value</u>	<u>Accumulated Unrealized Gain</u>
Equities	\$ 1,665,910	\$ 2,213,680	\$ 547,770
Fixed Income	1,072,866	1,083,365	10,499
Total investments	<u>\$ 2,738,776</u>	<u>\$ 3,297,045</u>	<u>\$ 558,269</u>

Investment activity for the year ended June 30, 2021 was as follows:

Interest and dividends, net of investment expenses	\$ 70,885
Unrealized gains on investments	447,079
Realized gains on investments	102,783
Net unrealized and realized gains on investments	<u>549,862</u>
Total	<u>\$ 620,747</u>

**9. Land, Buildings and Equipment**

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

Land	\$ 136,000
Buildings	532,099
Equipment	2,412,242
Furniture and fixtures	999,675
Vehicles	457,176
Equipment under capital lease agreements	19,282
Leasehold improvements	<u>541,498</u>
	5,097,972
Less accumulated depreciation and amortization	<u>(4,303,448)</u>
Land, buildings and equipment, net	<u>\$ 794,524</u>

**Safe Children Coalition, Inc.**  
**and Safe Children Coalition Foundation, Inc.**

Notes to Consolidated Financial Statements (Continued)

June 30, 2021

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**9. Land, Buildings and Equipment (Continued)**

The Organization capitalizes computer software and other assets exceeding \$1,000. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, which range from 3 to 15 years for equipment, furniture and fixtures, and vehicles; and 10 to 30 years for buildings and improvements. Equipment under capital lease agreements is amortized using the straight-line method over the life of the leases and has a net book value of \$0 as of June 30, 2021. Leasehold improvements are being amortized over the lesser of the lease terms or the estimated useful lives of the assets. Land, buildings and equipment are recorded at cost, or if donated, at the fair market value at the time of receipt. Depreciation and amortization expense for the year ended June 30, 2021 totaled \$190,593.

Equipment has been purchased with funds received from other governmental agencies. Title to these assets acquired with government agency funds vests with SCC as long as SCC has a contract with the agencies. In accordance with contract provisions, SCC has segregated and identified this equipment. Upon contract termination, the equipment reverts to the respective agencies in accordance with their proportional interests. As of June 30, 2021, government funded assets had a total net book value of \$185,043.

**10. Retirement Plan**

**401(k) Plan**

Beginning January 1, 2020, SCC offers a tax-deferred savings plan, which qualifies as a voluntary contribution savings plan under Internal Revenue Code Section 401(k). Employees may provide tax-deferred contributions to fully vested individual retirement accounts up to the Internal Revenue Code limit. The plan covers all employees meeting eligibility criteria. SCC provides a non-elective contribution for eligible employees of 3% of employee compensation, which is 100% vested. SCC may make a discretionary contribution equal to a uniform percentage of the employee salary deferrals. The discretionary percentage is determined annually by the SCC and will not exceed 7% of the employee's compensation. SCC's contributions to the 401(k) plan charged to retirement costs for the fiscal year ended June 30, 2021 totaled \$794,604.

**11. Refundable Advances and Deferred Contract Revenue**

As of June 30, 2021, refundable advances and deferred contract revenue totaled \$1,616,600 and includes the following:

Conditional contributions received, that is those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Funds received in advance of the conditions being met are recorded as refundable advances. As of June 30, 2021, conditional contributions included in deferred revenue totaled \$167,679.

Certain government contracts and grants are received ratably over the respective contract periods. The Organization recognizes the related revenue as grant expenditures are made. Any excess of funds received over the amount earned is considered deferred contract revenue which amounted to \$1,448,921 at June 30, 2021.

**Safe Children Coalition, Inc.**  
**and Safe Children Coalition Foundation, Inc.**

Notes to Consolidated Financial Statements (Continued)

June 30, 2021

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**12. Paycheck Protection Program Forgivable Loan**

On April 20, 2020, SCC qualified for and received a loan pursuant to the Paycheck Protection Program, a program implemented by the U.S. Small Business Administration (SBA) under the Coronavirus Aid, Relief, and Economic Security Act for an aggregate principal amount of \$2,134,400 (the PPP Loan). The PPP Loan and accrued interest are forgivable after the covered period, up to 24-weeks, if the borrower uses the PPP Loan proceeds for eligible purposes, including payroll, benefits, rent, utilities, covered operations expenditures, covered property damage, covered supplier costs, covered worker protection expenditures and maintains its payroll levels. The amount of the PPP Loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the covered period, up to 24 weeks. The unforgiven portion of the PPP Loan is payable over 2 years at an interest rate of 1%, with a deferral of payments for the first 10 months.

SCC expects to meet the PPP's eligibility criteria and, therefore, has concluded that the PPP Loan represents, in substance, a grant that is expected to be forgiven. As a result, SCC has accounted for the PPP Loan in accordance with FASB ASC 958-605 as a conditional contribution. SCC initially recorded the amount received as a refundable advance followed by a reduction in the advance and recognition of revenue as the aforementioned conditions are substantially met. SCC recognized a portion of the PPP Loan proceeds during the fiscal year ended June 30, 2020. During the year ended June 30, 2021, SCC used the remainder of the proceeds for purposes consistent with the PPP, resulting in recognition of the remainder of the PPP Loan in the amount of \$1,223,637, which is classified as government grant - Paycheck Protection Program revenue in the accompanying consolidated statement of activities.

**13. Commitments**

**Operating Leases**

The Organization leases space for administrative and program services under agreements expiring through 2026. Certain leases require payments for common area maintenance and also provide for adjustments to minimum lease payments annually based on fluctuations in the Consumer Price Index. These adjustments are estimated based on historical information and are included in the minimum lease commitment amounts below.

Future minimum lease payments associated with the operating leases are as follows as of June 30:

2022	\$	689,850
2023		681,555
2024		686,472
2025		641,004
2026		656,967
Total	\$	<u>3,355,848</u>

Rent expense related to the operating leases for the year ended June 30, 2021 totaled \$959,268.

**Leaseback Arrangements**

As part of the agreement for the sale of property (Note 27), SCC is entitled to lease back the Youth Shelter, a portion of one of the fitness centers, including the parking lot. The term of the leaseback is three years, ending March 25, 2023. No rent shall be paid, but SCC is responsible for utilities, maintenance (excluding repair and replacement), and insurance during the lease term.



**Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.**

Notes to Consolidated Financial Statements (Continued)

June 30, 2021

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**13. Commitments (Continued)**

**Leaseback Arrangements (Continued)**

SCC was also entitled to lease back office space located at a portion of the fitness centers, including the parking lot. The term of the Office Lease was six months, and ended in September 2020. No rent was paid, but SCC was responsible for utilities, maintenance (excluding repair and replacement), and insurance during the lease term.

**14. Debt**

**Notes Payable**

In January 2006, the Foundation entered into a mortgage payable to a financial institution for \$770,000, payable in monthly payments over a 15 year period of \$6,919, including interest at 6.9%. Final payment, including all outstanding principle, plus accrued interest, was due on February 1, 2021. The mortgage was paid in full during the year ended June 30, 2021.

**15. Custodial Liabilities**

SCC is the custodian for Social Security benefits for the children in its care. SCC is responsible for receiving funds from Social Security and disbursing such to the respective beneficiaries pursuant to requirements set forth by Social Security and the Florida Department of Children and Families. The funds are maintained in separate bank accounts. Custodial liabilities totaled \$141,096 as of June 30, 2021.

**16. Matching Requirements on Governmental Contracts**

SCC has been awarded contracts from federal and state agencies, which require matching contributions by SCC. The matching requirements were met or exceeded on completed contracts during the year ended June 30, 2021.

SCC (lead agency) administers the Foster Care and Child Welfare program for Sarasota, Manatee and Desoto counties. Under Florida Statute, a lead agency may not provide more than 35% of direct client services unless it can demonstrate a need to exceed this threshold, and must disburse and pass through contract funds received to entities that provide direct client services. In addition, there are designated contract funds that are passed through to or paid to or on behalf of the client (adoption subsidy, independent living subsidy, client supplies and services).

Government grant revenue includes the following components for the year ended June 30, 2021:

Amounts paid to subrecipients	\$ 10,450,185
Amounts paid to or on behalf of clients	12,117,556
Amounts related to services provided by SCC	<u>15,121,320</u>
Total	<u>\$ 37,689,061</u>

**17. Fair Value of Financial Assets and Liabilities**

The Organization adopted the *Fair Value Measurements and Disclosures* Topic of the FASB Accounting Standards Codification which provides enhanced guidance for using fair value to measure assets and liabilities and clarifies the principle that fair value should be based on the assumptions market participants would use when pricing the assets or liabilities and establishes a hierarchy that prioritizes the information used to develop those assumptions.



**Safe Children Coalition, Inc.**  
**and Safe Children Coalition Foundation, Inc.**

Notes to Consolidated Financial Statements (Continued)

June 30, 2021

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**17. Fair Value of Financial Assets and Liabilities (Continued)**

The following table presents information about the Organization's assets and liabilities that are measured at fair value on a recurring basis as of June 30, 2021 and indicates the fair value hierarchy of the valuation techniques used to determine such fair value. The three levels for measuring fair value are based on the reliability of inputs and are as follows:

Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities, such as publicly traded equity securities.

Level 2 - inputs other than quoted prices included in Level 1 that are observable, either directly or indirectly. Such inputs may include quoted prices for similar assets, observable inputs other than quotes prices (interest rates, yield curves, etc.), or inputs derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - inputs are unobservable data points for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. The inputs reflect the Organization's assumptions based on the best information available in the circumstance.

The following methods and assumptions were used by the Organization in estimating the fair value of its financial instruments:

*Equity* - The fair value is measured based on quoted prices in principal active markets for identical assets as of the valuation date (Level 1).

*Fixed Income* - The fair value is measured based on quoted prices for similar assets, observable inputs other than quoted prices, or inputs derived principally from or corroborated by observable market data by correlation or other means (Level 1).

*Investments - partnership* - The fair value is primarily based on the respective net asset value reported by management of the limited partnership rather than actual market transactions and other observable market data (Level 3).

*Contributions receivable from charitable trusts and liability under trust agreements* - The fair value of these assets and liabilities are estimated by discounting future cash flows using actuarial rates from mortality tables (Level 3).

*Assets held in charitable trusts and annuities* - represents assets held by the Organization under charitable remainder trusts. Fair value is measured based on the underlying securities held within the trust assets, which have been determined to be Level 1 securities for the year ended June 30, 2021.

**Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.**

Notes to Consolidated Financial Statements (Continued)

June 30, 2021

**17. Fair Value of Financial Assets and Liabilities (Continued)**

The following table sets forth the fair value hierarchy by level for the Organization's assets and liabilities measured at fair value on a recurring basis as of June 30, 2021:

Description	Total	Level 1	Level 2	Level 3
<b>Assets:</b>				
Equity securities	\$ 2,213,680	\$ 2,213,680	\$ -	\$ -
Fixed income securities	1,083,365	1,083,365	-	-
Total investments - trusts	<u>3,297,045</u>	<u>3,297,045</u>	-	-
Investments - partnerships	94,328	-	-	94,328
Contributions receivable from charitable trusts	460,467	-	-	460,467
Assets held in charitable trusts and annuities	183,587	183,587	-	-
Total assets at fair value	<u>\$ 4,035,427</u>	<u>\$ 3,480,632</u>	<u>\$ -</u>	<u>\$ 554,795</u>
<b>Liabilities:</b>				
Liability under trust agreements	<u>\$ 3,469</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,469</u>

The following is a reconciliation of the beginning and ending balances for assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) is presented below:

	Contributions Receivable From Charitable Trusts	Liability Under Trust Agreements	Investments -Partnership
Balance - June 30, 2020	\$ 451,084	\$ 22,639	\$ 94,328
Change in fair value of charitable trusts	9,383	(19,170)	-
Equity gain on investment	-	-	-
Balance - June 30, 2021	<u>\$ 460,467</u>	<u>\$ 3,469</u>	<u>\$ 94,328</u>

The fair value of the investments listed below have been estimated based on net asset value (NAV) per share based on the cash flow received from the projected sales proceeds. Those funds which are redeemable at the reported net asset value per share at or near the reporting date have been considered to be valued based upon level 2 inputs. Funds which are not redeemable at or near the reporting date have been considered to be valued based upon Level 3 inputs.

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Investments - partnerships (a)	\$ <u>94,328</u>	\$ <u>-</u>	<u>n/a</u>	<u>n/a</u>

(a) This investment represents SCC's interest the CBCIH. See Note 8.

**Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.**

Notes to Consolidated Financial Statements (Continued)

June 30, 2021

**18. Board Designated Net Assets**

The Foundation Trustees have designated \$930,229 as June 30, 2021 of net assets without donor restrictions to be utilized as a Board designated endowment. At the discretion of the Foundation Trustees, four to six percent of the fair market value of the assets may be distributed in the form of annual grants to SCC. Changes in the spending policy require approval of the majority of the Foundation Trustees.

**19. Net Assets with Donor Restrictions**

Net assets with donor restrictions are restricted for the following purposes at June 30, 2021:

Subject to expenditure for a specified purpose:

Child Welfare/Foster Care	\$ 717,353
Health Enhancement	49,873
Scholarships and SCC Programs	459,583
Total purpose restrictions	1,226,809

Subject to the passage of time:

Charitable Remainder Trusts	644,054
Total time restrictions	644,054

Total purpose and time restrictions	1,870,863
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Perpetual in nature:

Educational Scholarships	265,406
Discretionary Scholarships	101,698
Children's Programs	125,780
Homeless and Disadvantaged Youth	101,697
Low Income Families	130,343
Early Childhood Education	235,055
Other	265,633
Total endowments perpetual in nature	1,225,612

Total net assets with donor restrictions	\$ 3,096,475
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**20. Net Assets Released From Restrictions**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by other events specified by donors. Purposes for which restrictions were accomplished during the year ended June 30, 2021 include the following:

Satisfaction of purpose restrictions:

Child Welfare/Foster Care	\$ 26,127
Scholarships and SCC Programs	13,497
Total net assets released from restrictions	\$ 39,624

**Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.**

Notes to Consolidated Financial Statements (Continued)

June 30, 2021

**21. Endowment**

The Organization's endowment consists of funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Foundation Trustees to function as endowments (quasi-endowments). As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including quasi-endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

**Interpretation of Relevant Law**

The Foundation Trustees have interpreted the Florida Uniform Prudent Management of Institutional Funds (FUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions-perpetual in nature (a) the original value of gifts donated to the perpetual endowment, and (b) the original value of subsequent gifts to the perpetual endowment. The remaining portion of the donor-restricted endowment fund that is not classified as perpetual in nature restricted net assets is classified as purpose restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by FUPMIFA.

In accordance with FUPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the endowment fund;
2. The purposes of the Organization and the endowment fund;
3. General economic conditions;
4. The possible effect of inflation or deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the Organization; and
7. The investment policies of the Organization.

**Funds with Deficiencies**

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level classified as perpetual in nature restricted net assets. There were no deficiencies of this nature reported in net assets with donor restrictions at June 30, 2021.

**Endowment Net Asset Composition**

As of June 30, 2021, endowment net assets consisted of the following:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>
Endowment funds without donor restrictions:		
Board designated quasi-endowment funds	\$ 930,229	\$ -
Donor restricted endowment funds:		
Endowments classified as purpose restricted	-	712,606
Endowments classified as perpetual in nature	-	1,225,612
<b>Total</b>	<b>\$ 930,229</b>	<b>\$ 1,938,218</b>

**Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.**

Notes to Consolidated Financial Statements (Continued)

June 30, 2021

**21. Endowment (Continued)**

**Change in Endowment Net Assets**

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

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment net assets, July 1, 2020	\$ 690,499	\$ 1,569,477	\$ 2,259,976
Endowment investment return:			
Interest and dividends	20,223	48,784	69,007
Realized and unrealized gain, net	158,817	392,135	550,952
Total endowment investment return	179,040	440,919	619,959
Investment fees	(3,467)	(8,021)	(11,488)
Net assets released from restriction	64,157	(64,157)	-
Total endowment activity	239,730	368,741	608,471
Endowment net assets, June 30, 2021	<u>\$ 930,229</u>	<u>\$ 1,938,218</u>	<u>\$ 2,868,447</u>

**Return Objectives and Risk Parameters**

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified periods, as well as board designated funds. Under this policy, as approved by the Foundation Trustees, the endowment assets are invested in a manner that exceeds inflation by at least 1% while assuming a moderate level of investment risk. The Foundation expects its endowment funds, over time, to provide a real rate of return of approximately 5% annually. Actual returns in any given year may vary from this amount.

**Strategies Employed for Achieving Objectives**

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

**Spending Policy and How the Investment Objectives Relate to Spending Policy**

The Foundation has a policy for appropriating for distribution each year up to 4% annually of the 3-year moving average of the month-end market values as of May 31st. Distributions are made at the end of the fiscal year. A distribution up to 6% annually can be made by a majority vote of the Foundation Trustees. In establishing this policy, the Foundation considered the long-term expected return on its endowment. Accordingly, over the long term, the Foundation expects the current spending policy to allow its endowment to grow at an average of 1% annually. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return. Changes in the spending policy require approval of the majority of the Board.

**Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.**

Notes to Consolidated Financial Statements (Continued)

June 30, 2021

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**22. Related Party Transactions**

Board members are required to complete conflict of interest disclosure statements and abstain from voting on related issues. There are no related party transactions for the year ended June 30, 2021.

**23. Concentrations**

For the year ended June 30, 2021 approximately 99% of revenue and support was derived from government grants and contracts. Approximately 94% of the government grants and contracts revenue was provided for the Foster Care and Child Welfare Programs during the year ended June 30, 2021.

**24. Risks and Uncertainties**

The Organization's ability to maintain its operations are largely dependent on receiving government and other grant funding.

**25. Contingencies**

SCC is a recipient of federal, state and other third-party reimbursement funds that are subject to special compliance audits by the granting agencies and other third party agencies that provide these reimbursements. The outcome of these audits may result in expenditures that would be disallowed. Disallowed amounts, if any, would constitute a contingent liability.

The Organization is subject to various claims and legal proceedings covering a range of matters that arise in the ordinary course of its activities. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition or results of operations of the Organization.

In June 2009, SCC along with several other entities entered into a settlement agreement with regard to a not-for-profit Foundation (the NPO Foundation). Under the settlement, SCC will receive annual distributions from the NPO Foundation in amounts that are not determinable. In addition, if the NPO Foundation terminates before January 1, 2029, SCC will receive 1/36<sup>th</sup> of the net assets of the NPO Foundation. If the NPO Foundation terminates after January 1, 2029, the NPO Foundation will determine what amount, if any, SCC will receive. As of June 30, 2021, no amount was recorded related to these contingent gains as the amounts are not determinable.

**26. Self-Insurance**

During the year ended June 30, 2017, SCC adopted a self-insurance plan for health claims. SCC is responsible for claims up to approximately \$1,119,000. After that claims are covered by an insurance carrier. Management believes they have adequately provided for all claims incurred but not paid in the accompanying consolidated financial statements. Incurred but not reported (IBNR) claims have been accrued for by using trends and relationships observed in the past and applying to the future based on the assumption that the incurred date of a claim is the same as the date of service.

Actual results could differ from those estimates and assumptions. The IBNR liability totaled \$113,582 as of June 30, 2021 and is included in accrued expenses in the accompanying consolidated statement of financial position.

**Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.**

Notes to Consolidated Financial Statements (Continued)

June 30, 2021

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**27. Contractual Agreement**

In 2019, the Organization determined that the operations of a non-performing segment should be discontinued. The sale of the discontinued segment's property to an unrelated non-profit organization (Purchaser) was completed on March 25, 2020. The assets sold consisted of the land, buildings, and equipment of the discontinued segment.

The terms of the sale established covenants and agreements whereby the Purchaser must: 1) maintain its status as a charitable organization under Section 501(c)(3) of the Internal Revenue Code; 2) continually operate a not-for-profit health and wellness facility (YMCA-Like Facility) at each of the two existing branch locations; 3) continually offer programs within the YMCA-Like Facilities that are materially similar to those which it is currently offering; 4) continue to give scholarships to those who need financial help in order to utilize the facilities and programs at the branches. If these conditions are not met, the Purchaser is required to commence efforts to sell the properties. The Purchaser or any successors shall not profit from any future sale of the properties. If sold, the net sales proceeds shall be paid to the Organization. These covenants and restrictions are applicable for ten years beginning March 26, 2020.

**28. Subsequent Events**

The Organization has evaluated all events subsequent to the consolidated statement of financial position date of June 30, 2021, and through the date that these consolidated financial statements were available for issuance, November 19, 2021, and has determined that, other than as set forth below, there are no subsequent events that require disclosure.

On July 12, 2021, the Organization purchased property in the amount of \$723,318. The property was purchased with funds available from general operations; therefore, no debt was incurred.

The Organization received a notice from the PPP lender that the SBA approved their forgiveness application on July 30, 2021. See Note 12.

## **Supplemental Information**



**Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.**

Consolidating Statement of Financial Position  
Year Ended June 30, 2021

	<u>Safe Children Coalition, Inc.</u>	<u>Safe Children Coalition Foundation, Inc.</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
<b>Assets</b>				
Cash and cash equivalents (Note 4)	\$ 5,091,718	\$ 338,533	\$ -	\$ 5,430,251
Accounts receivable	6,822	-	-	6,822
Contracts receivable (Note 5)	267,552	-	-	267,552
Assets held in charitable trusts (Note 6)	-	183,587	-	183,587
Contributions receivable from trusts (Note 6)	-	460,467	-	460,467
Other assets (Note 7)	127,180	2,808	-	129,988
Investments - partnership (Note 8)	94,328	-	-	94,328
Investments - trust account (Note 8)	441,761	2,855,284	-	3,297,045
Land, buildings and equipment, net (Note 9)	370,076	424,448	-	794,524
Beneficial interest in the net assets of the Foundation	4,261,603	-	(4,261,603)	-
Total Assets	<u>\$ 10,661,040</u>	<u>\$ 4,265,127</u>	<u>\$ (4,261,603)</u>	<u>\$ 10,664,564</u>
<b>Liabilities and Net Assets</b>				
Liabilities:				
Accounts payable	\$ 1,278,359	\$ 55	\$ -	\$ 1,278,414
Accrued expenses	674,075	-	-	674,075
Refundable advances and deferred contract revenue (Note 11)	1,616,600	-	-	1,616,600
Liability under trust agreements	-	3,469	-	3,469
Custodial liabilities (Note 15)	141,096	-	-	141,096
Total Liabilities	<u>3,710,130</u>	<u>3,524</u>	<u>-</u>	<u>3,713,654</u>
Net Assets:				
Without donor restrictions:				
Undesignated	1,922,081	1,002,125	-	2,924,206
Board designated (Note 18)	-	930,229	-	930,229
Beneficial interest in the net assets without donor restrictions of the Foundation	1,932,354	-	(1,932,354)	-
Total net assets without donor restrictions	<u>3,854,435</u>	<u>1,932,354</u>	<u>(1,932,354)</u>	<u>3,854,435</u>
With donor restrictions:				
Purpose and time restrictions:				
Purpose and time restrictions (Note 19)	767,226	1,103,637	-	1,870,863
Beneficial interest in the purpose and time restricted net assets of the Foundation	1,103,637	-	(1,103,637)	-
Total purpose and time restrictions	<u>1,870,863</u>	<u>1,103,637</u>	<u>(1,103,637)</u>	<u>1,870,863</u>
Perpetual in nature:				
Perpetual in nature (Note 19)	-	1,225,612	-	1,225,612
Beneficial interest in the perpetual in nature restricted net assets of the Foundation	1,225,612	-	(1,225,612)	-
Total perpetual in nature	<u>1,225,612</u>	<u>1,225,612</u>	<u>(1,225,612)</u>	<u>1,225,612</u>
Total net assets with donor restrictions	<u>3,096,475</u>	<u>2,329,249</u>	<u>(2,329,249)</u>	<u>3,096,475</u>
Total Net Assets	<u>6,950,910</u>	<u>4,261,603</u>	<u>(4,261,603)</u>	<u>6,950,910</u>
Total Liabilities and Net Assets	<u>\$ 10,661,040</u>	<u>\$ 4,265,127</u>	<u>\$ (4,261,603)</u>	<u>\$ 10,664,564</u>

See Independent Auditor's Report.

**Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.**

Consolidating Statement of Activities  
Year Ended June 30, 2021

	<b>Safe Children Coalition, Inc.</b>	<b>Safe Children Coalition Foundation, Inc.</b>	<b>Eliminations</b>	<b>Consolidated Total</b>
<b>Net Assets Without Donor Restrictions:</b>				
<b>Revenue, Support and Releases:</b>				
Contracts and government grants	\$ 41,531,542	\$ -	\$ -	\$ 41,531,542
Government grant - Payroll Protection Program	1,223,637	-	-	1,223,637
Program fees, net of discounts of \$13,720	224,405	-	-	224,405
SCC Foundation, Inc. grants	41,200	-	(17,797)	23,403
United Way grants	75,791	-	-	75,791
Rental income	-	83,030	(83,030)	-
Net assets released from restrictions	26,127	13,497	-	39,624
<b>Total revenue, support and releases</b>	<b>43,122,702</b>	<b>96,527</b>	<b>(100,827)</b>	<b>43,118,402</b>
<b>Functional Expenses:</b>				
Program services	42,445,023	17,797	(100,827)	42,361,993
Management and general	1,031,266	48,172	-	1,079,438
Fundraising	190,375	-	-	190,375
<b>Total functional expenses</b>	<b>43,666,664</b>	<b>65,969</b>	<b>(100,827)</b>	<b>43,631,806</b>
<b>Non-Operating Activities:</b>				
Contributions	674,883	7,222	-	682,105
In-kind contributions	205,144	-	-	205,144
Event loss, net of contributions and expenses	(2,573)	-	-	(2,573)
Interest and dividends, net of investment expenses	3,728	67,157	-	70,885
Gain on disposal of land, buildings and equipment	14,854	-	-	14,854
Unrealized and realized gain on investments	(1,090)	550,952	-	549,862
Change in value of split interest agreements	-	19,169	-	19,169
Change in the beneficial interest in net assets of the Foundation	675,058	-	(675,058)	-
<b>Total non-operating activities</b>	<b>1,570,004</b>	<b>644,500</b>	<b>(675,058)</b>	<b>1,539,446</b>
<b>Change in net assets without donor restrictions</b>	<b>1,026,042</b>	<b>675,058</b>	<b>(675,058)</b>	<b>1,026,042</b>
<b>Net Assets With Donor Restrictions:</b>				
<b>Purpose and time restricted net assets:</b>				
Contributions	12,455	35,100	-	47,555
Change in the beneficial interest in net assets of the Foundation	72,624	-	(72,624)	-
Change in value of split interest agreements	-	51,021	-	51,021
Net assets released from restrictions	(26,127)	(13,497)	-	(39,624)
<b>Change in purpose and time restricted net assets</b>	<b>58,952</b>	<b>72,624</b>	<b>(72,624)</b>	<b>58,952</b>
<b>Change in net assets with donor restrictions</b>	<b>58,952</b>	<b>72,624</b>	<b>(72,624)</b>	<b>58,952</b>
<b>Change in net assets</b>	<b>1,084,994</b>	<b>747,682</b>	<b>(747,682)</b>	<b>1,084,994</b>
Net assets, at the beginning of year	5,865,916	3,513,921	(3,513,921)	5,865,916
<b>Net assets, at the end of year</b>	<b>\$ 6,950,910</b>	<b>\$ 4,261,603</b>	<b>\$ (4,261,603)</b>	<b>\$ 6,950,910</b>

See Independent Auditor's Report

**Safe Children Coalition, Inc.**  
Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year Ended June 30, 2021

Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing	Pass-through Entity Identification or Contract Number	Federal Reimbursable Expenditures	Transfers to Subrecipients
<b>FEDERAL GRANTS AND CONTRACTS</b>				
<b>U.S. Department of Health and Human Services</b>				
Basic Center Grant	93.623	90CY7248-01-00	\$ 116,047	\$ -
Education and Prevention Grants to Reduce Sexual Abuse of Runaway, Homeless and Street Youth '20		90YO2315-02-00	13,524	-
Education and Prevention Grants to Reduce Sexual Abuse of Runaway, Homeless and Street Youth '21		90YO2315-02-00	35,700	-
Total Street Outreach Program Grant	93.557		<u>49,224</u>	<u>-</u>
Passed-through Florida Department of Children and Families Services:				
Guardianship Assistance	93.090	QJ2B0	17,151	-
MaryLee Allen Promoting Safe and Stable Families Program	93.556	QJ2B0	471,647	54,330
Grants to States for Access and Visitation Programs	93.597	QJ2B0	8,407	8,407
Chafee Education and Training Vouchers Program (ETV)	93.599	QJ2B0	64,791	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	QJ2B0	135,164	25,714
Foster Care-Title IV-E	93.658	QJ2B0	6,981,036	2,636,856
Adoption Assistance	93.659	QJ2B0	5,815,891	73,291
Social Services Block Grant	93.667	QJ2B0	1,978,259	1,200,675
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	QJ2B0	18,797	8,773
Medical Assistance Program	93.778	QJ2B0	193,361	144,402
Passed-through Florida Department of Children and Families Services:				
Child Abuse and Neglect State Grants		QJ2B0	14,113	918
Child Abuse and Neglect State Grants		QJ006	702,877	-
Total Child Abuse and Neglect State Grants	93.669		<u>716,990</u>	<u>918</u>
Passed-through Florida Department of Children and Families Services:				
Temporary Assistance for Needy Families		QJ2B0	2,648,598	332,004
Passed-through the Florida Department of Education / University of South Florida:				
Temporary Assistance for Needy Families		5830-1539-21-H	260,475	-
Total Temporary Assistance for Needy Families	93.558		<u>2,909,073</u>	<u>332,004</u>
<b>Total U.S. Department of Health and Human Services</b>			<b>\$ 19,475,838</b>	<b>\$ 4,485,370</b>
<b>U.S. Department of Education</b>				
Passed-through School Board of Sarasota County:				
Education for Homeless Children and Youth	84.196	N/A	\$ 77,977	\$ -
Passed-through School Board of Sarasota County:				
Title I Grants to Local Educational Agencies	84.010	N/A	75,000	-
<b>Total U.S. Department of Education</b>			<b>\$ 152,977</b>	<b>\$ -</b>
<b>U.S. Department of Treasury</b>				
Passed-through Manatee County CARES Act Grant Program:				
Coronavirus Relief Fund	21.019	N/A	\$ 262,064	\$ -
<b>Total U.S. Department of Treasury</b>			<b>\$ 262,064</b>	<b>\$ -</b>
<b>Total Federal Grants and Contracts</b>			<b>\$ 19,890,879</b>	<b>\$ 4,485,370</b>

**Safe Children Coalition, Inc.**  
Schedule of Expenditures of Federal Awards And State Financial Assistance (Continued)  
Year Ended June 30, 2021

Grantor/Pass-Through Grantor/ Program or Cluster Title	State CSFA Number	Pass-through Entity Identification or Contract Number	State Reimbursable Expenditures	Transfers to Subrecipients
<b>STATE GRANTS AND CONTRACTS</b>				
<b>Florida Department of Juvenile Justice</b>				
Passed-through the Florida Network of Youth and Family Services:				
Children and Families in Need of Services (CINS/FINS) '20		N/A	\$ 466,731	\$ -
Children and Families in Need of Services (CINS/FINS) '21		N/A	357,915	-
Children and Families in Need of Services (CINS/FINS) (Probation Respite)		N/A	19,195	-
Total Children and Families in Need of Services (CINS/FINS)	80.005		843,841	-
<b>Total Florida Department of Juvenile Justice</b>			<b>\$ 843,841</b>	<b>\$ -</b>
<b>Florida Department of Children and Families</b>				
Out-of-Home Supports '21		QJ2B0	\$ 1,792,979	\$ 224,141
Out-of-Home Supports '20		QJ2B0	410,180	-
Total Out-of-Home Supports	60.074		2,203,159	224,141
The Independent Living and Road to Independence Program	60.112	QJ2B0	48,132	-
CBC - Sexually Exploited Children	60.138	QJ2B0	19,070	19,070
CBC - Purchase of Therapeutic Services for Children	60.183	QJ2B0	49,896	47,496
Safe Children Coalition	60.194	QJ2B0	1,000,000	-
<b>Total Florida Department of Children and Families</b>			<b>\$ 3,320,257</b>	<b>\$ 290,707</b>
<b>Total State Grants and Contracts</b>			<b>\$ 4,164,098</b>	<b>\$ 290,707</b>
<b>Total Federal and State Grants and Contracts</b>			<b>\$ 24,054,977</b>	<b>\$ 4,776,077</b>

**Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance**

**Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal and state granting activity of Safe Children Coalition, Inc. (SCC), and is presented on the Generally Accepted Accounting Principles basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, Rules of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic consolidated financial statements.

**Indirect Cost Election**

SCC has not elected to use the 10% de minimis cost rate as covered in 2 CFR section 200.414 and has a negotiated rate with their cognizant agency.

**Safe Children Coalition, Inc.**  
Schedule of Expenditures of Local Assistance and Matching Funds  
Year Ended June 30, 2021

Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Number	Pass-through Entity Identification or Contract Number	Local/Matching Reimbursable Expenditures	Transfers to Subrecipients
<b>LOCAL GRANTS AND CONTRACTS</b>				
<b>Manatee County Government</b>				
Family Reunification Programs '20	N/A	FPRP 2020	\$ 81,301	\$ -
Diversion and Family Reunification Programs '21	N/A	DIV and FPRP 2021	431,312	-
<b>Total Manatee County Government</b>			<b>\$ 512,613</b>	<b>\$ -</b>
<b>Sarasota County, Florida</b>				
Contracted Human Services:				
Family Haven Alliance Core, SHL Reach Case Manager '20	N/A	2020	\$ 10,114	\$ -
Family Haven Alliance Core, SHL Reach Case Manager '21	N/A	CAC2021-0050	12,798	-
Youth and Family Services, Y-Achievers, HIPPY and Operation Graduation '20	N/A	2020-0083	97,710	-
Youth and Family Services, Y-Achievers, HIPPY and Operation Graduation '21	N/A	CA2021-0050	214,511	-
<b>Total Sarasota County, Florida</b>			<b>\$ 335,133</b>	<b>\$ -</b>
<b>Total Local Grants and Contracts</b>			<b>\$ 847,746</b>	<b>\$ -</b>
<b>MATCHING FUNDS FOR FEDERAL PROGRAMS</b>				
Passed-through Florida Department of Children and Families Services:				
To Be Tested Pursuant to OCA Activity	N/A	QJ2B0	\$ 6,298,198	\$ 2,729,525
Guardianship Assistance	N/A	QJ2B0	9,529	-
Promoting Safe and Stable Families	N/A	QJ2B0	6,468	1,224
Temporary Assistance for Needy Families Block Grant	N/A	QJ2B0	1,617,922	200,010
Chafee Education and Training Vouchers Program	N/A	QJ2B0	17,448	-
Child Welfare Services - State Grants	N/A	QJ2B0	45,055	8,571
Foster Care Title IV E	N/A	QJ2B0	4,822,870	1,750,176
Adoption Assistance	N/A	QJ2B0	2,995,691	73,291
Chafee Foster Care for Successful Transition to Adulthood	N/A	QJ2B0	4,699	2,193
Medical Assistance Program	N/A	QJ2B0	193,361	144,402
State Funds not subject to Section 215.97 F.S. (FSAA)	N/A	QJ2B0	10,351	-
<b>Total Matching Funds for Federal Programs</b>			<b>\$ 16,021,592</b>	<b>\$ 4,909,392</b>
<b>Total Federal and State Grants and Contracts</b>			<b>\$ 24,054,977</b>	<b>\$ 4,776,077</b>
<b>Total Grants and Contracts</b>			<b>\$ 40,924,315</b>	<b>\$ 9,685,469</b>

**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**

The Board of Directors  
Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc.  
Sarasota, Florida

We have audited, 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 and Chapter 10.650, *Rules of the Auditor General*, the consolidated financial statements of Safe Children Coalition, Inc. (SCC) and Safe Children Coalition Foundation, Inc. (Foundation), collectively referred to as the Organization, which comprise the consolidated statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated November 19, 2021.

**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 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. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

### **Internal Control over Financial Reporting (Continued)**

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



Sarasota, Florida  
November 19, 2021

**Report on Compliance for Each Major Federal Program and State Project; and Report on Internal Control over Compliance in Accordance with the Uniform Guidance and Chapter 10.650, Rules of the Auditor General of the State of Florida**

**Independent Auditor's Report**

The Board of Directors  
Safe Children Coalition, Inc.  
and Safe Children Coalition Foundation, Inc  
Sarasota, Florida

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

We have audited Safe Children Coalition, Inc. (SCC) and Safe Children Coalition Foundation, Inc.'s (Foundation), collectively referred to as the Organization, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the State of Florida Department of Financial Services Statements Projects Compliance Supplement 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. 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 statutes, regulations, and the terms and conditions of its federal and state awards 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 (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.650, *Rules of the Auditor General*. Those standards and the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program and 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.



### **Auditor's Responsibility (Continued)**

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.

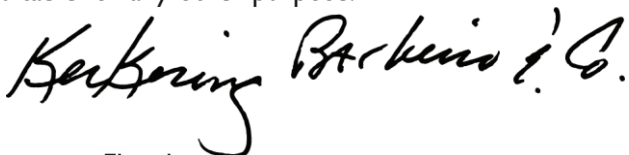
### **Report on Internal Control Over Compliance**

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 Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



Sarasota, Florida  
November 19, 2021

## **Contract Compliance**

**Safe Children Coalition, Inc.**  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2021

**Section I - Summary of Auditor's Results**

**Financial Statements**

**Identification of Major Programs and Projects:**

Type of auditor's report issued:	<u>unmodified</u>	<b>CFDA Numbers</b>	<b>Name of Federal Program or Cluster</b>
Internal control over financial reporting:		93.090, 93.556, 93.558, 93.597, 93.599, 93.645, 93.658, 93.659, 93.667, 93.669, 93.674, 93.778	Foster Care
< Material weakness(es) identified?	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no		
< Significant deficiency(ies) identified	<input type="checkbox"/> yes <input checked="" type="checkbox"/> none reported		
Noncompliance material to financial statements noted?	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no		

**Federal Awards and State Awards**

**CSFA Numbers**

**Name of State Project**

Internal control over major programs and projects:		80.005	Children and Families in Need of Services
< Material weakness(es) identified?	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no	60.074, 60.112, 60.138, 60.183, 60.194	Foster Care Community Based Support
< Significant deficiency(ies) identified?	<input type="checkbox"/> yes <input checked="" type="checkbox"/> none reported		
Type of auditor's report issued on compliance for major programs and major projects:	<u>unmodified</u>	Dollar threshold used to distinguish between type A and type B Federal programs: <u>\$ 750,000</u>	
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a) and the provisions of the Florida Single Audit Act in accordance with Chapter 10.650 of the Rules of the Auditor General	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no	Dollar threshold used to distinguish between type A and type B State projects: <u>\$ 750,000</u>	
		Auditee qualified as low-risk auditee?	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no

**Section II - Financial Statement Findings**

None

**Section III - Findings and Questioned Costs For Federal and State Awards**

None

**Section IV - Other**

No management letter is required because there were no findings to be reported in a management letter as required by Section 215.97(9)(f) and 215.97(10)(d) of the Florida Statutes, Auditor General Rule 10.654(1)(e) or 10.656(3)(e).



**Safe Children Coalition, Inc.**  
1500 Independence Blvd., Suite 210  
Sarasota, FL 34234  
P: 941-371-4799  
www.sccfl.org

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**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2021**

Identifying Number: 2020-001

Audit Finding: In accordance with compliance requirements per the Florida Administrative Code and Florida Administrative Register, rule 65C-30.007, Case Management Responsibilities After Case Transfer, (1) Contacts with Children, (b) initial contact shall occur within two (2) working days of case transfer or the date of the court order for supervision, whichever occurs first. KB noted that for three (3) out of twenty-five (25) Foster Care children's files reviewed, the initial contact did not occur within the required timeframe.

Corrective Action Taken: SCC continued the same strategies as implemented in FY 19/20 and created a database to monitor this measure as there is not a current report available within FSFN (Statewide data management system) to track this measure.



**Safe Children Coalition, Inc.**  
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December 1, 2021

Auditor General's Office  
Local Government Audits/342  
Claude Pepper Building, Room 401  
111 West Madison Street  
Tallahassee, FL 32399-1450

Dear Sir or Madam:

Re: QJ2B0 and Florida Network of Youth and Family Services contract with  
Safe Children Coalition

Enclosed please find the audited financial statement for the Safe Children Coalition, Inc. for our fiscal year ended June 30, 2021, received in our office on November 22, 2021.

If you have any questions or need additional information, please feel free to contact me at (941) 552-0419.

Sincerely,

A handwritten signature in black ink, appearing to read "Jennifer Powers".

Jennifer Powers  
Director of Contract Administration

enclosure