

WESTCARE GULFCOAST-FLORIDA, INC.

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION**

JUNE 30, 2021

WESTCARE GULFCOAST-FLORIDA, INC.
REPORT ON FINANCIAL STATEMENTS
JUNE 30, 2021

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A PROFESSIONAL CORPORATION

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
WestCare GulfCoast-Florida, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of WestCare GulfCoast-Florida, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WestCare GulfCoast-Florida, Inc. as of June 30, 2021 and the change 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

Supplemental and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and Chapter 10.650, Rules of the Auditor General is presented for purposes of additional analysis and is not a required part of the financial statements. The schedule of state earnings, schedule of bed-day availability payments, schedule of related party transaction adjustments, and program/cost center actual expenses and revenues schedule, are also presented for purposes of additional analysis and not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2021, on our consideration of WestCare GulfCoast-Florida, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 WestCare GulfCoast-Florida, 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 WestCare GulfCoast-Florida, Inc.'s internal control over financial reporting and compliance.

Roos & McNabb CPA's PC

Fresno, California
November 29, 2021

WESTCARE GULF COAST-FLORIDA, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021

ASSETS

Cash and Cash Equivalents	\$ 900	
Grant Contracts Receivable	1,950,940	
Prepaid Expenses	43,969	
Cash Restricted for Client Funds	192,542	
Property and Equipment, Net	<u>790,443</u>	
Total Assets		<u>\$2,978,794</u>

LIABILITIES

Accounts Payable and Accrued Expenses	\$ 280,254	
Accrued Salaries and Related Expenses	424,574	
Due to Clients (Contra)	70,358	
Due to Related Organization	3,612,662	
Deferred Revenue – SBA Loan/Grant	491,034	
Deferred Revenue	<u>398,342</u>	
Total Liabilities		\$5,277,224

NET ASSETS

Without Donor Restrictions	<u>(2,298,430)</u>	
Total Net Assets		<u>(2,298,430)</u>
Total Liabilities and Net Assets		<u>\$2,978,794</u>

See accompanying notes to financial statements

WESTCARE GULFCOAST-FLORIDA, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021

Change in Net Assets Without Donor Restrictions

Revenues and Other Support	
Federal Contract Revenue	\$ 2,003,103
State Contract Revenue	3,725,810
County Contract Revenue	1,443,470
City Contract Revenue	486,240
Other Contract Revenue	475,360
Client Fees	854,255
Donations and Gifts	7,104
PPP Funds	952,897
Other Revenue	<u>5,653</u>
Total Revenues and Other Support Without Donor Restrictions	 \$ 9,953,892
Expenses	
Program Services	
Grants and Program Support	<u>8,614,448</u>
Total Program Services	<u>8,614,448</u>
Supporting Services	
General and Administrative	<u>1,923,130</u>
Total Supporting Services	<u>1,923,130</u>
Total Expenses	<u>10,537,578</u>
Change in Net Assets Without Donor Restrictions	(583,686)
Net Assets, Beginning of Year	<u>(1,714,744)</u>
Net Assets, End of Year	<u>\$(2,298,430)</u>

See accompanying notes to financial statements

WESTCARE GULF COAST-FLORIDA, INC.
STATEMENT OF CASH FLOWS
JUNE 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in Net Assets Without Donor Restrictions	\$(583,686)
Adjustments to Reconcile Change in Net Assets To Net Cash Provided by Operating Activities:	
Depreciation	104,354
(Increase) or Decrease in:	
Grants Receivable	(872,711)
Prepaid Expenses	(1,076)
Increase or (Decrease) in:	
Accounts Payable and Accrued Expenses	59,043
Accrued Salaries and Related Expenses	30,978
Clients Funds (Contra)	52,575
Deferred Revenue – SBA Loan/Grant	(134,507)
Deferred Revenue	<u>89,168</u>
Net Cash Provided/(Used) in Operating Activities	\$(1,255,862)

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of Property and Equipment	<u>(326,095)</u>
Net Cash Provided/(Used) in Investing Activities	(326,095)

CASH FLOWS FROM FINANCING ACTIVITIES:

Advances from Related Organization	<u>1,745,306</u>
Net Cash Provided/(Used) in Financing Activities	<u>1,745,306</u>
Net Increase (Decrease) in Cash, Cash Equivalents, and Restricted Cash	163,349
Beginning Cash, Cash Equivalents, and Restricted Cash	<u>30,093</u>
Ending Cash, Cash Equivalents, and Restricted Cash	<u>\$ 193,442</u>
Supplemental Disclosure:	
Interest Paid	<u>\$ -</u>

See accompanying notes to financial statements

WestCare Gulfcoast Florida, Inc.
Statement of Functional Expenses
Year Ended June 30, 2021

	Program Services							
	Federal Grants	State Grants	Local Grants	Other Grants	Program Support	Toal Program	General and Adminstrative	Total
Salaries and Related Expenses								
Salaries & Wages	\$ 898,343	\$ 1,861,660	\$ 1,063,659	\$ 1,250	\$ 215,215	\$ 4,040,127	\$ 243,219	\$ 4,283,346
Payroll taxes and employee benefits	235,371	487,765	278,685	328	56,388	1,058,536	63,725	1,122,261
Total Salaries and Related Expenses	<u>1,133,714</u>	<u>2,349,425</u>	<u>1,342,344</u>	<u>1,578</u>	<u>271,603</u>	<u>5,098,663</u>	<u>306,944</u>	<u>5,405,607</u>
Other Expenses								
Building Occupancy	84,551	413,714	205,918	-	95,907	800,090	26,463	826,553
Travel	7,690	17,218	4,819	-	481	30,208	5,356	35,564
Equipment Costs	42,512	36,981	37,820	9,380	4,279	130,972	22,562	153,534
Food Costs	19,374	360,885	31,045	20	71,966	483,290	-	483,290
Medical & Pharmacy	38,617	962,254	16,018	184,191	131	1,201,211	150	1,201,361
Subcontracted Services	-	-	-	-	-	-	-	-
Insurance	12,000	12,000	6,000	3,000	3,000	36,000	238,983	274,983
Operating Supplies and Expenses	135,440	229,108	106,391	9,213	37,891	518,043	104,922	622,965
Professional Services	39,543	233,910	800	32,908	-	307,161	23,432	330,593
Donated Goods and Services	-	-	-	-	-	-	-	-
Management Fees	-	-	-	-	-	-	1,098,774	1,098,774
Total Other Expenses	<u>379,727</u>	<u>2,266,070</u>	<u>408,811</u>	<u>238,712</u>	<u>213,655</u>	<u>3,506,975</u>	<u>1,520,642</u>	<u>5,027,617</u>
Total Expenses Before Depreciation	1,513,441	4,615,495	1,751,154	240,290	485,258	8,605,638	1,827,586	10,433,224
Depreciation	-	4,710	2,261	-	1,839	8,810	95,544	104,354
Total Expense	<u>1,513,441</u>	<u>4,620,206</u>	<u>1,753,416</u>	<u>240,290</u>	<u>487,097</u>	<u>8,614,448</u>	<u>1,923,130</u>	<u>10,537,578</u>

See accompanying notes to financial statements

**WESTCARE GULFCOAST-FLORIDA, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES:

WestCare GulfCoast-Florida, Inc. is a tax exempt, non-profit corporation governed by a volunteer board of directors incorporated in 2001 whose purposes include, but are not limited to the following:

- A. To promote public awareness about chemical dependency and related issues and problems; and,
- B. To promote recovery from chemical dependency and or related illnesses, through developing, establishing and/or maintaining of centers for the rehabilitation of individuals and their families.
- C. To promote the health and well being of all citizens.

The Organization provides residential and out-patient rehabilitation programs, criminal justice programs, health related and a variety of prevention programs and services all of which are related to the purposes for which it is established.

WestCare GulfCoast-Florida, Inc. applied for re-accreditation under CARF (Commission on Accreditation of Rehabilitation Facilities). The process involved completion of an Intent/Application document and a three-day site visit by a team of four CARF surveyors. WestCare GulfCoast-Florida, Inc. was awarded the highest recommendation, a three-year accreditation from January 2021 through January 2024.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting: The accompanying financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation: Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of Management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

WESTCARE GULFCOAST-FLORIDA, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Measure of Operations: The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing activities. Non-operating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures contained in the financial statements. Actual results could differ from those estimates.

Cash and Cash Equivalents: For purposes of the statement of cash flows, the Organization considers investments available for current use with an initial maturity of three months or less to be cash equivalents.

Concentrations of Credit Risk: Financial instruments that potentially subject the Organization to concentration of credit risk are cash and receivables. Concentration of credit risk with respect to receivables is limited because a substantial portion of these balances are due from federal and state governmental agencies. Management believes the Organization is not exposed to any significant credit risk on cash. The Organization maintains its cash in various bank accounts that, at times, may exceed federally insured limits. These accounts have been placed with high credit quality financial institutions. On June 30, 2021, the Organization did not have cash in excess of the FDIC insured limit.

Receivables: Receivables are stated at the amount management expects to collect from balances outstanding at year end. The receivables are primarily contracts and/or grants from funding sources for services performed under cost reimbursement contracts. It is the practice of the Organization to record an allowance for doubtful accounts. Bad debts are charged to the allowance account as incurred. Based on management's assessment of receivables it has concluded that an allowance is not necessary on June 30, 2021. Balances that are still outstanding after management has used reasonable collection efforts are written off to bad debt expense.

Revenue and Revenue Recognition: Revenue is recognized when earned. Program service fees and payments received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively.

Contract Revenue: Revenue under some third-party payor agreements is subject to audit and retroactive adjustments. Provisions for estimated third-party payor settlements are provided in the period the related services are rendered, if determinable.

WESTCARE GULFCOAST-FLORIDA, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Contributions: Contributions are recognized as income at the estimated value at date of receipt as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. No donations with donor-imposed restrictions have been received.

Conditional Promises to Give: Conditional promises to give, 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. Conditional gifts received prior to the satisfaction of conditions are recorded as refundable advances.

Donated Services and In-Kind Contributions: Volunteers contribute significant amounts of time to our program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. Donated services are recorded at the respective fair values of the services received. No significant contributions of such goods or services were received during the year ended June 30, 2021.

Due to/from related parties: Amounts as due to/from related parties, included in the accompanying statements of financial position, arise principally from the collaborative activities between the affiliates to further the mission of the Organization.

Property and Equipment: The Organization capitalizes property and equipment over \$5,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated assets to a specific purpose. The cost of maintenance and repairs is charged to expense as incurred, significant renewals and betterments are capitalized. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the assets.

Compensated Absences: The Organization's policy allows employees to accumulate vacation and sick leave based on the length of service, position, and other factors. Accrual of vacation time is included in the accompanying financial statements. The total amount accrued for vacation on June 30, 2021 was \$240,834.

Income Taxes: The Organization qualifies as a not-for-profit organization as described in Section 501 (c)(3) of the Internal Revenue Code and is tax exempt from federal and state income taxes, therefore no provisions for income taxes have been made. Management is of the opinion that there is no unrelated business income subject to taxation. Management is also of the opinion that there are no material uncertain tax positions. All tax returns have been appropriately filed by the Organization.

WESTCARE GULFCOAST-FLORIDA, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Functional Expenses: The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Such expenses are charged to grant programs and supporting services on the basis of program costs. General and administrative costs include those expenses that are not directly identifiable with any specific program but provide for the overall support of the Organization. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

Salaries and benefits are charged directly to the program for which work has been done based on time and effort. Other expenses and overhead costs are based on staff allocation to functional areas.

NOTE 3 – CASH AND CASH EQUIVALENTS:

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the statement of financial position that sum to the amounts shown in the statement of cash flows:

Cash and Cash Equivalents	\$ 900
Cash Restricted for Client Funds	<u>192,542</u>
Total Cash, Cash Equivalents, and Restricted Cash shown in the Statement of Cash Flows	<u>\$193,442</u>

NOTE 4 – RESTRICTIONS ON ASSETS:

Restrictions, if any, on assets as of June 30, 2021, are related to grant awards and/or lending agreements. Such assets must be used in accordance with the purposes established by laws and regulations of the grants or agreements in contrast with unrestricted funds over which the governing board remained full control to use in achieving any of its organizational purposes.

Separate cash accounts are maintained as required by grant and/or lending agreements. The Organization also holds cash in trust for participants in various programs.

**WESTCARE GULF COAST-FLORIDA, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The following reflects the Organization’s financial assets available within one year of the statement of financial position date. There are no amounts reduced and not available for general use because of donor-imposed restrictions or long-term investments.

Cash and cash equivalents	\$ 900
Grant contracts receivable	<u>1,950,940</u>
Total available for general expenditures	<u>\$1,951,840</u>

As part of the Organization’s liquidity management, it utilizes a zero-balance account (zba) with WestCare Foundation, Inc., a checking account in which a balance of zero is maintained by automatically transferring funds from a master account in an amount only large enough to cover checks presented. This cash pooling system is designed to leave in the current accounts of the subsidiaries the minimum amounts to be able to deal with their debts contracted. The advantage of this system is to centralize the cash to be able to obtain better rates. In addition, the Organization transfers amounts as needed to meet cash flow needs through a related affiliate, WestCare Foundation, Inc.

NOTE 6 – PROPERTY AND EQUIPMENT, NET:

Property and equipment, net consisted of the following on June 30, 2021:

Leasehold Improvements	\$1,641,156
Furniture and Fixtures	38,257
Computer Equipment	9,975
Vehicles	521,388
Construction in Progress	<u>89,435</u>
	2,300,211
Less: Accumulated Depreciation	<u>(1,509,768)</u>
Total Property and Equipment, Net	<u>\$ 790,443</u>

For the year ended June 30, 2021, depreciation expense totaled \$104,354.

NOTE 7 – EMPLOYEE BENEFIT PLAN:

The Organization has a 401(k)-retirement plan covering eligible employees held with Voya Financial with a Safe Harbor Match. The Organization’s match is 3% of each qualified employee’s basic contribution plus an additional \$.50 for each \$1 contributed for the next 2% earnings. Plan contribution by the Organization for the year ended June 30, 2021 was \$63,130.

WESTCARE GULFCOAST-FLORIDA, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 – COMMITMENTS AND CONTINGENCIES:

Operating Leases:

As of June 30, 2021, the Organization had entered into various non-cancellable operating lease agreements for real property. The approximate minimum future commitments on an annual basis are as follows: 2021 \$153,925, 2022 \$158,137, 2023 \$82,807, 2024 \$21,400, 2025 \$21,600 and thereafter \$25,200.

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842), which requires lessees to recognize leases on the statement of financial position for most leases with a term longer than 12 months. The effective date for this standard has been delayed to reporting periods beginning after December 15, 2021.

Contingencies:

Federal Grants – The Organization receives financial assistance from the federal government in the form of grants and entitlements. Receipt of grants is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable federal laws and regulations, including the expenditure of resources for eligible purposes. Accordingly, expenditures financed by these programs are subject to financial and compliance audits by the grantor agencies, which could result in request for reimbursement by the grantor agencies for expenditures, if disallowed by the granting agencies, cannot be determined at this time. Management believes that such disallowances, if any, will not have a material adverse effect on the financial position of the Organization.

NOTE 9 – ECONOMIC DEPENDENCY:

The Organization receives a significant portion of its support and revenues from contracts and/or agreements with agencies of the Government of the United States. The Organization's ability to continue operating is predicated on the government's continued support and funding of its programs. The continuation of program services in the subsequent year is expected based on contract renewals and continuations received to date. A significant reduction in the level of this funding, if this were to occur, could have an adverse effect on the programs and activities.

NOTE 10 - MATCHING REQUIREMENTS:

The Organization receives a substantial portion of its support from various funding sources which required a local match. These funding sources include: The State of Florida Department of Children and Families, Central Florida Behavioral Health Network, Inc., U.S. Department of Housing and Urban Development (HUD) under the Supportive Housing Program, and the U.S. Department of Justice. The Organization has satisfied all matching requirements through local grants and by incurring sufficient eligible expenses.

WESTCARE GULFCOAST-FLORIDA, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – RELATED PARTY TRANSACTIONS:

WestCare Foundation, Inc. is a managing and governing oversight organization for WestCare GulfCoast-Florida, Inc. During the year ending June 30, 2021, WestCare Foundation, Inc. received management fees for general and administrative expenses of \$1,098,774 from WestCare GulfCoast-Florida, Inc.

In addition, WestCare Foundation, Inc. has advanced funds as of June 30, 2021 to WestCare GulfCoast-Florida, Inc. for \$3,612,662.

FitzHouse Enterprises, Inc. owns property that is leased to WestCare GulfCoast-Florida, Inc. During the year ended June 30, 2021, FitzHouse Enterprises, Inc. received rental income for the purpose of providing funds for facility maintenance expenses of \$224,244.

NOTE 12 – COVID-19 PANDEMIC:

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets experienced significant declines in value resulting from uncertainty caused by the pandemic. The Organization is closely monitoring its liquidity and is actively working to minimize the impact of these declines. The extent of the impact of COVID-19 on the Organization's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the Organization's customers, employees, and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact the Organization's financial position and changes in net assets and cash flows is uncertain and the accompanying financial statements include no adjustments relating to the effects of this pandemic.

NOTE 13 – PAYROLL PROTECTION PROGRAM LOANS:

The Organization was granted \$1,658,472 in loans under the Paycheck Protection Program "PPP" administered by a Small Business Administration (SBA) approved partner. The loans are uncollateralized and are fully guaranteed by the Federal government. The Organization is eligible for loan forgiveness of up to 100% of the loans, upon meeting certain requirements. The Organization initially recorded the loans as refundable advances and subsequently recognized grant revenue in accordance with guidance for conditional contributions; that is, once the measurable performance or other barrier and a right to return of the PPP loans no longer existed or when such conditions are explicitly waived. The Organization has recognized \$952,897 as grant revenue for the year ended June 30, 2021 and \$214,541 in the prior year. The remaining proceeds from the loan are eligible for forgiveness if the Organization maintains employment levels during its 24 weeks covered period and uses the funds for certain payroll, rent, and utility expenses.

**WESTCARE GULFCOAST-FLORIDA, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 14 – SUBSEQUENT EVENTS:

The Organization has evaluated subsequent events through November 29, 2021, the date which the financial statements were available to be issued and has determined that there were no events occurring during that period that required disclosure to the accompanying financial statements.

END OF NOTES TO THE FINANCIAL STATEMENTS

WESTCARE GULFCOAST-FLORIDA, INC.
SUPPLEMENTARY AND OTHER INFORMATION

WESTCARE GULFCOAST-FLORIDA, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

	Pass through Identifying #	Federal CFDA#	Federal Expenditures
CDBG - Entitlement Grants Cluster			
US Department of Housing & Urban Development			
<u>Community Development Block Grants/Entitlement Grants</u>			
Pass Through Award(s):			
City of Clearwater - CDBG	N/A	14.218	10,990
City of Largo - CDBG	B17MC120028 & B20MC120028	14.218	22,847
City of St. Petersburg - ESG / CDBG	E-19-MC-12-0017 & B-20-MC-12-0017	14.218	53,297
City of St. Petersburg - ESG / CDBG - CARES	CARES	14.218	43,346
Pinellas County - CDBG	CD20WCOPS	14.218	28,368
Pasco County - CDBG	B-20-UC-12-0009	14.218	22,428
Pasco County - CDBG - CARES	CD20-0165	14.218	2,450
Total CDBG - Entitlement Grants Cluster			<u>183,726</u>
US Department of Housing & Urban Development			
<u>Emergency Solutions Grant Program</u>			
Pass Through Award(s):			
City of St. Petersburg - ESG / CDBG	E-19-MC-12-0017 & B-20-MC-12-0017	14.231	72,376
Total Emergency Solutions Grant Program			<u>72,376</u>
<u>Supportive Housing Program</u>			
Direct Award(s):			
Supportive Housing Program Rapid Rehousing	FL0446L4H021806	14.235	50,150
Total Supportive Housing Program			<u>50,150</u>
US Department of Justice			
<u>Drug Court Discretionary Grant Program</u>			
Pass Through Award(s):			
Pinellas County - OJDDP Family Dependency Drug Court - Enhancement	2018-DC-BX-0023	16.585	236,578
Pinellas County - BJA Veterans Drug Court - VALOR	2019-VC-BX-0067	16.585	130,914
Pasco County - BJA Neuro Trauma	2020-DC-BX-0142	16.585	48,723
Total Drug Court Discretionary Grant Program			<u>416,215</u>
<u>Edward Byrne Memorial Justice Assistance Grant Program</u>			
Pass Through Award(s):			
Florida Department of Law Enforcement through Pinellas County Health and Community Services	2019-MU-BX-0036/2020-JAGC-3610	16.738	30,000
Total Edward Byrne Memorial Justice Assistance Grant Program			<u>30,000</u>
<u>Office of Justice Programs, Juvenile Justice & Delinquency Prevention</u>			
Pass Through Award(s):			
Pinellas County - Opioid Affected Youth Initiative	2019-YB-FX-K002	16.842	41,136
Total Drug Court Discretionary Grant Program			<u>41,136</u>
US Department of Veterans Affairs			
<u>VA Homeless Providers Grant and Per Diem Program</u>			
Direct Award(s):			
VA Per Diem	WGCF627-0694-516-LD-18-0	64.024	12,882
Total VA Homeless Providers Grant and Per Diem Program			<u>12,882</u>
US Department of Health & Human Services			
<u>Substance Abuse and Mental Health Services Projects of Regional and National Significance</u>			
Direct Award(s):			
SAMHSA Workforce	1H79TI083388	93.243	365,606
Pass Through Award(s):			
Pinellas County SAMHSA - Cooperative Agreement to Benefit Homeless Indi	SM063331	93.243	12,989
Pasco County CSAT Drug Court - Dependency	1H79TI080841	93.243	347,681
Pinellas County Adult Drug Court - Thrive	1H79TI81905	93.243	378,525
Pasco County Adult Drug Court - Thrive	1H79TI082965	93.243	259,849
Total Substance Abuse and Mental Health Services			<u>1,364,650</u>
<u>Block Grants for Prevention and Treatment of Substance Abuse</u>			
Pass Through Award(s):			
DCF - CFBHN - HIV Testing	QB055	93.959	47,842
DCF - CFBHN - Recovery Support & Supplemental SA	QB055	93.959	189,374
DCF - CFBHN - Prevention	QB055	93.959	27,878
Total Block Grants for Prevention and Treatment of Substance Abuse			<u>265,094</u>
<u>Opioid SOR</u>			
Pass Through Award(s):			
DCF - CFBHN - State Opioid Response	QB055	93.788	870,611
Total Block Grants for Community Mental Health Services			<u>870,611</u>
Department of Homeland Security			
<u>Emergency Food and Shelter National Board Program</u>			
Pass Through Award(s):			
United Way	Phase 37 & 38	97.024	74,584
United Way	Phase CARES	97.024	43,487
Total Emergency Food and Shelter National Board Program			<u>118,071</u>
Total Expenditures of Federal Awards			\$ 3,424,911

The accompanying notes are an integral part of this schedule.

WESTCARE GULFCOAST-FLORIDA, INC.
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED JUNE 30, 2021

STATE OF FLORIDA AWARDS:	Contract #	CFSA #	Expenditures
Florida Department of Transportation Passed through from Federal Transit Administration	FY2017/YR42	20.513	-
Florida Department of Transportation	FY2017/YR42	55.001	-
State of Florida Courts System Passed Through Florida Alcohol and Drug Abuse Association, Inc. Opioid Treatment (MAT Services)	N/A	22.022	292,179
Department of Corrections - Focus	C2654	70.016	2,170,393
Department of Corrections - MH Overlay	B56ADF	70.016	141,000
Total Expenditures of State Financial Assistance			\$ 2,603,572

The accompanying notes are an integral part of this schedule.

**WESTCARE GULFCOAST-FLORIDA, INC.
NOTES TO SCHEDULES OF EXPENDITURES
OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2021**

NOTE A - BASIS OF PRESENTATION:

The accompanying schedules of expenditures of federal awards and state financial assistance include the federal and state award activity of WestCare Gulfcoast-Florida, Inc. under programs of the federal and state government for the year ended June 30, 2021. The information in the schedules 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 *Florida Single Audit Act, Auditor General Rule 10.650*. Because the Schedules present only a selected portion of the operations of WestCare Gulfcoast-Florida, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of WestCare Gulfcoast-Florida, Inc.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

NOTE C – INDIRECT COST RATE:

WestCare Gulfcoast-Florida, Inc. has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance. WestCare Gulfcoast-Florida, Inc. has a provisional indirect rate agreement for 26% for the year ended June 30, 2021.

**WESTCARE GULFCOAST-FLORIDA, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL PROGRAMS AND STATE PROJECTS
FOR THE 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?	No
• Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards and State Projects

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Types of auditor’s report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with CFR 200.516(a) or Chapter 10.656?	No

Identification of major programs:		
<u>Federal Program or Cluster</u>		<u>Federal CFDA No.</u>
Block Grants for Prevention & Treatment of Substance Abuse		93.959
Opioid SOR		93.788
 <u>State Project</u>		 <u>State CFDA/CFSA No.</u>
Department of Corrections – Focus		70.016

Dollar threshold used to distinguish between type A & type B Programs:	
Federal Programs:	\$750,000
State Programs:	\$750,000
Auditee qualified as low-risk auditee pursuant to Uniform Guidance: (Not applicable for State Projects)	Yes

Section II – Financial Statement Findings

None reported

Section III – Federal/State Award Findings and Questioned Costs

None reported

Section IV – Other Issues/Prior Year Audit Findings

No management letter is required because there were no findings required to be reported in the management letter.
No Summary Schedule of Prior Audit Findings is required because there were no prior audit findings.
No Corrective Action Plan is required because there were no findings required to be reported.

WESTCARE GULFCOAST-FLORIDA, INC.
Schedule of State Earnings for
Fiscal Year 7/1/20 - 6/30/21

1	Total Expenditures	10,537,578.00
2	Less Other State and Federal Funds	(5,728,913.00)
3	Less Non-Match SAMH Funds	(1,929,710.00)
4	Less Unallowable Costs per 65E-14, F.A.C.	0.00
5	Total Allowable Expenditures (Sum of lines 1, 2, 3, and 4)	2,878,955.00
6	Maximum Available Earnings (Line 5 times 75%)	2,159,216.25
7	Amount of State Funds Requiring Match	122,530.00
8	Amount Due to Department (Subtract line 7 from line 6)	2,036,686.25

AUDIT SCHEDULE
WestCare Gulfcoast Florida, Inc.
Schedule of Bed-Day Availability Payments
For Fiscal Year Ending 6/30/21

Program	Cost Center	State Contracted Rate	Total Units of Service Provided	Total Units of Service Paid for by 3rd Party Contracts, Local Govt. or Other State Agencies	Maximum # of Units Eligible for Payment by Department (D-E)	Amount Paid for Services by the Department	Maximum \$ Value of Units in Column F (F x C)	Amount Owed to Department (G-H or \$0, whichever is greater)
A	B	C	D	E	F	G	H	I
Children's MH	Crisis Stabilization Unit				0		\$0.00	\$0.00
Adult MH	Crisis Stabilization Unit				0		\$0.00	\$0.00
Children's SA	Substance Abuse Detox				0		\$0.00	\$0.00
Adult SA	Substance Abuse Detox				0		\$0.00	\$0.00
Adult MH	Short-term Residential Treatment				0		\$0.00	\$0.00
					0		\$0.00	\$0.00
	This Schedule N/A				0		\$0.00	\$0.00
					0		\$0.00	\$0.00
					0		\$0.00	\$0.00
Total Amount Owed to Department =								\$0.00

AUDIT SCHEDULE
WestCare Gulfcoast Florida, Inc.
Schedule of Related Party Transaction Adjustments
for the Fiscal Year Ending 6/30/2021

	Related Party	Allocation of Related Party Transactions Adjustment				
		State-Designated Cost Centers				
		1	2	3	Total
Revenues From Grantee						
Rent	XXX					
Services	XXX					
Interest	XXX					
Other	<u>XXX</u>					
Total Revenue From Grantee	XXX	This Schedule N/A				
Expenses Associated with Grantee Transactions						
Personnel Services	YYY					
Depreciation	YYY					
Interest	YYY					
Other	<u>YYY</u>					
Total Associated Expenses	YYY					
Related Party Transaction Adjustment	<u>ZZZ</u>	<u>ZZZ</u>	<u>ZZZ</u>	<u>ZZZ</u>	<u>ZZZ</u>	<u>ZZZ</u>

AUDIT SCHEDULE
SUBSTANCE ABUSE & MENTAL HEALTH SERVICES
PROGRAM / COST CENTER ACTUAL EXPENSES AND REVENUES SCHEDULE

AGENCY: WestCare Gulfcoast Florida, Inc.

DATE PREPARED: 10/12/2021

CONTRACT #: QG055

BUDGET PERIOD: FROM 7/1/2020 TO 6/30/2021

PART I: ACTUAL FUNDING SOURCES & REVENUES

FUNDING SOURCES & REVENUES A	STATE-DESIGNATED SAMH COST CENTERS											
	STATE SAMH-FUNDED COST CENTERS										Non-SAMH Cost Center G	Total Funding (F+G) H
	Program 1 - Adult			Program 2 - Children			Total for State SAMH-Funded Cost Centers (C ₁ +...+C _x) D	Total for Non-State-Funded SAMH Cost Centers E	Tot. for All State-Designated SAMH Cost Centers (D+E) F			
	Treatment & Aftercare B _{1-a}	MAT B _{1-b}	Total for Program 1 (B _{1-a} +...+B _{1-x}) C ₁	Prevention B _{2-a}	(CC name) B _{2-b}	Total for Program 2 (B _{2-a} +...+B _{2-x}) C ₂						
IA. STATE SAMH FUNDING												
(1) CFBHN - HIV	\$ 47,842	\$	\$ 47,842	\$ -	\$	\$ -	\$ 47,842	xxxxxxxxx	\$ 47,842	xxxxxxxxx	\$ 47,842	
(2) CFBHN - Recovery Support	\$ 189,374	\$	\$ 189,374	\$ -	\$	\$ -	\$ 189,374	xxxxxxxxx	\$ 189,374	xxxxxxxxx	\$ 189,374	
(3) CFBHN - Prevention	\$	\$	\$ -	\$ 27,878	\$	\$ 27,878	\$ 27,878	xxxxxxxxx	\$ 27,878	xxxxxxxxx	\$ 27,878	
(4) CFBHN - MAT (SOR)	\$	\$ 870,611	\$ 870,611	\$	\$	\$ -	\$ 870,611	xxxxxxxxx	\$ 870,611	xxxxxxxxx	\$ 870,611	
(5)	\$	\$	\$ -	\$	\$	\$ -	\$ -	xxxxxxxxx	\$ -	xxxxxxxxx	\$ -	
(6)	\$	\$	\$ -	\$	\$	\$ -	\$ -	xxxxxxxxx	\$ -	xxxxxxxxx	\$ -	
(7) From Other Districts	\$	\$	\$	\$	\$	\$	\$	\$	\$	xxxxxxxxx	\$	
TOTAL STATE SAMH FUNDING =	\$ 237,216	\$ 870,611	\$ 1,107,827	\$ 27,878	\$ -	\$ 27,878	\$ 1,135,705		\$ 1,135,705		\$ 1,135,705	
IB. OTHER GOVT. FUNDING												
(1) Other State Agency Funding	\$	\$	\$ -	\$	\$	\$	\$		\$	\$ 2,590,105	\$ 2,590,105	
(2) Medicaid	\$	\$	\$ -	\$	\$	\$	\$		\$	\$ -	\$ -	
(3) Local Government	\$	\$	\$ -	\$	\$	\$	\$		\$	\$ 1,929,710	\$ 1,929,710	
(4) Federal Grants and Contracts	\$	\$	\$ -	\$	\$	\$	\$		\$	\$ 2,003,103	\$ 2,003,103	
(5) In-kind from local govt. only	\$	\$	\$ -	\$	\$	\$	\$		\$	\$ -	\$ -	
TOT. OTHER GOVT. FUNDING =	\$ -	\$ -	\$ -	\$ -	\$	\$	\$		\$	\$ 6,522,918	\$ 6,522,918	
IC. ALL OTHER REVENUES												
(1) 1st & 2nd Party Payments	\$	\$	\$	\$	\$	\$	\$		\$	\$	\$ -	
(2) 3rd Party Payments (except Medicare)	\$	\$	\$	\$	\$	\$	\$		\$	\$ 854,256	\$ 854,256	
(3) Medicare	\$	\$	\$	\$	\$	\$	\$		\$	\$	\$ -	
(4) Contributions and Donations	\$	\$	\$	\$	\$	\$	\$		\$	\$ 7,104	\$ 7,104	
(5) Other	\$	\$	\$	\$	\$	\$	\$		\$	\$ 1,433,907	\$ 1,433,907	
(6) In-kind	\$	\$	\$	\$	\$	\$	\$		\$	\$ -	\$ -	
TOT. ALL OTHER REVENUES =	\$	\$	\$	\$	\$	\$	\$		\$	\$ 2,295,267	\$ 2,295,267	
TOTAL FUNDING =	\$	\$	\$	\$	\$	\$	\$		\$	\$ 8,818,185	\$ 9,953,890	

AUDIT SCHEDULE
SUBSTANCE ABUSE & MENTAL HEALTH SERVICES
PROGRAM / COST CENTER ACTUAL EXPENSES AND REVENUES SCHEDULE

AGENCY: WestCare Gulfcoast Florida, Inc.

DATE PREPARED: 10/12/2021

CONTRACT #: QG055

BUDGET PERIOD: FROM 7/1/2020 TO 6/30/2021

PART II: ACTUAL EXPENSES

EXPENSE CATEGORIES A	STATE-DESIGNATED SAMH COST CENTERS										Non-SAMH Cost Center G	Other Support Costs (optional) H	Administration I	Total Expenses (F+G+H+I)* J
	STATE SAMH-FUNDED COST CENTERS						Total for State-Funded AMH Cost Centers (C ₁ +...+C ₂) D	Total for Non-State-Funded SAMH Cost Centers E	Tot. for All State-Designated SAMH Cost Centers (D+E) F					
	Program 1			Program 2										
	Treatment & Aftercare B _{1-a}	MAT B _{1-b}	Program 1 Total (B _{1-a} +...+B _{1-x}) C ₁	Prevention B _{2-a}	(CC name) B _{2-b}	Program 2 Total (B _{2-a} +...+B _{2-x}) C ₂								
*except IIC & IID														
IIA. PERSONNEL EXPENSES														
(1) Salaries	\$ 142,569	\$ 93,160	\$ 235,729	\$ 13,004	\$ -	\$ 13,004	\$ 248,733	\$ -	\$ 248,733	\$ 4,034,613	\$ -	\$ -	\$ 4,283,346	
(2) Fringe Benefits	\$ 37,354	\$ 24,408	\$ 61,762	\$ 3,407	\$ -	\$ 3,407	\$ 65,169	\$ -	\$ 65,169	\$ 1,057,092	\$ -	\$ -	\$ 1,122,261	
TOTAL PERSONNEL EXPENSES =	\$ 179,923	\$ 117,568	\$ 297,491	\$ 16,411	\$ -	\$ 16,411	\$ 313,902	\$ -	\$ 313,902	\$ 5,091,705	\$ -	\$ -	\$ 5,405,607	
II.B. OTHER EXPENSES														
(1) Building Occupancy	\$ 40,790	\$ 13,346	\$ 54,136	\$ 3,000	\$ -	\$ 3,000	\$ 57,136	\$ -	\$ 57,136	\$ 759,642	\$ -	\$ -	\$ 816,778	
(2) Professional Services	\$ -	\$ 182,450	\$ 182,450	\$ 8,613	\$ -	\$ 8,613	\$ 191,063	\$ -	\$ 191,063	\$ 139,530	\$ -	\$ -	\$ 330,593	
(3) Travel	\$ 94	\$ 5,500	\$ 5,594	\$ 120	\$ -	\$ 120	\$ 5,714	\$ -	\$ 5,714	\$ 29,849	\$ -	\$ -	\$ 35,563	
(4) Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,895	\$ -	\$ -	\$ 85,895	
(5) Food Services	\$ 17,971	\$ -	\$ 17,971	\$ -	\$ -	\$ -	\$ 17,971	\$ -	\$ 17,971	\$ 465,319	\$ -	\$ -	\$ 483,290	
(6) Medical and Pharmacy	\$ 1,900	\$ 524,469	\$ 526,369	\$ -	\$ -	\$ -	\$ 526,369	\$ -	\$ 526,369	\$ 674,991	\$ -	\$ -	\$ 1,201,360	
(7) Subcontracted Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(8) Insurance	\$ 10,295	\$ 10,000	\$ 20,295	\$ 1,500	\$ -	\$ 1,500	\$ 21,795	\$ -	\$ 21,795	\$ 253,188	\$ -	\$ -	\$ 274,983	
(9) Interest Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(10) Operating Supplies & Expenses	\$ 8,959	\$ 4,382	\$ 13,341	\$ 6,891	\$ -	\$ 6,891	\$ 20,232	\$ -	\$ 20,232	\$ 559,935	\$ -	\$ -	\$ 580,167	
(11) Repair & Maintenance	\$ 17,334	\$ 264	\$ 17,598	\$ -	\$ -	\$ -	\$ 17,598	\$ -	\$ 17,598	\$ 206,970	\$ -	\$ -	\$ 224,568	
(12) Donated Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(13) Behavioral Health Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL OTHER EXPENSES =	\$ 97,343	\$ 740,411	\$ 837,754	\$ 20,124	\$ -	\$ 20,124	\$ 857,878	\$ -	\$ 857,878	\$ 3,175,319	\$ -	\$ -	\$ 4,033,197	
TOT. PERSONNEL & OTH. EXP. =	\$ 277,266	\$ 857,979	\$ 1,135,245	\$ 36,535	\$ -	\$ 36,535	\$ 1,171,780	\$ -	\$ 1,171,780	\$ 8,267,024	\$ -	\$ -	\$ 9,438,804	
II.C. DISTRIBUTED INDIRECT COSTS														
(a) Other Support Costs (Optional)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(b) Administration	\$ 21,349	\$ 78,355	\$ 99,704	\$ 2,509	\$ -	\$ 2,509	\$ 102,213	\$ -	\$ 102,213	\$ 996,561	\$ -	\$ -	\$ 1,098,774	
TOT. DISTR'D INDIRECT COSTS =	\$ 21,349	\$ 78,355	\$ 99,704	\$ 2,509	\$ -	\$ 2,509	\$ 102,213	\$ -	\$ 102,213	\$ 996,561	\$ -	\$ -	\$ 1,098,774	
TOTAL ACTUAL OPER. EXPENSES =	\$ 298,615	\$ 936,334	\$ 1,234,950	\$ 39,044	\$ -	\$ 39,044	\$ 1,273,994	\$ -	\$ 1,273,994	\$ 9,263,584	\$ -	\$ -	\$ 10,537,578	
II.D. UNALLOWABLE COSTS														
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOT. ALLOWABLE OPER. EXP. =	\$ 298,615	\$ 936,334	\$ 1,234,950	\$ 39,044	\$ -	\$ 39,044	\$ 1,273,994	\$ -	\$ 1,273,994	\$ 9,263,584	\$ -	\$ -	\$ 10,537,578	
II.E. CAPITAL EXPENDITURES														
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	



INDEPENDENT AUDITOR'S 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

To the Board of Directors
WestCare GulfCoast-Florida, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of WestCare GulfCoast-Florida, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statement of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 29, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered WestCare GulfCoast-Florida, Inc.'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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of WestCare GulfCoast-Florida, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the WestCare GulfCoast-Florida, Inc.'s internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether WestCare GulfCoast-Florida, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Roos & McNabb CPA's PC

Fresno, California
November 29, 2021



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

To the Board of Directors
WestCare GulfCoast-Florida, Inc.

Report on Compliance for Each Major Federal Program and State Project

We have audited WestCare GulfCoast-Florida, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement*, and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of WestCare GulfCoast-Florida, Inc.'s major federal programs and state projects for the year ended June 30, 2021. WestCare GulfCoast-Florida, Inc.'s major federal programs and state 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 federal awards and state projects applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of WestCare GulfCoast-Florida, Inc.'s major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.650, Rules of the Auditor General. Those standards, the Uniform Guidance, and Chapter 10.650, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program and state project occurred. An audit includes examining, on a test basis, evidence about WestCare GulfCoast-Florida, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program and State Project

In our opinion, WestCare GulfCoast-Florida, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of WestCare GulfCoast-Florida, Inc. 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 WestCare GulfCoast-Florida, Inc.'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 project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of WestCare GulfCoast-Florida, Inc.'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 and state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program and 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 the type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Roos & McNabb CPA's PC

Fresno, California
November 29, 2021