



**YOUTH AND FAMILY ALTERNATIVES, INC.**  
**AND SUPPORTING ORGANIZATION**  
**COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

# YOUTH AND FAMILY ALTERNATIVES, INC.

## AND SUPPORTING ORGANIZATION

### COMBINED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

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## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors  
Youth and Family Alternatives, Inc.  
The Youth and Family Alternatives Foundation, Inc.  
New Port Richey, Florida

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

We have audited the accompanying combined financial statements of Youth and Family Alternatives, Inc. ( a nonprofit organization) and The Youth and Family Alternatives Foundation, Inc. (collectively the Organization), which comprise the combined statement of financial position as of June 30, 2021, and the related combined statement of activities and changes in net assets, combined statement of functional expenses, and combined statement of cash flows for the year then ended, and the related notes to the combined 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2021 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

*Reeder & Associates, PA*

Certified Public Accountants  
November 30, 2021

**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
COMBINED STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2021**

	Youth and Family Alternatives	The Youth and Family Alternatives Foundation	Eliminations	Total
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 8,051,079	\$ 10,609	\$ -	\$ 8,061,688
Grants and contracts receivable	1,251,493	-	-	1,251,493
Due from Supporting Organization	3,050	-	(3,050)	-
Prepaid expenses	60,514	-	-	60,514
<b>Total Current Assets</b>	<b>9,366,136</b>	<b>10,609</b>	<b>(3,050)</b>	<b>9,373,695</b>
Investments	874,754	1,227,860	(874,754)	1,227,860
Beneficial interest in Community Foundation	147,043	-	-	147,043
Deferred compensation plan assets	240,973	-	-	240,973
Property and equipment, net	6,355,610	-	-	6,355,610
Construction in progress	576,500	-	-	576,500
Deposits	51,533	-	-	51,533
<b>Total Assets</b>	<b>\$ 17,612,549</b>	<b>\$ 1,238,469</b>	<b>\$ (877,804)</b>	<b>\$ 17,973,214</b>
<b>Liabilities and Net Assets</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 143,114	\$ -	\$ -	\$ 143,114
Accrued expenses	798,760	-	-	798,760
Current portion of long-term debt	27,344	-	-	27,344
Due to YFA	-	3,050	(3,050)	-
Paycheck Protection Program loan	1,019,600	-	-	1,019,600
<b>Total Current Liabilities</b>	<b>1,988,818</b>	<b>3,050</b>	<b>(3,050)</b>	<b>1,988,818</b>
Rental deposits	4,200	-	-	4,200
Deferred compensation plan liability	240,973	-	-	240,973
Long-term debt	503,906	-	-	503,906
Amounts invested on behalf of YFA	-	874,754	(874,754)	-
<b>Total Liabilities</b>	<b>2,737,897</b>	<b>877,804</b>	<b>(877,804)</b>	<b>2,737,897</b>
<b>Net Assets</b>				
Without donor restrictions:				
Undesignated	7,837,016	360,665	-	8,197,681
Board designated for capital reserves	489,733	-	-	489,733
Board designated for endowment	147,043	-	-	147,043
Invested in property and equipment	6,400,860	-	-	6,400,860
<b>Total net assets without donor restrictions</b>	<b>14,874,652</b>	<b>360,665</b>	<b>-</b>	<b>15,235,317</b>
With donor restrictions:				
Purpose and time restrictions	-	-	-	-
<b>Total net assets with donor restrictions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Net Assets</b>	<b>14,874,652</b>	<b>360,665</b>	<b>-</b>	<b>15,235,317</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 17,612,549</b>	<b>\$ 1,238,469</b>	<b>\$ (877,804)</b>	<b>\$ 17,973,214</b>

Read Report of Independent Certified Public Accountants.  
The accompanying notes are an integral part  
of these combined financial statements.

**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
COMBINED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2021**

	<b>Youth and Family Alternatives</b>	<b>The Youth and Family Alternatives Foundation</b>	<b>Eliminations</b>	<b>Total</b>
<b>Changes in Net Assets Without Donor Restrictions:</b>				
<b>REVENUES</b>				
Grants and contracts	\$ 19,039,876	\$ -	\$ -	\$ 19,039,876
Housing project grants and contracts	21,375	-	-	21,375
United Way	94,204	-	-	94,204
Contributions	87,678	-	-	87,678
In-kind contributions	313,421	-	-	313,421
Rental income	48,062	-	-	48,062
Gain on sale of property	74,646	-	-	74,646
Other revenue	115,835	-	-	115,835
Interest income	3,230	-	-	3,230
Investment return on beneficial interest in Community Foundation	27,335	-	-	27,335
Investment return	-	293,710	-	293,710
<b>Total Revenues</b>	<b>19,825,662</b>	<b>293,710</b>	<b>-</b>	<b>20,119,372</b>
<b>EXPENSES</b>				
<b>Program Services:</b>				
Youth Crisis Shelters	3,271,632	-	-	3,271,632
Prevention	2,165,684	-	-	2,165,684
Foster Care & Adoption Services	11,645,066	-	-	11,645,066
Supportive Housing	123,142	-	-	123,142
	<b>17,205,524</b>	<b>-</b>	<b>-</b>	<b>17,205,524</b>
<b>Support Services:</b>				
Management and general	1,632,421	-	-	1,632,421
Fund development	21,955	-	-	21,955
	<b>1,654,376</b>	<b>-</b>	<b>-</b>	<b>1,654,376</b>
<b>Total Expenses</b>	<b>18,859,900</b>	<b>-</b>	<b>-</b>	<b>18,859,900</b>
<b>Change in Net Assets Without Donor Restrictions</b>	<b>965,762</b>	<b>293,710</b>	<b>-</b>	<b>1,259,472</b>
<b>NET ASSETS, beginning of year</b>	<b>13,908,890</b>	<b>66,955</b>	<b>-</b>	<b>13,975,845</b>
<b>NET ASSETS, end of year</b>	<b>\$ 14,874,652</b>	<b>\$ 360,665</b>	<b>\$ -</b>	<b>\$ 15,235,317</b>

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**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
COMBINED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>SUPPORT SERVICES</u>								<u>Total Expenses</u>
	<u>Youth Crisis Shelters</u>	<u>Prevention</u>	<u>Foster Care &amp; Adoption Services</u>	<u>Supportive Housing</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fund Development</u>	<u>Total Support Services</u>	
Salaries	\$ 1,953,914	\$ 1,272,896	\$ 8,280,282	\$ 73,086	\$ 11,580,178	\$ 1,034,375	\$ -	\$ 1,034,375	\$12,614,553
Employee benefits and payroll taxes	412,503	308,941	1,866,463	18,341	2,606,248	194,862	-	194,862	2,801,110
<b>Total employee costs</b>	<b>2,366,417</b>	<b>1,581,837</b>	<b>10,146,745</b>	<b>91,427</b>	<b>14,186,426</b>	<b>1,229,237</b>	<b>-</b>	<b>1,229,237</b>	<b>15,415,663</b>
In-kind teacher salaries	-	273,477	-	-	273,477	-	-	-	273,477
Professional fees	16,644	4,812	18,424	-	39,880	21,957	-	21,957	61,837
Contract services	16,742	35,531	54,455	21,085	127,813	15,586	18,000	33,586	161,399
Office expenses	214,295	88,324	163,441	499	466,559	83,399	-	83,399	549,958
Occupancy expenses	166,188	33,613	320,104	994	520,899	54,684	-	54,684	575,583
Donated facilities	-	39,944	-	-	39,944	-	-	-	39,944
Travel and transportation costs	5,071	13,758	178,140	-	196,969	1,519	-	1,519	198,488
Equipment expenses	74,199	2,882	216,469	334	293,884	25,227	-	25,227	319,111
Conference and meetings	11,117	7,645	17,065	187	36,014	6,520	242	6,762	42,776
Memberships and fees	30,044	9,513	10,898	120	50,575	2,455	-	2,455	53,030
Insurance expense	167,778	56,622	457,549	-	681,949	58,461	-	58,461	740,410
Program expenses	78,885	9,053	27,303	4	115,245	100	2,317	2,417	117,662
Recruitment costs	7,546	1,014	6,620	-	15,180	12,301	-	12,301	27,481
Other operating expenses	8,140	7,659	27,853	8,492	52,144	16,997	1,396	18,393	70,537
<b>Total expenses before depreciation</b>	<b>3,163,066</b>	<b>2,165,684</b>	<b>11,645,066</b>	<b>123,142</b>	<b>17,096,958</b>	<b>1,528,443</b>	<b>21,955</b>	<b>1,550,398</b>	<b>18,647,356</b>
Depreciation	108,566	-	-	-	108,566	103,978	-	103,978	212,544
<b>TOTAL EXPENSES</b>	<b>\$ 3,271,632</b>	<b>\$ 2,165,684</b>	<b>\$ 11,645,066</b>	<b>\$ 123,142</b>	<b>\$ 17,205,524</b>	<b>\$ 1,632,421</b>	<b>\$ 21,955</b>	<b>\$ 1,654,376</b>	<b>\$18,859,900</b>

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**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
COMBINED STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2021**

	Youth and Family Alternatives	The Youth and Family Alternatives Foundation	Eliminations	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Increase (Decrease) in Net Assets	\$ 965,762	\$ 293,710	\$ -	\$ 1,259,472
<i>Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:</i>				
Depreciation	212,544	-	-	212,544
Unrealized (gain) loss on investments	-	(232,227)	-	(232,227)
Unrealized (gain) loss on beneficial interest in Community Foundation	(26,301)	-	-	(26,301)
Gain on sale of property	(74,646)	-	-	(74,646)
(Increase) decrease in grants and contracts receivable	228,689	-	-	228,689
(Increase) decrease in prepaid expenses	75,552	-	-	75,552
(Increase) decrease in deposits	(22,385)	-	-	(22,385)
Increase (decrease) in accounts payable and accrued expenses	(620,978)	-	-	(620,978)
Increase (decrease) in rental deposits	650	-	-	650
Total adjustments	(226,875)	(232,227)	-	(459,102)
Net cash provided (used) by operating activities	738,887	61,483	-	800,370
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sale of property	138,329	-	-	138,329
Cash payments for construction in progress	(33,330)	-	-	(33,330)
Cash payments for property and equipment	(643,399)	-	-	(643,399)
Reinvestment of investment interest and gains	-	(61,483)	-	(61,483)
Reinvestment of interest on beneficial interest in Community Foundation	(1,034)	-	-	(1,034)
Sales of beneficial interest in Community Foundation	-	-	-	-
Net cash provided (used) by investing activities	(539,434)	(61,483)	-	(600,917)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from issuance of long term debt	531,250	-	-	531,250
Net cash provided (used) by financing activities	531,250	-	-	531,250
<b>Net increase (decrease) in cash and cash equivalents</b>	730,703	-	-	730,703
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	7,320,376	10,609	-	7,330,985
<b>CASH AND CASH EQUIVALENTS, end of year</b>	\$ 8,051,079	\$ 10,609	\$ -	\$ 8,061,688

Read Report of Independent Certified Public Accountants.  
The accompanying notes are an integral part  
of these combined financial statements.



**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE A – DESCRIPTION OF ORGANIZATION**

The Organization consists of Youth and Family Alternatives, Inc. and its supporting organization, The Youth and Family Alternatives Foundation, Inc.

Youth and Family Alternatives, Inc. (YFA) was incorporated in August 1970 and operates as a Florida not-for-profit corporation. The Organization is a provider of social services to children and families throughout central Florida and provides the following services:

**Youth Crisis Shelters** programs include:

The Runaway, Homeless and Youth Crisis Shelters serve youth and their families promoting positive family interactions, resource referrals, and temporary residential care. Our goal is to help families ensure a healthy and safe environment in which to flourish; a nurturing, supportive environment free of drugs and alcohol abuse, of physical, emotional and sexual abuse. These programs assist youth ages 10 through 17 who:

- Are runaway or homeless
- Are “locked out” or “kicked out” of their home by parents or guardians
- Need short-term respite or crisis placement due to family conflict
- Need emergency shelter placement due to abuse and/or neglect
- Need emergency placement due to foster home placement disruption

Runaway, Homeless and Youth Crisis Shelters are there for children who often need an emergency “Safe Place.” Their needs are real, and the protection and care they are given during this transition is critical to their well-being now and for the future.

**Prevention** programs include:

Family Help is a juvenile justice prevention program designed to assist families who have a child that is a runaway, truant, and/or ungovernable or at-risk of these behaviors. Services are aimed at preventing youth from entering the child welfare and/or the juvenile justice system by providing an array of services to strengthen the family. Services are available to families residing in Pasco, Hernando, Citrus, Sumter, Polk, Highlands, and Hardee Counties.

Caring Schools Community creates a caring school environment characterized by kind and supportive relationships and collaboration among students, staff, and parents. The model is consistent with research-based practices for increasing student achievement. By creating a caring school community, the program seeks to promote pro-social values, increase academic motivation and achievement, and prevent drug use, violence, and delinquency.

Community Partnership Schools program aims to increase academic achievement, bridge the gap between school and home, increase student attendance, increase family engagement, and provide a safe, positive environment for students and families.

Read Report of Independent Certified Public Accountants.

**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE A – DESCRIPTION OF ORGANIZATION (continued)**

**Foster Care and Adoption Services** programs include:

Foster Care Case Management Professional case management staff work with families and caregivers to access and coordinate services that are available and appropriate to the child's situation. Service needs for a child in the home with a parent may vary greatly from the needs of a child that has been removed from a parent or caregiver. Case Managers coordinate the delivery of community services to families and caregivers of the children in care. Case Management services are provided to:

- Preserve intact families by strengthening and educating parents and caregivers;
- Reunify children who have been removed from their family;
- Maintain a stable, safe placement for children who are in out-of-home care; and;
- Locate appropriate, safe, and permanent placements for children who cannot be returned to their parents or caregivers.

Case Managers assist parents with accessing a variety of community services that are available and appropriate to their situation. The goal is to ensure parents have the tools, services, and support they need to independently provide a safe, nurturing environment for their children.

Adoption Case Management The Organization works hard to find a loving and nurturing "forever family" for each local foster child who is available to be adopted. There are many children of all ages who are available for adoption. These children deserve a family that will provide a safe and stable environment for them so they can reach their full potential. Adoption Case Managers conduct a comprehensive Child Study of each child that is available for adoption in order to recruit the most appropriate adoptive family. The primary goal is to always recruit adoptive parents that will meet the unique needs of each foster child.

**Supportive Housing** includes:

The Commons at Speer Village (Speer Village) is a supportive housing project that will consist of 56 apartments currently under development by YFA. Residents will have annual earnings less than 50% of the HUD median income for the area and/or be homeless, recipients of Medicaid or recipients of HUD 811 funding. Residents will have the support of either an on-site Supported Living Coach or a Case Manager depending on their level of need.

Speer Village Phase I opened in August 2019 and consists of 6 supportive housing units that serve 8 developmentally disabled adults.

Speer Village Phase II is in the development phase and will consist of 50 supportive housing units that will serve over 100 low to moderate income individuals, families and youth aging out of the foster care system.

Read Report of Independent Certified Public Accountants.

**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE A – DESCRIPTION OF ORGANIZATION (continued)**

The Youth and Family Alternatives Foundation, Inc. (the Supporting Organization) is a supporting organization whose purpose is to receive, hold, manage and invest funds to benefit Youth and Family Alternatives, Inc. The Supporting Organization is a Florida not-for-profit corporation established in 2011.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Combination**

The combined financial statements include the accounts of Youth and Family Alternatives, Inc. and The Youth and Family Alternatives Foundation, Inc. (collectively the Organization). The management and control of the supporting organization is at all times to be vested in the persons who control or manage YFA. Fifty percent (50%) of the Board of the Supporting Organization consists of members of the Board of Directors of YFA. As such, combination is required by Financial Accounting Standards Board (FASB) Accounting Standards Codification 958-810 Not-for-Profit Entities Consolidation. All material inter-organizational transactions have been eliminated.

**Basis of Presentation**

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

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations, including restricted contributions whose restrictions are met in the same reporting period.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that:

- may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, 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.
- are maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

**Estimates**

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Read Report of Independent Certified Public Accountants.

**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Cash and Cash Equivalents**

The Organization considers currency on hand, demand deposits and money market funds as cash. Cash equivalents consist of highly liquid debt instruments purchased with maturities of three months or less.

**Grants and Contracts Receivable**

Grants and contracts receivable result from services which have been provided pursuant to various State and Federal grants and contracts, but for which reimbursement has not yet been received at June 30, 2021. The Organization does not maintain an allowance for estimated uncollectible accounts as any amounts determined unallowable by the grantor are deducted from revenue upon notification of the disallowance. No material amounts were subsequently disallowed with respect to the amounts recorded at June 30, 2021.

**Grant and Contract Revenues**

Revenues from grants and contracts are recorded based upon terms of the grantor allotment which generally provide that revenues are earned when the allowable costs of the specific grant provisions have been incurred. Revenues are subject to audit by the grantor and, if the examination results in a disallowance of any expenditure, repayment could be required. As of June 30, 2021, grants and contracts were 95% of total revenue, with 86% of the funding from three agencies (36%, 31%, and 19%, respectively).

**Property and Equipment**

Property and equipment are stated at historical cost and depreciated using the straight-line method over the estimated useful lives of each asset ranging from 3 to 39 years. Acquisitions of property and equipment in excess of \$5,000 are capitalized. Maintenance and repairs are charged to operations when incurred.

**Donated Facilities and Services**

Donated facilities are reflected in the accompanying financial statements as revenue and expense based on the fair rental value of comparable facilities.

Donated services are recorded at their approximate fair value if they create or enhance non-financial assets, are of a specialized nature, are provided by an individual possessing those skills, and would have been purchased if not donated.

**Fair Value of Financial Instruments**

Professional standards require disclosure of an estimate of fair value of certain financial instruments. The Organization's significant financial instruments are cash and cash equivalents, grants and contracts receivable, and other short-term assets and liabilities. For these financial instruments, carrying values approximate fair value due to the short-term nature of these instruments.

Read Report of Independent Certified Public Accountants.

**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Concentration of Credit Risk**

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist principally of cash and cash equivalents. The Organization places its cash with creditworthy, high quality financial institutions. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Organization has not experienced any losses from its deposits. The amount in excess of the FDIC limit totaled \$7,744,851 at June 30, 2021.

Additional financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of grant and contract receivables from State of Florida agencies. Concentration of credit risk with respect to grants and contracts receivable is minimized due to the amounts being backed by the government. The Organization has not experienced any material losses with respect to its receivables. At June 30, 2021 approximately 76% of grant and contract receivables were from three agencies (46%, 23% and 7%, respectively).

**Income Tax Status**

The Organization is exempt from federal and state income taxes under Section 501 (c)(3) of the Internal Revenue Code and similar state provisions. The Organization is treated as a public supported organization, and not as a private foundation. Accordingly, no provision for income taxes has been reflected in the accompanying financial statements. The Organization accounts for uncertain tax positions, if any, in accordance with ASC Section 740.

Management is not aware of any activities that would jeopardize the Organization's tax-exempt status. The Organization is not aware of any tax positions that is has taken that are subject to a significant degree of uncertainty. The Organization believes it is no longer subject to income tax examinations for fiscal years ending prior to June 30, 2018.

**Functional Allocation of Expenses**

Expenses are shown by natural expense classification and function in the accompanying statement of functional expenses for each year presented. Expenses that are associated with a specific program are charged directly to that program. Expenses that are attributable to more than one program or supporting function are allocated on a reasonable basis that is consistently applied. Allocations are based on direct usage or management's estimate of the benefit derived by each activity. Management's estimates may be based on factors such as time and effort, square footage, clients served, or any other reasonable basis. The expenses that are allocated on the basis of estimates of time and effort are salaries, payroll taxes, employee benefits, mileage and travel, employee training, insurance, certain supplies, and dues and subscriptions. Rent, building repair and maintenance, and utilities are allocated on a square footage basis. Depreciation is allocated based on the percentage of non-payroll expenses to total non-payroll expenses for each program and supporting function.

Read Report of Independent Certified Public Accountants.

**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE C – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The following reflects the Organization’s financial assets as of the statement of financial position date. These financial assets are required to be reduced by those not available for general use within one year of the statement of financial position date.

	<b>2021</b>
Financial assets:	
Cash and cash equivalents	\$ 8,061,688
Investments	1,227,860
Grants and contracts receivable	1,251,493
Beneficial interest in Community Foundation	147,043
 Total financial assets	 10,688,084
 Less those unavailable for general expenditure within one year:	
Investments	(1,227,860)
Beneficial interest in Community Foundation	(147,043)
 Financial assets available to meet general expenditures within one year	 \$ 9,313,181

The Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due and strives to operate within a prudent range of financial soundness and stability, maintain adequate liquid assets to fund near-term operating needs, and maintain sufficient reserves to provide reasonable assurance that any long-term obligations will be discharged. Financial assets in excess of daily cash requirements may be invested in certificates of deposit, money market funds or other short-term investments.

The Organization receives significant grants and contributions restricted by funders and donors. The Organization considers grants and contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures.

Read Report of Independent Certified Public Accountants.

**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE D – INVESTMENTS AND FAIR VALUE MEASUREMENTS**

In accordance with Professional Standards, *Fair Value Measurements* establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under Professional Standards are described below:

**Level 1**

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

**Level 2**

Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

**Level 3**

Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation methodologies used for the assets measured at fair value:

Investments in mutual funds, stocks and money market funds are valued at the closing price on the active market which the individual securities are traded.

Beneficial interest in Community Foundation is valued at the fair value of the investments of the related trust.

Deferred Compensation plan assets are valued at the fair value of the investments of the underlying individual statements of plan participants.

Read Report of Independent Certified Public Accountants.

**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE D – INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)**

*The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value at June 30, 2021:*

	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Short term investments		\$		
	\$ 10,577	10,577	\$ -	\$ -
Mutual funds	681,490	681,490	-	-
Equities	321,476	321,476	-	-
Bonds			214,317	-
	214,317			
Deferred compensation plan	240,973	-	-	240,973
Beneficial interest in Community Foundation	147,043	-	-	147,043
			\$	
Total	<u>\$ 1,615,876</u>	<u>\$1,013,543</u>	<u>214,317</u>	<u>\$ 388,016</u>

The reconciliation of the changes in the deferred compensation plan and beneficial interest in Community Foundation measured at fair value on a recurring basis using significant unobservable inputs (Level 3) is as follows:

	<u>Deferred compensation plan</u>	<u>Beneficial interest in Community Foundation</u>
Balance at June 30, 2020	\$ 163,102	\$ 119,708
Contributions to plan	19,500	-
Withdrawals	-	-
Amounts used for programs	-	-
Net change (realized and unrealized)	<u>58,371</u>	<u>27,335</u>
Balance at June 30, 2021	<u>\$ 240,973</u>	<u>\$ 147,043</u>

Read Report of Independent Certified Public Accountants.



**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE E – PROPERTY AND EQUIPMENT**

At June 30, 2021, property and equipment consist of the following:

	2021
Land	\$ 872,323
Building	8,188,056
Furniture and equipment	554,889
Vehicles	129,081
	9,744,349
Less accumulated depreciation	(3,388,739)
Net property and equipment	\$ 6,355,610

**NOTE F – LONG-TERM DEBT**

In June 2021, the Organization purchased property in Citrus County for program operations. The contract price plus settlement charges totaled \$639,764. The Organization financed the majority of the purchase. The Organization's obligations under long-term debt consist of the following at June 30, 2021:

Note payable to bank, \$3,809 total monthly payments including interest of 3.49%, due June 2036, secured by land and building with a net book value of \$640,000	\$ 531,250
Less current maturities	( 27,344)
	\$ 503,906

Future scheduled maturities of long-term debt are as follows:

For the years ending December 31:	
2022	\$ 27,344
2023	28,327
2024	29,300
2025	30,499
2026	31,678
Thereafter	384,102
Total	\$ 531,250

Read Report of Independent Certified Public Accountants.

**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE G – ENDOWMENT**

The Community Foundation of Tampa Bay (Community Foundation) holds endowment funds for the benefit of the Organization. Assets contributed to the Community Foundation for the benefit of the Organization are recorded as assets of the Organization in accordance with professional standards. These “agency restricted funds” are pooled with the other assets of the Community Foundation for investment purposes.

“Agency restricted funds” which were established for the Organization within the Community Foundation had fair market values of \$147,043 at June 30, 2021.

In accordance with professional standards, the Organization provides the composition of the endowment by net asset class and the endowment related activities for the year ended June 30, 2021. No change in the net asset classification of the endowment fund is required.

Endowment Net Asset Composition by Type of Fund as of June 30, 2021:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Beneficial interest in Community Foundation	<u>\$ 147,043</u>	<u>-</u>	<u>\$ 147,043</u>

Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2021:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 119,708	\$ -	\$ 119,708
Net appreciation Amounts	27,335	-	27,335
appropriated for expenditure	<u>-</u>	<u>-</u>	<u>-</u>
Endowment net assets, end of year	<u>\$ 147,043</u>	<u>\$ -</u>	<u>\$ 147,043</u>

Read Report of Independent Certified Public Accountants.

**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE G – ENDOWMENT (continued)**

**Return Objectives and Risk Parameters**

Assets contributed to the Community Foundation for the benefit of the Organization are recorded as assets of the Organization in accordance with professional standards. These “agency restricted funds” are pooled with the other assets of the Community Foundation for investment purposes.

**Interpretation of Relevant Law**

The Board of Directors has interpreted the law as requiring donor restricted net assets in an endowment fund to remain restricted until appropriated for expenditure by the Organization for the donor’s intended purpose. In accordance with Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA), the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The purposes of the organization and the donor-restricted endowment fund
- 2) General economic conditions
- 3) The possible effect of inflation and deflation
- 4) The expected total return from income and the appreciation of investments
- 5) Other resources of the organization
- 6) The investment policies of the Organization.

**Spending Policy**

The Community Foundation can make annual distributions to the Organization of no less than 5% of the fund’s fair market value upon written request from The Organization. For the year ended June 30, 2021, the Organization took \$0 in distributions from the funds.

**NOTE H – PAYCHECK PROTECTION PROGRAM**

During fiscal 2020, the Organization obtained a Paycheck Protection Program (PPP) loan under the CARES Act of \$1,019,600 to help keep their workforce employed during the COVID-19 crisis. The loan has a maturity of 2 years, an interest rate of 1% and initial loan payments are deferred for ten months. The loan can be fully forgiven if the funds are used for payroll costs, interest on mortgages, rent, and utilities. Management intends to comply with the forgiveness provisions and expects the loan to be forgiven in fiscal year 2022. Upon notification of forgiveness, the Organization will recognize \$1,019,600 in grant revenue. The loan was forgiven on August 3, 2021.

**NOTE I – DONATED FACILITIES AND SERVICES**

Donated facilities and services for the year ended June 30, 2021 consisted of the following:

Prevention Program:

Teacher salaries	\$ 273,477
Use of facilities	<u>39,944</u>
Total	<u>\$ 313,421</u>

Read Report of Independent Certified Public Accountants.

**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE J – MATCHING REQUIREMENTS OF FEDERAL AND STATE GRANTS**

The Organization has complied with all matching requirements provided for by its Federal and State grants. Accordingly, no match liability exists at June 30, 2021.

**NOTE K – EMPLOYEE BENEFIT PLAN**

The Organization has a tax deferred annuity plan covering substantially all employees. Annually the Organization may make a discretionary contribution at a rate equal to a percentage of each participant's compensation. Participating employees may also elect to contribute a percentage of their compensation. Participants fully vest in their accounts immediately. During the year ended June 30, 2021, the Organization made contributions totaling \$252,272 to the plan. The Organization incurred no administrative expenses related to the plan during the year ended June 30, 2021.

**NOTE L – 457(b) NON-QUALIFIED DEFERRED COMPENSATION PLAN**

The Organization has implemented a supplemental retirement plan for its senior staff executives. This plan allows the Organization to make contributions to a 457 (b) employee account. The Organization contributed \$19,500 to the plan for the year ended June 30, 2021. The Organization incurred no administrative expenses related to the plan during the year ended June 30, 2021.

**NOTE M – LEASES**

The Organization leases certain facilities, vehicles and equipment for the operation of its programs under long-term operating leases through 2026. The following is a schedule by year of future minimum lease payments required under such operating leases which have initial or remaining non-cancelable lease terms as of June 30, 2021:

<u>Year ended June 30,</u>	
2022	\$ 151,768
2023	101,556
2024	78,561
2025	8,570
2026	2,900

Lease expense incurred for facilities, included in occupancy expense, totaled \$279,428 for the year ended June 30, 2021. Vehicle and equipment lease expenses, included in equipment expenses, totaled \$152,994 for the year ended June 30, 2021.

Read Report of Independent Certified Public Accountants.

**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE N – COMMITMENTS AND CONTINGENCIES**

The Organization is the recipient of grants and other third-party reimbursement funds that are subject to special compliance audits by the granting agency and other third-party agencies that provide these reimbursements. The results of these audits may result in disallowed expense amounts. Disallowed amounts, if any, would constitute a contingent liability of the Organization. Accordingly, such liabilities are not reflected in the financial statements. The Organization does not believe any contingent liabilities, if any to be material.

**Employment Agreement**

In April 2017, the Organization entered into a five-year employment agreement with the Chief Executive Officer (CEO). At June 30, 2021, the amount of commitment remaining on the contract is approximately \$127,500. In the event of termination of the contact by either party, the CEO would only be entitled to compensation accrued through the effective date of the termination.

**NOTE N – AVAILABLE LINES OF CREDIT**

The Organization has a \$1,000,000 bank line of credit available for its periodic borrowing needs. The line of credit expires January 30, 2022 and is renewable annually. Any borrowings under the line of credit are due on demand and bear interest at Daily LIBOR Rate plus 2.5% (2.590% at June 30, 2021). There were no outstanding borrowings on the line of credit at June 30, 2021.

The Organization has a Visa Commercial Card agreement with a bank. This agreement allows for several cardholders with specified spending limits. The collective credit limit for all cards under the agreement is \$350,000. The balance on the collective account is paid monthly.

**NOTE O – DEVELOPER AGREEMENT AND DEFERRED PAYMENT MORTGAGE**

During the year ended June 30, 2018, the Organization entered into a developer agreement with Pasco County (the County) to assist the County in utilizing funds provided through the Neighborhood Stabilization Program, the Home Investments Partnership Program, and the State Housing Initiatives Partnership Program. Pursuant to the agreement, the Organization developed a six unit, eight-person supportive living facility in New Port Richey for developmentally disabled adults. The construction of the rental units was completed in August 2019. The agreement also includes the execution of a 50-year, \$875,000 deferred mortgage and promissory note with the County, secured by the facility. The deferred mortgage and promissory note become payable if the Organization stops using the property as a rental property for the designated income level and persons with special needs or does not properly maintain the property during the 50-year period.

**YOUTH AND FAMILY ALTERNATIVES, INC.  
AND SUPPORTING ORGANIZATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE P – SUBSEQUENT EVENTS**

Subsequent to the year ended June 30, 2021, the Organization purchased land in Pasco County for expansion purposes. Purchase price was approximately \$545,000 in cash.

In September 2021, the Organization purchased land in Hernando County for program purposes. Purchase price was approximately \$259,000 in cash.

As a result of the spread of the COVID-19 Coronavirus, economic uncertainties have arisen which may negatively impact revenue and support. The Organization has been responsive to the COVID-19 crisis including providing clients virtual services. As the Organization continues to evaluate its response and the community's response to COVID-19, there could be additional impact which is unknown at this time.

Management has evaluated subsequent events through November 30, 2021, the date the financial statements were available to be issued.



**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS  
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 Youth and Family Alternatives, Inc.  
The Youth and Family Alternatives Foundation, Inc.  
New Port Richey, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Youth and Family Alternatives, Inc. ( a nonprofit organization), and The Youth and Family Alternatives Foundation, Inc. (collectively the Organization) which comprise the combined statement of financial position as of June 30, 2021, and the related combined statement of activities and changes in net assets, combined statement of functional expenses, and combined statement of cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated November 30, 2021.

***Internal Control Over Financial Reporting***

In planning and performing our audits of the combined financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Organization's combined financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Reeder & Associates, PA*

Certified Public Accountants  
November 30, 2021



**SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES  
SCHEDULES (SAMH)**



**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON  
SUPPLEMENTARY INFORMATION – SUBSTANCE ABUSE AND  
MENTAL HEALTH SERVICES SCHEDULES**

To Youth and Family Alternatives, Inc.  
The Youth and Family Alternatives Foundation, Inc.  
New Port Richey, Florida

We have audited the combined financial statements of Youth and Family Alternatives, Inc. (a nonprofit organization) and The Youth and Family Alternatives Foundation, Inc. (collectively the Organization) as of and for the year ended June 30, 2021 and have issued our report thereon dated November 30, 2021. Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying Substance Abuse and Mental Health Services schedules presented on pages 26-28 are presented for purposes of additional analysis and are not a required part of the combined 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 combined financial statements. The information has been subjected to auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.

*Reeder & Associates, PA*

Certified Public Accountants  
November 30, 2021

**YOUTH AND FAMILY ALTERNATIVES, INC.  
INDEX TO SUPPLEMENTAL SCHEDULES ON  
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES  
YEAR ENDED JUNE 30, 2021**

	<b><u>Page</u></b>
<b>Required Substance Abuse and Mental Health Schedules:</b>	
Schedule of State Earnings	26
Schedule of Related Party Transactions	27
Schedule of Program Actual Revenues and Expenses	28
Schedule of Bed-Day Availability Payments	Not Applicable

**YOUTH AND FAMILY ALTERNATIVES, INC.  
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES  
SCHEDULE OF STATE EARNINGS  
FOR THE YEAR ENDED JUNE 30, 2021**

<b>1</b>	Total Expenditures	\$	946,807
<b>2</b>	Less Other State and Federal Funds		(412,476)
<b>3</b>	Less Non-Match SAMH Funds		-
<b>4</b>	Less Unallowable Costs per 65E-14, FAC		<u>-</u>
<b>5</b>	Total Allowable Expenditures (Sum of lines 1,2,3, and 4)	\$	<u>534,331</u>
<b>6</b>	Maximum Available Earnings (Line 5 times 75%)	\$	400,748
<b>7</b>	Amount of State Funds Requiring Match		<u>-</u>
<b>8</b>	(Amount Due to Department) Excess Match (Subtract line 7 from line 6)	\$	<u>400,748</u>

Read Report of Independent Certified Public Accountants on Supplementary Information.

**YOUTH AND FAMILY ALTERNATIVES, INC.  
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES  
SCHEDULE OF RELATED PARTY TRANSACTIONS  
FOR THE YEAR ENDED JUNE 30, 2021**

**THIS SCHEDULE IS NOT APPLICABLE**

SCHEDULE OF RELATED PARTY TRANSACTION ADJUSTMENTS

\$           -

Read Report of Independent Certified Public Accountants on Supplementary Information.

**YOUTH AND FAMILY ALTERNATIVES, INC.  
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES  
SCHEDULE OF PROGRAM ACTUAL REVENUES AND EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2021**

<u>Funding Sources And Revenues</u>	<u>CENTER</u>
	<u>Prevention (CSC)</u>
<b>STATE SAMH FUNDING</b>	
Central Florida Behavioral Health Network	\$ 412,476
<b>ALL OTHER REVENUES</b>	
In-kind	313,421
<b>TOTAL REVENUES</b>	<b>\$ 725,897</b>
<b>Expense Categories</b>	
<b>Personnel Expense</b>	
Salaries	\$ 259,609
Fringe Benefits	63
<b>Total Personnel Expenses</b>	<b>259,672</b>
<b>Other Expenses</b>	
Building Occupancy	343
Professional Services	779
Travel	447
Equipment	20
Food Services	-
Medical and Pharmacy	-
Subcontracted Services	-
Insurance Expense	12,224
Interest	-
Operating Supplies & Expenses	320,195
Other	1,202
Donated Items (in-kind)	313,421
<b>Total Other Expenses</b>	<b>648,631</b>
<b>Total Personnel and Other Expenses</b>	<b>908,303</b>
<b>Distributed Indirect Costs</b>	
Administration	\$ 38,504
Total Distributed Indirect Costs	38,504
<b>TOTAL OPERATING EXPENSES</b>	<b>946,807</b>
<b>Unallowable Costs</b>	<b>-</b>
<b>TOTAL ALLOWABLE OPERATING EXPENSES</b>	<b>946,807</b>
<b>Capital Expenditures</b>	<b>-</b>
<b>TOTAL EXPENSES</b>	<b>\$ 946,807</b>

Read Report of Independent Certified Public Accountants on Supplementary Information.

**SINGLE AUDIT REPORT AND  
SUPPLEMENTARY INFORMATION**



**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS  
ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE FINANCIAL  
ASSISTANCE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE,  
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY  
UNIFORM GUIDANCE AND CHAPTER 10.650, RULES OF THE AUDITOR GENERAL,  
STATE OF FLORIDA**

To Youth and Family Alternatives, Inc.  
New Port Richey, Florida

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

We have audited Youth and Family Alternatives, Inc.'s (YFA) compliance with the types of compliance requirements described in the *OMB Compliance Supplement*, and the requirements described in the Department of Financial Services' State Project's Compliance Supplement that could have a direct and material effect on each of YFA's major federal programs and major state projects for the year ended June 30, 2021. YFA'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state projects.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of YFA'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, State of Florida (Chapter 10.650). Those standards, the Uniform Guidance, and Chapter 10.650, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or a major state project occurred. An audit includes examining, on a test basis, evidence about YFA'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 each major state project. However, our audit does not provide a legal determination of YFA's compliance.



## ***Opinion on Each Major Federal Program and State Financial Assistance Project***

In our opinion, YFA 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 YFA 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 YFA's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program or state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state project and to test and report on internal control over compliance in accordance with Uniform Guidance and Chapter 10.650, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of YFA'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 financial assistance project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state financial assistance project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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 Chapter 10.650. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Financial Assistance Required by Uniform Guidance and Chapter 10.650, Rules of the Auditor General, State of Florida**

We have audited the financial statements of YFA and Supporting Organization as of and for the year ended June 30, 2021, and have issued our report thereon dated November 30, 2021, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole.

The accompanying schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance are presented for purposes of additional analysis as required by Uniform Guidance and Chapter 10.650, Rules of the Auditor General, State of Florida and are 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 schedule of expenditure of federal awards and the schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the financial statements as a whole.

*Reeder & Associates, PA*

Certified Public Accountants

March 11, 2022

**YOUTH AND FAMILY ALTERNATIVES, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM OR CLUSTER TITLE	Federal ALN #	Pass-Through Entity Identifying Number	Federal Expenditures	State Matching Funds for Federal Programs	Total Expenditures
<b>Department of Health and Human Services Direct Programs</b>					
Basic Center Grant	93.623	90CY696003;90CY69 5903	\$ 271,047	\$ -	\$ 271,047
<b>Total Department of Health and Human Services Direct Programs</b>			<u>271,047</u>	<u>-</u>	<u>271,047</u>
Department of Health and Human Services Pass-Through Programs From:					
Temporary Assistance for Needy Families	93.558				
Eckerd Connects		ECA-C6-CMO-YFA-FY22	749,308	516,892	1,266,200
Kids Central, Inc.		CH029	919,847	486,233	1,406,080
<i>Total Temporary Assistance for Needy Families</i>			<u>1,669,155</u>	<u>1,003,125</u>	<u>2,672,280</u>
<b>Other Programs</b>					
Department of Health and Human Services Pass-Through Programs From:					
Block Grants for Prevention and Treatment of Substance Abuse	93.959				
Central Florida Behavioral Health Network		QC057	385,047	-	385,047
Adoption Assistance	93.659				
Eckerd Connects		ECA-C6-CMO-YFA-FY22	78,993	78,991	157,984
Kids Central, Inc.		CH029	280,963	280,963	561,926
<i>Total Adoption Assistance</i>			<u>359,956</u>	<u>359,954</u>	<u>719,910</u>
Promoting Safe and Stable Families	93.556				
Eckerd Connects		ECA-C6-CMO-YFA-FY22	405,616	2,786	408,402
Kids Central, Inc.		CH029	286,207	3,238	289,445
<i>Total Promoting Safe and Stable Families</i>			<u>691,823</u>	<u>6,024</u>	<u>697,847</u>
Grants to States for Access and Visitation Programs	93.597				
Kids Central, Inc.		CH029	14,738	-	14,738
<i>Total Grants to States for Access and Visitation Programs</i>			<u>14,738</u>	<u>-</u>	<u>14,738</u>
<b>Medicaid Cluster</b>					
Medical Assistance Program	93.778				
Kids Central, Inc.		CH029	22,978	22,978	45,956
<i>Total Medicaid Cluster</i>			<u>22,978</u>	<u>22,978</u>	<u>45,956</u>

Read Report of Independent Certified Public Accountants.  
See accompanying notes to Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Financial Assistance.

YOUTH AND FAMILY ALTERNATIVES, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)  
FOR THE YEAR ENDED JUNE 30, 2021

GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM OR CLUSTER TITLE	Federal ALN #	Pass-Through Entity Identifying Number	Federal Expenditures	State Matching Funds for Federal Programs	Total Expenditures
Social Services Block Grant	93.667				
Children's Network of SW FI		SBR34	\$ 1,224	\$ -	\$ 1,224
Eckerd Connects		ECA-C6-RGC-YFA-FY22	56,619	-	56,619
Eckerd Connects		ECA-C13-RGC-YFA-FY21	6,357	-	6,357
Embrace Families CBC		CBC YFA1	1,184	-	1,184
Embrace Families CBC		CBC YFA2	306	-	306
Heartland For Children		QYF01	39,600	-	39,600
<i>Total Social Services Block Grant</i>			<u>105,290</u>	<u>-</u>	<u>105,290</u>
Stephanie Tubbs Jones Child Welfare	93.645				
Eckerd Connects		ECA-C6-CMO-YFA-FY22	58,506	19,502	78,008
Kids Central, Inc.		CH029	79,033	26,344	105,377
<i>Total Stephanie Tubbs Jones Child Welfare Services</i>			<u>137,539</u>	<u>45,846</u>	<u>183,385</u>
Foster Care-Title IV-E	93.658				
Eckerd Connects		ECA-C6-RGC-YFA-FY22	73,094	34,443	107,537
Eckerd Connects		ECA-C13-RGC-YFA-FY22	49,841	23,486	73,327
Eckerd Connects		ECA-C13-CMO-YFA-FY22	1,326,054	1,326,015	2,652,069
Embrace Families CBC		CBC YFA1	5,438	2,562	8,000
Embrace Families CBC		CBC YFA2	680	320	1,000
Heartland For Children		QYF01	94,663	44,659	139,322
Kids Central, Inc.		CH029	1,464,884	1,464,884	2,929,768
<i>Total Foster Care-Title IV-E</i>			<u>3,014,654</u>	<u>2,896,369</u>	<u>5,911,023</u>
<b>Total Department of Health and Human Services Pass-Through</b>			<u>6,401,180</u>	<u>4,334,296</u>	<u>10,735,476</u>
<b>Total Department of Health and Human Services</b>			<u>6,672,227</u>	<u>4,334,296</u>	<u>11,006,523</u>
<b>Department of Agriculture Pass-Through Program</b>					
Child and Adult Care Food Program	10.558				
State of Florida Department of Health			102,048	-	102,048
<b>Total Department of Agriculture</b>			<u>102,048</u>	<u>-</u>	<u>102,048</u>
<b>Department of Treasury Pass-Through Program</b>					
Coronavirus Relief Fund	21.019				
Pasco County Government			57,260	-	57,260
Hernando County Government			37,394	-	37,394
<b>Total Department of Treasury</b>			<u>94,654</u>	<u>-</u>	<u>94,654</u>

Read Report of Independent Certified Public Accountants.  
See accompanying notes to Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Financial Assistance.

YOUTH AND FAMILY ALTERNATIVES, INC.  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)  
 FOR THE YEAR ENDED JUNE 30, 2021

GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM OR CLUSTER TITLE	Federal ALN #	Pass- Through Entity Identifying Number	Federal Expenditures	State Matching Funds for Federal Programs	Total Expenditures
State of Florida Matching Funds - No ALN Number Identified - To be Tested Pursuant to OCA Activity	90.XXX				
Eckerd Connects	ECA-C6-RGC-YFA-FY22		\$ -	\$ 134,644	\$ 134,644
Eckerd Connects	ECA-C13-RGC-YFA-FY22		-	15,116	15,116
Eckerd Connects	ECA-C13-CMO-YFA-FY22		-	1,391,601	1,391,601
Children's Network of SW FI	SBR34		-	2,912	2,912
Embrace Families CBC	CBC YFA1		-	2,816	2,816
Embrace Families CBC	CBC YFA2		-	726	726
Heartland For Children	QYF01		-	91,378	91,378
Kids Central, Inc.	CH029		-	1,558,868	1,558,868
<i>Total State of Florida Matching</i>			-	3,198,061	3,198,061
<b>Total Expenditures of Federal Awards</b>			<b>\$ 6,868,929</b>	<b>\$ 7,532,357</b>	<b>\$ 14,401,286</b>

Read Report of Independent Certified Public Accountants.  
 See accompanying notes to Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Financial Assistance.

**YOUTH AND FAMILY ALTERNATIVES, INC.**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	State CSFA #	Pass-Through Entity Identifying Number	State Expenditures
<b>Florida Department of Juvenile Justice Direct Program</b>			
Capital grant	80.005	10671	\$ 232,366
<b>Total Florida Department of Juvenile Justice Direct Program</b>			232,366
Florida Department of Juvenile Justice Pass-Through Programs From:			
Children and Families in Need of Services Florida Network of Youth and Family Services	80.005	N/A	3,749,429
<b>Total Florida Department of Juvenile Justice</b>	80.005		3,981,795
<b>Florida Department of Children and Families Direct Program</b>			
Youth & Family Alternatives Housing Assistance	60.147	N/A	513,176
<b>Florida Department of Children and Families Pass-Through Programs From:</b>			
Out of Home Supports	60.074		
Children's Network of SW FI		SBR14	26
Children's Network of SW FI		New Beginnings Youth Shelter	78
Eckerd Connects		ECA-C6-RCG-YFA-FY2021	22,195
Total Out of Home Supports			22,299
<b>Total Florida Department of Children and Families</b>			535,475
<b>Florida Department of Education Pass-Through Program From:</b>			
School and instructional enhancement programs University of Central Florida	48.040	18117004-02	308,982
<b>Total Florida Department of Education</b>			308,982
<b>Total Expenditures of State Financial Assistance Projects</b>			\$ 4,826,252

Read Report of Independent Certified Public Accountants.  
See accompanying notes to Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Financial Assistance.

**YOUTH AND FAMILY ALTERNATIVES, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND SCHEDULE OF**  
**EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2021**

**NOTE 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards and schedule of expenditures of state financial assistance (the Schedules) include the federal and state award activity of Youth and Family Alternatives, Inc. (YFA) under programs of the federal government and State of Florida for the year ended June 30, 2021. The information in the Schedules is presented in accordance with 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 of the State of Florida. Because the Schedules present only a selected portion of the operations of YFA, it is not intended to and does not present the financial position, changes in net assets, or cash flows of YFA.

Pursuant to the Uniform Guidance, YFA, as a sub-recipient of federal awards, has provided the name of the pass-through entity and the identifying description and number assigned by the pass-through entity when available from the pass-through entity. YFA has provided the total federal awards expended for each individual federal program and the ALN number or other identifying information when the ALN information is not available. The Uniform Guidance does not require YFA to provide this information, nor a breakdown of amounts awarded by ALN number if that information is not available from the awarding agency.

**NOTE 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedules are reported on the accrual basis of accounting.

Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. YFA has elected to use the 10-percent de minimus indirect cost rate for certain contracts as allowed under the Uniform Guidance.

**NOTE 3. Sub-Recipients**

No awards were passed through to sub-recipients for the year ended June 30, 2021.

**YOUTH AND FAMILY ALTERNATIVES, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2021**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unmodified opinion on whether the financial statements of Youth and Family Alternatives Inc. and Supporting Organization (the Organization) were prepared in accordance with accounting principles generally accepted in the U.S.
2. There were no significant deficiencies disclosed during the audit of the financial statements and no material weaknesses were reported.
3. No instances of noncompliance material to the financial statements were disclosed during the audit of the financial statements.
4. There were no significant deficiencies disclosed during the audit of the major federal award programs or major state projects and no material weaknesses were reported.
5. The auditor's report on compliance for the major federal award programs and major state projects expresses an unmodified opinion.
6. There were no audit findings relative to the major federal programs or the major state projects.
7. The programs/projects tested as major programs/projects included:

**Federal:**

***US Department of Health and Human Services***

*93.558 Temporary Assistance for Needy Families*

**State:**

***Florida Department of Juvenile Justice***

80.005 Children and Families in Need of Services

8. The dollar threshold for distinguishing between Type A and Type B federal programs was \$750,000. The threshold for distinguishing between Type A and Type B state financial assistance projects was \$300,000.
9. YFA was determined to be a low-risk auditee pursuant to Uniform Guidance.

**B. FINDINGS – FINANCIAL STATEMENTS AUDIT**

NONE



**YOUTH AND FAMILY ALTERNATIVES, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)**  
**YEAR ENDED JUNE 30, 2021**

- C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARDS PROGRAMS**  
NONE
  
- D. FINDINGS AND QUESTIONED COSTS—MAJOR STATE FINANCIAL ASSISTANCE PROJECTS**  
NONE
  
- E. OTHER ISSUES**  
NONE
  
- F. PRIOR YEAR FINDINGS**  
NONE
  
- G. MANAGEMENT LETTER (Chapter 10.650, Rules of the Auditor General, State of Florida)**  
NO ITEMS REQUIRED TO BE REPORTED.