

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**

**FINANCIAL STATEMENTS  
AND ADDITIONAL INFORMATION**

**FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

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# ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Center for Family and Child Enrichment, Inc.

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of Center for Family and Child Enrichment, Inc. (a nonprofit organization) (the "Center"), which comprise the statements of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Center as of June 30, 2022, 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.

#### *Basis for Opinion*

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.



In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Center's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Prior Period Financial Statements**

The financial statements of Center for family and Child Enrichment, Inc. as of June 30, 2021, were audited by other auditors whose report dated November 16, 2021, expressed an unmodified opinion on those statements.

### **Supplementary Information**

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, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Furthermore, the schedules of other state funding, local financial assistance, program/covered service actual expenses and revenues, state earnings, and revenues and expenses for the Department of Juvenile Justice - CIN/FIN Non-Residential Programs are also presented for purposes of additional analysis and are not a required part of the basic 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 expenditures of federal awards 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 11, 2022, on our consideration of the Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Center's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control over financial reporting and compliance.



Miramar, Florida  
November 11, 2022

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents, including restricted cash of \$19,669 and \$37,302 at June 30, 2022 and 2021, respectively	\$ 3,634,704	\$ 5,001,145
Accounts receivable, net	941,379	207,281
Grants and contracts receivables	518,232	657,617
Prepaid expenses and other assets	<u>79,801</u>	<u>97,185</u>
Total current assets	5,174,116	5,963,228
Property and equipment, net	2,679,343	2,151,324
Deposits	<u>27,062</u>	<u>27,062</u>
Total Assets	<u>\$ 7,880,521</u>	<u>\$ 8,141,614</u>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued expenses	\$ 1,227,116	\$ 619,384
Accrued employee leave benefits	661,006	505,124
Refundable advances and deferred revenue	955,057	1,847,368
Debt, current portion	<u>25,259</u>	<u>2,094,899</u>
Total current liabilities	2,868,438	5,066,775
Debt, net of current portion and unamortized debt issue costs	<u>950,665</u>	<u>972,800</u>
Total liabilities	<u>3,819,103</u>	<u>6,039,575</u>
<b>Net Assets:</b>		
Without donor restrictions:		
Undesignated	<u>4,061,418</u>	<u>2,102,039</u>
Total net assets	<u>4,061,418</u>	<u>2,102,039</u>
Total Liabilities and Net Assets	<u>\$ 7,880,521</u>	<u>\$ 8,141,614</u>

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

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>Undesignated Net Assets:</b>		
<b>OPERATING REVENUE AND PUBLIC SUPPORT</b>		
<b>Operating revenue:</b>		
Grants and contracts	\$ 15,961,302	\$ 12,386,026
Net client service revenue	2,878,908	2,034,014
Other operating revenues	<u>3,330</u>	<u>52,136</u>
Total operating revenue	<u>18,843,540</u>	<u>14,472,176</u>
<b>Public support:</b>		
Donations	40,175	20,255
Fundraising - special events	30,514	48,823
PPP loan forgiveness	<u>1,258,762</u>	<u>-</u>
Total public support	<u>1,329,451</u>	<u>69,078</u>
Total operating revenue and public support	<u>20,172,991</u>	<u>14,541,254</u>
<b>Expenses:</b>		
Program services	16,876,069	12,998,676
Supporting services	<u>1,342,637</u>	<u>1,238,142</u>
Total expenses	<u>18,218,706</u>	<u>14,236,818</u>
Excess of operating revenue and public support over expenses	<u>1,954,285</u>	<u>304,436</u>
<b>Non-operating activities:</b>		
Gain on disposition of property and equipment	700	-
Interest income	<u>4,394</u>	<u>6,663</u>
Total non-operating activities	<u>5,094</u>	<u>6,663</u>
Change in net assets	1,959,379	311,099
Net Assets, beginning of the year	<u>2,102,039</u>	<u>1,790,940</u>
<b>Net Assets, end of the year</b>	<u>\$ 4,061,418</u>	<u>\$ 2,102,039</u>

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

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2022**  
**(with comparative totals as of June 30, 2021)**

	Case Management	Assessment	Medical Services	Outreach	Outpatient	Information and Referral	Prevention	B NETT Program	CIN/FIN Non-Residential FL-Network	CIN/FIN Non-Residential SNAP Program	Community Based Care	Page Total
<b>Personnel Costs:</b>												
Salaries	\$ 15,064	\$ 81,523	\$ 11,342	\$ 6,295	\$ 757,938	\$ 14,591	\$ 7,462	\$ 33,380	\$ 232,973	\$ 133,030	\$ 6,485,453	\$ 7,779,051
Payroll Taxes	1,092	5,845	877	488	56,967	1,130	571	2,582	17,195	10,110	498,103	594,960
Fringe benefits	1,205	2,838	-	-	51,691	-	-	3,717	14,690	4,996	354,097	433,234
Workers' compensation and recruitment	212	1,025	148	83	9,556	189	89	429	2,868	1,677	79,648	95,924
Total personnel costs	<u>17,573</u>	<u>91,231</u>	<u>12,367</u>	<u>6,866</u>	<u>876,152</u>	<u>15,910</u>	<u>8,122</u>	<u>40,108</u>	<u>267,726</u>	<u>149,813</u>	<u>7,417,301</u>	<u>8,903,169</u>
<b>Other Expenses:</b>												
Contract consulting (allocated)	8,421	7,451	169,156	-	81,595	-	-	650	-	9,538	847,244	1,124,055
Occupancy costs	8,316	12,647	12,647	-	82,041	-	-	3,300	40,315	20,128	335,040	514,434
Telephone	1,261	1,799	-	-	14,335	-	376	-	6,903	2,321	88,715	115,710
Office supplies	64	13	-	-	5,865	-	-	-	1,801	1,039	58,503	67,285
Client meals	-	-	-	-	-	-	-	-	-	214	-	214
Client outing	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	4,497	6,746	8,994	2,249	32,863	2,249	-	1,865	13,491	6,746	114,639	194,339
Utilities	-	-	-	-	-	-	-	-	-	-	550	550
Program supplies	-	-	-	-	648	-	-	-	-	582	3,631	4,861
Professional fees	-	-	-	-	-	-	-	-	-	-	15,000	15,000
Travel	18	-	-	-	188	-	1,000	-	4,380	228	77,746	83,560
Client services	-	-	-	-	9	-	-	2,006	-	-	38,069	40,084
Seminars	-	-	-	-	2,522	-	2,000	-	841	3,710	7,960	17,033
Property taxes	-	-	-	-	-	-	-	-	-	-	270	270
Security	-	-	-	-	983	-	-	-	-	645	-	1,628
Repairs and maintenance	-	-	-	-	4,478	-	-	-	409	67	33,036	37,990
Equipment rental	274	160	-	-	2,024	-	-	-	775	235	10,963	14,431
Postage	100	111	-	-	535	-	-	-	349	131	1,074	2,300
Printing and reproduction	-	-	-	-	-	-	-	-	-	-	-	-
Dues and memberships	-	-	-	-	1,667	-	-	-	-	-	15,181	16,848
Licenses and permits	514	1,329	664	-	16,265	-	-	-	865	93	21,935	41,665
Marketing expenses	-	-	-	-	-	-	-	-	-	-	-	-
Auto expenses	-	-	-	-	7,447	-	-	-	-	-	206,019	213,466
Recruiting	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	416	268	-	-	211	2,040	1,353	27,548	31,836
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	7,700	-	-	-	-	-	-	7,700
Debt amortization	-	-	-	-	-	-	-	-	-	-	-	-
Bad debts	672	1,636	1,350	-	26,097	-	-	-	-	-	-	29,755
Sliding fee discounts	-	18,791	17,752	-	248,379	-	-	-	-	-	-	284,922
Donations in-kind - goods	-	-	-	-	10,175	-	-	-	4,750	-	25,250	40,175
Fundraising expense	-	-	-	-	-	-	-	-	-	-	-	-
Total other expenses	<u>24,137</u>	<u>50,683</u>	<u>210,563</u>	<u>2,665</u>	<u>546,084</u>	<u>2,249</u>	<u>3,376</u>	<u>8,032</u>	<u>76,919</u>	<u>47,030</u>	<u>1,928,373</u>	<u>2,900,111</u>
Total direct expenses	<u>41,710</u>	<u>141,914</u>	<u>222,930</u>	<u>9,531</u>	<u>1,422,236</u>	<u>18,159</u>	<u>11,498</u>	<u>48,140</u>	<u>344,645</u>	<u>196,843</u>	<u>9,345,674</u>	<u>11,803,280</u>
<b>Indirect Expenses:</b>												
Allocation of administration expenses	2,273	11,364	1,645	914	128,079	2,118	1,053	4,730	32,255	18,789	926,774	1,129,994
Total expenses	<u>\$ 43,983</u>	<u>\$ 153,278</u>	<u>\$ 224,575</u>	<u>\$ 10,445</u>	<u>\$ 1,550,315</u>	<u>\$ 20,277</u>	<u>\$ 12,551</u>	<u>\$ 52,870</u>	<u>\$ 376,900</u>	<u>\$ 215,632</u>	<u>\$ 10,272,448</u>	<u>\$ 12,933,273</u>

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

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2022**  
**(with comparative totals as of June 30, 2021)**

	<u>Balance Forward</u>	<u>Residential Group Home</u>	<u>Dr. Conward Residential Center</u>	<u>Nurturing Parenting Program</u>	<u>Nurse Family Partnership</u>	<u>Nurse Family Partnership CHI</u>	<u>Pediatric Health Welfare Center</u>	<u>HRSA Grant</u>	<u>HRSA IBH</u>	<u>HRSA COVID CARE</u>	<u>Page Total</u>
<b>Personnel Costs:</b>											
Salaries	\$ 7,779,051	\$ -	\$ 803,879	\$ 89,709	\$ 68,419	\$ 76,012	\$ 177,230	\$ 1,075,657	\$ 45,434	\$ 134,705	\$ 10,250,096
Payroll taxes	594,960	-	60,590	6,725	4,895	5,535	13,227	67,617	3,273	10,168	766,990
Fringe benefits	433,234	-	47,694	4,979	4,936	4,936	246	44,463	2,907	2,079	545,474
Workers' compensation and recruitment	95,924	-	10,137	1,081	800	859	2,250	14,977	645	1,289	127,962
Total personnel costs	<u>8,903,169</u>	<u>-</u>	<u>922,300</u>	<u>102,494</u>	<u>79,050</u>	<u>87,342</u>	<u>192,953</u>	<u>1,202,714</u>	<u>52,259</u>	<u>148,241</u>	<u>11,690,522</u>
<b>Other Expenses:</b>											
Contract consulting (allocated)	1,124,055	-	-	(143,221)	-	-	109,285	192,747	6,065	83,456	1,372,387
Occupancy costs	514,434	-	63,505	26,806	-	-	-	58,162	-	-	662,907
Telephone	115,710	3,527	25,371	-	1,639	1,574	8,164	8,593	-	-	164,578
Office supplies	67,285	535	8,112	929	1,124	52	9,517	12,275	-	-	99,829
Client meals	214	-	25,384	-	-	-	-	-	-	-	25,598
Client outing	-	-	3,430	-	-	-	-	-	-	-	3,430
Insurance	194,339	4,427	7,495	-	-	-	13,492	-	-	-	219,753
Utilities	550	2,106	-	-	-	-	-	-	-	-	2,656
Program supplies	4,861	-	-	-	4,898	-	22,379	81,326	-	126,011	239,475
Professional fees	15,000	-	-	-	-	-	-	-	-	-	15,000
Travel	83,560	-	-	-	3,439	1,650	1,551	6,100	-	-	96,300
Client services	40,084	-	6,110	-	-	-	-	-	-	-	46,194
Seminars	17,033	-	542	-	299	70	23,937	259	-	-	42,140
Property taxes	270	628	58	-	-	-	80	-	-	-	1,036
Security	1,628	3,827	-	-	-	-	1,017	321	-	-	6,793
Repairs and maintenance	37,990	25,775	58,588	-	-	-	4,685	1,238	-	-	128,276
Equipment rental	14,431	-	2,233	41	-	-	6,004	562	-	-	23,271
Postage	2,300	-	44	-	-	-	449	-	-	-	2,793
Printing and reproductions	-	-	14	-	-	-	240	-	-	-	254
Dues and memberships	16,848	-	-	-	-	-	33,407	13,520	-	-	63,775
Licenses and permits	41,665	251	1,597	48	70	-	15,440	12,992	-	50	72,113
Marketing expenses	-	-	-	-	-	-	-	1,500	-	14,795	16,295
Auto expenses	213,466	-	31,195	-	-	-	6,979	20	-	-	251,660
Recruiting	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	31,836	-	-	-	-	-	791	6,886	-	-	39,513
Interest expense	-	-	-	-	-	-	-	-	-	-	-
Depreciation	7,700	6,269	1,764	-	-	-	172,932	-	-	-	188,665
Debt amortization	-	-	-	-	-	-	-	-	-	-	-
Bad debts	29,755	-	-	795	-	-	50,519	-	-	-	81,069
Sliding fee discounts	284,922	-	-	-	-	-	146,131	-	-	-	431,054
Donations in-kind - goods	40,175	-	-	-	-	-	-	-	-	-	40,175
Fundraising expense	-	-	-	-	-	-	-	-	-	-	-
Total other expenses	<u>2,900,111</u>	<u>47,345</u>	<u>235,442</u>	<u>(114,602)</u>	<u>11,469</u>	<u>3,346</u>	<u>626,999</u>	<u>396,501</u>	<u>6,065</u>	<u>224,312</u>	<u>4,336,988</u>
Total direct expenses	<u>11,803,280</u>	<u>47,345</u>	<u>1,157,742</u>	<u>(12,108)</u>	<u>90,519</u>	<u>90,688</u>	<u>819,952</u>	<u>1,599,215</u>	<u>58,324</u>	<u>372,553</u>	<u>16,027,510</u>
<b>Indirect Expenses:</b>											
Allocation of administration expenses	1,129,994	-	112,763	12,108	9,043	8,817	25,021	-	-	-	1,297,746
Total expenses	<u>\$ 12,933,273</u>	<u>\$ 47,345</u>	<u>\$ 1,270,505</u>	<u>\$ -</u>	<u>\$ 99,562</u>	<u>\$ 99,505</u>	<u>\$ 844,973</u>	<u>\$ 1,599,215</u>	<u>\$ 58,324</u>	<u>\$ 372,553</u>	<u>\$ 17,325,256</u>

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

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2022**  
**(with comparative totals as of June 30, 2021)**

	Balance Forward	HRSA COVID ECT	HRSA ORAL HEALTH	HRSA INFRASTRUCTURE	HRSA RESCUE INFRA INVESTMENT	HRSA IBHS & QI	NACH	FCC	Freedom School	University of Miami - Jasmine Project	Page Total
<b>Personnel Costs:</b>											
Salaries	\$ 10,250,096	\$ -	\$ -	\$ -	\$ -	\$ 119,681	\$ 9,118	\$ -	\$ 35,476	\$ 63,097	\$ 10,477,468
Payroll taxes	766,990	-	-	-	-	8,742	810	-	2,813	11,975	791,331
Fringe benefits	545,474	-	-	-	-	3,347	-	-	-	-	548,821
Workers' compensation and recruitment	127,962	-	-	-	-	1,274	121	-	441	1,048	130,846
Total personnel costs	<u>11,690,522</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>133,044</u>	<u>10,049</u>	<u>-</u>	<u>38,730</u>	<u>76,120</u>	<u>11,948,466</u>
<b>Other Expenses:</b>											
Contract consulting (allocated)	1,372,387	-	-	-	6,000	25,675	-	-	3,234	18,990	1,426,286
Occupancy costs	662,907	-	-	-	-	-	-	-	-	5,100	668,007
Telephone	164,578	-	-	-	-	-	-	-	-	-	164,578
Office supplies	99,829	-	11,279	-	-	81	-	14,556	510	310	126,565
Client meals	25,598	-	-	-	-	-	-	-	2,128	-	27,726
Client outing	3,430	-	-	-	-	-	-	-	1,000	-	4,430
Insurance	219,753	-	-	-	-	-	-	-	-	-	219,753
Utilities	2,656	-	-	-	-	-	-	-	-	-	2,656
Program supplies	239,475	4,095	94,681	-	-	-	-	-	2,500	2,332	343,083
Professional fees	15,000	-	-	-	-	-	-	-	-	-	15,000
Travel	96,300	-	-	-	-	-	-	-	-	-	96,300
Client services	46,194	-	-	-	-	-	-	-	-	-	46,194
Seminars	42,140	-	-	-	-	4,490	-	-	6,783	-	53,413
Property taxes	1,036	-	-	-	-	-	-	-	-	-	1,036
Security	6,793	-	-	9,956	-	-	-	-	-	-	16,749
Repairs and maintenance	128,276	-	1,381	31,550	-	-	-	2,656	2,943	-	166,806
Equipment rental	23,271	-	-	-	-	-	-	-	-	-	23,271
Postage	2,793	-	-	-	-	-	-	-	-	-	2,793
Printing and reproductions	254	-	-	-	-	-	-	-	-	-	254
Dues and membership	63,775	-	-	-	-	-	-	-	-	-	63,775
Licenses and permits	72,113	-	-	-	-	24,707	-	-	8,782	45	105,647
Marketing expenses	16,295	-	-	-	-	-	-	-	500	-	16,795
Auto expenses	251,660	-	-	-	-	-	-	-	944	-	252,604
Recruiting	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	39,513	3,400	-	-	-	-	-	-	280	-	43,193
Interest expense	-	-	-	-	-	-	-	-	-	-	-
Depreciation	188,665	-	-	-	-	-	-	-	-	-	188,665
Debt amortization	-	-	-	-	-	-	-	-	-	-	-
Bad debts	81,069	-	-	-	-	-	-	-	-	-	81,069
Sliding fee discounts	431,054	-	-	-	-	-	-	-	-	-	431,054
Donations in-kind - goods	40,175	-	-	-	-	-	-	-	-	-	40,175
Fundraising expense	-	-	-	-	-	-	-	-	-	-	-
Total other expenses	<u>4,336,988</u>	<u>7,495</u>	<u>107,341</u>	<u>41,506</u>	<u>6,000</u>	<u>54,953</u>	<u>-</u>	<u>17,212</u>	<u>29,604</u>	<u>26,777</u>	<u>4,627,877</u>
Total direct expenses	<u>16,027,510</u>	<u>7,495</u>	<u>107,341</u>	<u>41,506</u>	<u>6,000</u>	<u>187,998</u>	<u>10,049</u>	<u>17,212</u>	<u>68,334</u>	<u>102,897</u>	<u>16,576,343</u>
<b>Indirect Expenses:</b>											
Allocation of administration expenses	1,297,746	-	-	-	-	-	776	-	5,566	-	1,304,088
Total expenses	<u>\$ 17,325,256</u>	<u>\$ 7,495</u>	<u>\$ 107,341</u>	<u>\$ 41,506</u>	<u>\$ 6,000</u>	<u>\$ 187,998</u>	<u>\$ 10,825</u>	<u>\$ 17,212</u>	<u>\$ 73,900</u>	<u>\$ 102,897</u>	<u>\$ 17,880,431</u>

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

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2022**  
**(with comparative totals as of June 30, 2021)**

	Balance Forward	Miami-Dade Violence and Drug Prevention Program	Miami Gardens	Miami Gardens COVID-19 Grant	University of Miami - CIFFTA	Building (1825)	Total Program Services	Administration	Fundraising	Total 2022	Total 2021
<b>Personnel Costs:</b>											
Salaries	\$ 10,477,468	\$ 139,838	\$ 9,525	\$ 26,198	\$ 68,160	\$ 32,509	\$ 10,753,698	\$ 855,836	\$ -	\$ 11,609,534	\$ 9,496,758
Payroll taxes	791,331	10,434	727	2,184	4,796	2,332	811,804	69,497	-	881,301	743,974
Fringe benefits	548,821	13,097	61	100	5,954	4,936	572,969	36,543	-	609,512	512,699
Workers' compensation and recruitment	<u>130,846</u>	<u>1,842</u>	<u>105</u>	<u>345</u>	<u>833</u>	<u>407</u>	<u>134,378</u>	<u>1,248</u>	-	<u>135,626</u>	<u>116,731</u>
Total personnel costs	<u>11,948,466</u>	<u>165,211</u>	<u>10,418</u>	<u>28,827</u>	<u>79,743</u>	<u>40,184</u>	<u>12,272,849</u>	<u>963,124</u>	-	<u>13,235,973</u>	<u>10,870,162</u>
<b>Other Expenses:</b>											
Contract consulting (allocated)	1,426,286	-	-	-	-	-	1,426,286	83,008	-	1,509,294	1,029,219
Occupancy costs	668,007	-	-	-	8,400	(329,937)	346,470	72,737	-	419,207	403,183
Telephone	164,578	-	80	181	1,374	3,176	169,389	12,782	-	182,171	153,752
Office supplies	126,565	111	-	13	218	2,543	129,450	47,460	-	176,910	64,146
Client meals	27,726	4,283	-	-	-	-	32,009	-	-	32,009	24,847
Client outing	4,430	-	-	-	-	-	4,430	-	-	4,430	2,349
Insurance	219,753	-	-	-	-	33,364	253,117	13,491	-	266,608	238,973
Utilities	2,656	-	-	-	-	37,877	40,533	-	-	40,533	32,553
Program supplies	343,083	427	-	-	-	171	343,681	1,100	-	344,781	242,857
Professional fees	15,000	-	-	-	-	-	15,000	39,850	-	54,850	31,200
Travel	96,300	252	40	43	-	-	96,635	12,440	-	109,075	50,000
Client services	46,194	-	-	-	-	-	46,194	-	-	46,194	53,014
Seminars	53,413	-	-	-	-	-	53,413	13,793	-	67,206	20,988
Property taxes	1,036	-	-	-	-	3,311	4,347	214	-	4,561	4,089
Security	16,749	-	-	-	-	917	17,666	1,376	-	19,042	13,789
Repairs and maintenance	166,806	-	-	-	-	104,417	271,223	1,417	-	272,640	155,613
Equipment rental	23,271	-	-	-	-	69	23,340	7,394	-	30,734	26,692
Postage	2,793	-	-	-	-	-	2,793	639	-	3,432	2,652
Printing and reproductions	254	-	-	-	-	-	254	818	-	1,072	3,210
Dues and membership	63,775	-	-	-	-	-	63,775	18,039	-	81,814	54,067
Licenses and permits	105,647	58	-	20	5	207	105,937	8,401	-	114,338	92,518
Marketing expenses	16,795	-	-	-	-	-	16,795	600	-	17,395	-
Auto expenses	252,604	-	-	-	-	11,710	264,313	-	-	264,313	236,300
Recruiting	-	-	-	-	-	-	-	17,498	-	17,498	31,368
Miscellaneous	43,193	-	22	-	-	-	43,215	7,419	-	50,634	35,954
Interest expense	-	-	-	-	-	50,292	50,292	11,896	-	62,188	52,455
Depreciation	188,665	-	-	-	-	38,575	227,240	-	-	227,240	168,961
Debt amortization	-	-	-	-	-	3,124	3,124	-	-	3,124	3,424
Bad debts	81,069	-	-	-	-	-	81,069	-	-	81,069	72,634
Sliding fee discounts	431,054	-	-	-	-	-	431,054	-	-	431,054	40,086
Donations in-kind - goods	40,175	-	-	-	-	-	40,715	-	-	40,715	20,255
Fundraising expense	-	-	-	-	-	-	-	-	7,141	7,141	5,508
Total other expenses	<u>4,627,877</u>	<u>5,131</u>	<u>142</u>	<u>257</u>	<u>9,997</u>	<u>(40,184)</u>	<u>4,603,220</u>	<u>372,372</u>	<u>7,141</u>	<u>4,982,733</u>	<u>3,366,656</u>
Total direct expenses	<u>16,576,343</u>	<u>170,342</u>	<u>10,560</u>	<u>29,084</u>	<u>89,740</u>	<u>-</u>	<u>16,876,069</u>	<u>1,335,496</u>	<u>7,141</u>	<u>18,218,706</u>	<u>14,236,818</u>
<b>Indirect Expenses:</b>											
Allocation of administration expenses	<u>1,304,088</u>	<u>27,812</u>	<u>-</u>	<u>2,500</u>	<u>1,097</u>	<u>-</u>	<u>1,335,496</u>	<u>(1,335,496)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>\$ 17,880,431</u>	<u>\$ 198,154</u>	<u>\$ 10,560</u>	<u>\$ 31,584</u>	<u>\$ 90,836</u>	<u>\$ -</u>	<u>\$ 18,211,565</u>	<u>\$ -</u>	<u>\$ 7,141</u>	<u>\$ 18,218,706</u>	<u>\$ 14,236,818</u>

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

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 1,959,379	\$ 311,099
<b>Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:</b>		
Provision for depreciation	227,240	168,961
Amortization of debt costs	3,124	3,424
Bad debt expense	81,069	72,634
Gain on disposal of property and equipment	(700)	-
<b>(Increase) decrease in assets:</b>		
Accounts receivable, net	(815,167)	73,981
Grants and contracts receivables	139,385	4,629
Prepaid expenses and other assets	17,384	(15,091)
<b>Increase (decrease) in liabilities:</b>		
Accounts payable and accrued expenses	607,732	120,076
Accrued employee leave benefits	155,882	(170,763)
Refundable advances and deferred revenue	<u>(892,311)</u>	<u>1,847,368</u>
Net cash provided by operating activities	<u>1,483,017</u>	<u>2,416,318</u>
<b>Cash flows from investing activities:</b>		
Payments for purchases of property and equipment	<u>(754,559)</u>	<u>(717,274)</u>
Net cash (used in) investing activities	<u>(754,559)</u>	<u>(717,274)</u>
<b>Cash flows from financing activities:</b>		
Principal payments on debt	<u>(2,094,899)</u>	<u>(15,684)</u>
Net cash (used in) financing activities	<u>(2,094,899)</u>	<u>(15,684)</u>
Net (decrease) increase in cash and cash equivalents	(1,366,441)	1,683,360
<b>Cash and cash equivalents, beginning of the year</b>	<u>5,001,145</u>	<u>3,317,785</u>
<b>Cash and cash equivalents, end of the year</b>	<u>\$ 3,634,704</u>	<u>\$ 5,001,145</u>
<b>Supplemental disclosure of other cash flow information:</b>		
Cash received during the year for - interest income	<u>\$ 4,394</u>	<u>\$ 6,663</u>
Cash paid during the year for - interest expense	<u>\$ 50,292</u>	<u>\$ 52,455</u>

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

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**Note 1 - Center and Operations**

Center for Family and Child Enrichment, Inc. (the “Center”) is a nonprofit, tax exempt organization which operates various facilities that provide social, educational, and mental health services in Miami-Dade County, Florida. The Center charges fees based upon its clients' ability to pay for clinical services and receive grants, contributions, and contracts from various governmental and charitable agencies for providing these services. Gifts, donations, and volunteer services are also received from individuals and private entities.

**Note 2 - Summary of Significant Accounting Policies**

**Basis of accounting**

The Center uses the accrual basis of accounting for financial reporting purposes, which is in accordance with generally accepted accounting principles. Revenues are recognized when earned and expenses are recognized when incurred.

**Basis of presentation**

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Update (FASB ASU) No. 2016-14 *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements for Not-for-Profit Entities*. Under FASB ASU No. 2016-14, the Center is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. As of June 30, 2022 and 2021, the Organization had no assets with donor restrictions.

**Net assets**

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

***Net Assets Without Donor Restrictions*** - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**Note 2 - Summary of Significant Accounting Policies (cont'd)**

**Net assets (cont'd)**

***Net Assets With Donor Restrictions*** - Net assets subject to donor (or certain grantor) imposed restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor or grantor. Other restrictions are perpetual in nature, where the donor or grantor stipulates that resources be maintained in perpetuity. Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other-donor restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. 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.

Any contribution not specifically restricted by the donor or subject to other legal restrictions is considered available for general use.

**Cash and cash equivalents**

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

**Restricted cash**

Restricted cash primarily represents amounts restricted for debt covenants.

**Receivables and allowance for doubtful accounts**

Grants and contracts receivables consist principally of claims not yet reimbursed by various grantor/contract agencies. Accounts receivable consist of comprehensive medical care and support services to individuals. Receivable balances are unsecured. Management periodically reviews the receivable balances and provides an allowance for amounts which may be uncollectible based on historical experience, an assessment of economic conditions, and a review of subsequent collections. At June 30, 2022 and 2021, management considered all of its receivable balances to be collectible and no allowance was recorded, except for client service revenues, which are presented net of a provision for uncollectible accounts, contractual adjustments, and ability to pay adjustments, as applicable, in the accompanying financial statements.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**Note 2 - Summary of Significant Accounting Policies (cont'd)**

**Promises to give**

The Center records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques using risk-adjusted discount rates. In subsequent years, amortization of the discounts is included in donations in the statement of activities. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The Center had no unconditional or conditional promises to give as of June 30, 2022 and 2021.

**Debt issuance costs**

Debt issuance costs associated with outstanding debt is presented in the statement of financial position as a direct reduction in the carrying value of the associated debt liability. Amortization of debt issuance costs is reported as a component of interest expense in the statement of activities. Debt costs are amortized using the straight-line method over the life of the associated debt.

**Prepaid expenses and deposits**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses. Deposits primarily include security and utility deposits.

**Property and equipment**

Property and equipment are carried at cost if purchased or, if donated, at estimated fair value on the date of donation, less allowance for depreciation. The cost of property and equipment purchased in excess of \$1,000 is capitalized; and in excess of \$5,000 for grant purposes. The Center follows the policy of providing for depreciation using the straight-line method over the estimated useful life of each type of asset which is as follows:

Building and improvements	3-39 years
Computer equipment and software	3-5 years
Furniture and equipment	5-7 years
Vehicles	5 years

If donors stipulate the period of time during which the assets must be used, the contributions are recorded as support with donor restrictions, and released as restrictions expire. In the absence of such stipulations, contributions of property and equipment and gifts of cash restricted for the acquisition of property and equipment, are recorded as support without donor restrictions when the assets are placed in service. For the year ended June 30, 2022 and 2021, the Center received no donated equipment.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**Note 2 - Summary of Significant Accounting Policies (cont'd)**

Maintenance and repairs to property and equipment are charged to expense when incurred. Additions and major renewals are capitalized. When assets are retired or otherwise disposed of, the cost or donated value and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in income for the period.

**Refundable advances and deferred revenue**

Revenues received in advance that are not recognized because the allowable costs as defined by the individual grant or contract have not been incurred, the unit of service has not been provided, and/or the conditions of release have not been substantially met or explicitly waived are considered refundable advances. In addition, revenues received in advance from special events and other program income that are considered exchange transactions are deferred to the applicable period.

**Revenue and revenue recognition**

The Center recognizes revenues from nonexchange transactions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. 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 or explicitly waived.

Grant and contract revenue is generally billed monthly and is derived from units of service contracts. Amounts received are recognized as revenue when the unit of service has been provided in compliance with the specific grant and contract. Also, any revenue derived from cost-reimbursement grants and contracts, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses, is recognized when such expenditures are incurred in compliance with specific grant and contract provisions. Amounts received in advance are deferred to the applicable period.

Client services revenue is reported at the amount that reflects the consideration to which the Center expects to be entitled to in exchange for providing care. These amounts are generally from third-party payers (including health insurers and government programs) and others and may include variable consideration for retroactive adjustments due to settlement of audits, reviews and investigations. Generally, the Center bills patients and third-party payers soon after the services are performed and/or the patient is discharged from the facility. Revenue is recognized as performance obligations are satisfied.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**Note 2 - Summary of Significant Accounting Policies (cont'd)**

**Donated goods and services**

Donated services are recognized, at estimated fair value, as contributions, along with a corresponding expense, if the services: (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise have been purchased. Donated goods are recorded at their estimated fair market value when received. For the years ended June 30, 2022 and 2021, the Center received \$40,175 and \$20,255, respectively of donated goods and services.

**Functional expenses**

The costs of providing the various programs and supporting services activities 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. Program and supporting services are charged with their direct expenses. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses allocated include personnel and occupancy costs, among other expenses; which are allocated on the basis of estimates of time and effort, square footage basis, as well as other methods as determined from time-to-time by management.

**Concentration of credit risk**

Financial instruments that potentially subject the Center to concentration of credit risk consist primarily of receivables, cash, and cash equivalents. The concentration of credit risk with respect to receivables is primarily due to the economic dependency in federal, state, and other agencies and the ability to obtain authorization, process and collect balances timely. The Center does not require collateral or other security to support receivables. The Center has cash and cash equivalents in financial institutions that are insured by the Federal Deposit Insurance Corporation ("FDIC"). At various times throughout the year, the Center may have cash balances at financial institutions that exceed the insured amount. Deposit accounts are maintained with what management believes to be quality financial institutions.

**Joint costs of fundraising appeals**

The Center utilizes various pamphlets, brochures, and information methods to inform the general public of their activities and to solicit funds. These costs are charged to fundraising.

**Income taxes**

The Center is a not-for-profit organization, exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Gifts to the Center are tax deductible. Certain activities not directly related to the Center's tax-exempt purpose could be subject to taxation as unrelated business income.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**Note 2 - Summary of Significant Accounting Policies (cont'd)**

**Income taxes (cont'd)**

The Center assesses its tax position in accordance with “*Accounting for Uncertainties in Income Taxes*” as prescribed by the *Accounting Standards Codification*, which provides guidance for financial statement recognition and measurement of uncertain tax positions taken or expected to be taken in a tax return for open tax years (generally a period of three years from the later of each return’s due date or the date filed) that remain subject to examination by the Center’s major tax jurisdictions.

The Center assesses its tax positions and determines whether it has material unrecognized liabilities for uncertain tax positions. The Center records these liabilities to the extent that it deems them more likely than not to be incurred. Interest and penalties related to uncertain tax positions, if any, would be classified as a component of income tax expense.

The Center believes that it does not have any significant uncertain tax positions requiring recognition or measurement in the accompanying financial statements.

**Use of estimates**

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

**Summarized prior year information**

The financial statements include summarized comparative information from the prior year, which is not presented by net asset type and functional expense classification and does not include sufficient detail to conform with generally accepted accounting principles. This information should be read in conjunction with the Center's financial statements for the year ended June 30, 2020, from which the comparative information was extracted.

**Date of management review**

Subsequent events have been evaluated by management through November 11, 2022, which is the date the financial statements were available for issuance.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**Note 2 - Summary of Significant Accounting Policies (cont'd)**

**New Accounting Pronouncements**

The Financial Accounting Standards Board (“FASB”) has issued several pronouncements that have effective dates in the future that may impact future financial presentations.

**Statement on Auditing Standards (SAS) No. 134 – No. 140**

In May 2019 and June 2019, the AICPA Auditing Standards Board (“ASB”) issued the following Statements on Auditing Standards (“SAS”): No. 134, *Auditor Reporting and Amendments, Including Amendments Addressing Disclosures in the Audit of Financial Statements, as amended* No. 135, *Omnibus Statement on Auditing Standards—2019*, No.136, *Forming an Opinion and Reporting on Financial Statements of Employee Benefit Plans Subject to ERISA, as amended*, No. 137, *The Auditor’s Responsibilities Relating to Other Information Included in Annual Reports*, No. 138, *Amendments to the Description of the Concept of Materiality*, No. 139, *Amendments to AU-C Sections 800, 805, and 810 to Incorporate Auditor Reporting Changes From SAS No. 134*, and No. 140, *Amendments to AU-C Sections 725, 730, 930, 935, and 940 to Incorporate Auditor Reporting Changes From SAS Nos. 134 and 137*. SAS Nos. 134–140 must be implemented at the same time.

The standards are designed to enhance the communicative value of the auditor’s report and align generally accepted auditing standards (“GAAS”) with the standards issued by the International Auditing and Assurance Standards Board (“IAASB”) and the Public Company Accounting Oversight Board (“PCAOB”). Changes to language in the audit report are intended to provide more useful information to users of financial statements and to more clearly define the responsibilities of both the auditor and management.

Effective for audits of financial statements for periods ending on or after December 15, 2021. Early implementation is permitted.

Management has fully implemented this statement.

**Reclassifications**

Certain reclassifications have been made to the 2022 financial statements herein to conform to the 2021 presentation. These reclassifications had no effect on the total net assets or the total change in net assets for 2021.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**Note 3 - Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<b><u>2022</u></b>	<b><u>2021</u></b>
<b>Financial Assets:</b>		
Cash and cash equivalents	\$ 3,634,704	\$ 5,001,145
Accounts receivable, net	941,379	207,281
Grants and contracts receivable	518,232	657,617
Prepaid expenses and other assets	<u>79,801</u>	<u>97,185</u>
Total current assets	<u>5,174,116</u>	<u>5,963,228</u>
Less those unavailable for general expenditures within one year, due to:		
Debt - Paycheck Protection	-	811,763
Program contractual or donor-imposed restrictions	<u>19,669</u>	<u>37,302</u>
Financial assets available to meet cash needs for general expenditures within one year and to satisfy certain liabilities as they become due.	<u>\$ 5,154,447</u>	<u>\$ 5,114,163</u>

In the event of an unanticipated liquidity need, the Center could draw upon \$200,000 of its available line of credit (Note 6).

**Note 4 - Property and Equipment**

Property and equipment consisted of the following at June 30, 2022 and 2021:

	<b><u>2022</u></b>	<b><u>2021</u></b>
Building and improvements	\$ 3,696,425	\$ 3,025,502
Computer equipment and software	573,269	529,647
Furniture and equipment	115,774	75,274
Vehicles	<u>71,057</u>	<u>80,007</u>
	4,456,525	3,710,430
Less accumulated depreciation	<u>1,832,956</u>	<u>1,614,880</u>
	2,623,569	2,095,550
Land	<u>55,774</u>	<u>55,774</u>
	<u>\$ 2,679,343</u>	<u>\$ 2,151,324</u>

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**Note 4 - Property and Equipment**

From time-to-time, grant and contract revenue has been awarded to the Center for the purpose of improving existing real estate. The grantor retains a security interest in the subject property. If the improved real estate is no longer used for its intended purpose, the Center must obtain approval from the grantor agencies to use this property for other lawful purposes within the prescribed timeframe.

**Construction commitment**

As of June 30, 2022 and 2021, the Center had a commitment of approximately \$134,700 and \$400,000, respectively, for renovations of the main location.

**Note 5 - Debt**

Debt at June 30, 2022 and 2021 consisted of the following:

Mortgage note payable to a bank; net of unamortized debt issue costs of \$15,864 and \$17,874 for 2022 and 2021, respectively; due in monthly installments of \$3,278, including interest at a fixed rate of 4.75% through February 2023, at which time the interest rate will readjust to equal the sum of the weekly average yield on U.S. Treasury Securities (adjusted to a constant maturity of five years) plus 2.75%, through February 2028 (based on a 25 year amortization), at which time all outstanding principal and interest is due. The interest rate shall at no time be lower than 4.75%. This mortgage note is collateralized by real property and a security interest (UCC) on all assets owned by the Center and cross-collateralized and cross-defaulted with the mortgage note discussed below and the line of credit discussed in Note 6. Certain pre-payment penalties may apply during the first five years. At June 30, 2022 and 2021, the balance outstanding on this mortgage note payable, net of the unamortized debt issue costs, amounted to \$503,017 and \$514,986, respectively.

During the year ended June 30, 2020, the Center entered into a mortgage note for \$500,000. The mortgage note calls for monthly interest only installments of \$2,083 during the initial 12 months of the note. Thereafter, monthly principal and interest payments will be amortized, based on a 25-year amortization period, with a balloon payment of all outstanding principal, maturing in February of 2028. Interest is calculated at a 5% fixed rate for the first 5 years and then repriced to the five-year swap rate prevailing at this time, plus a 2.50% margin, with a floor of 5%. This mortgage note is collateralized by real property owned by the Center and cross-collateralized and cross-defaulted with the mortgage note discussed above and the line of credit discussed in Note 6. Proceeds from this loan will be used to supplement an awarded grant for renovation and improvement of the collateral property. At June 30, 2022 and 2021, the outstanding balance of the mortgage note, net of net of the unamortized debt issue costs of \$13,223 and \$14,336, amounted to \$472,907 and \$482,188, respectively.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**Note 5 - Debt**

On April 17, 2020, the Center executed a promissory note for \$2,070,525 under the *Paycheck Protection Program* (“PPP”) authorized by the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”). The loan bears interest rate at 1.00% per annum. Under the PPP, loan funds are eligible for forgiveness to the extent that they are used to cover certain payroll, rent, and utility costs and if the Center maintains certain employment levels during a specified period of time. If the Small Business Administration (“SBA”) confirms full forgiveness of the unpaid balance of the note, the Center's obligation under this arrangement will be deemed fully satisfied.

The Center received forgiveness amounting to \$1,258,762 and paid off the outstanding principal of \$811,763 that was not forgiven, plus accrued interest during the year. There was no outstanding balance on the PPP loan as of June 30, 2022.

Estimated future debt principal payments due on the debt obligation outstanding as of June 30, 2022 for the next five years in the aggregate are approximately as follows:

<b>Year Ending June 30,</b>	
2023	\$ 25,259
2024	26,275
2025	27,620
2026	29,033
2027	30,518
Thereafter	<u>866,306</u>
Total debt	1,005,011
Unamortized debt issue costs	<u>(29,087)</u>
Total debt, net of unamortized debt issue costs	<u>\$ 975,924</u>

The loan agreements relating to the financial arrangement discussed in this section and the line of credit discussed in Note 6 require certain restrictive covenants, including but not limited to, the following: maintain a (debt service coverage) ratio of net income/change in net assets plus depreciation/amortization and interest expense, to total interest expense and total current maturities of long-term debt of at least 1.25 to 1.00; and maintain a debt service reserve equivalent to six months of the mortgage note scheduled debt service payments. At June 30, 2022 and 2021, the Center was in compliance with these requirements. The lender reserves the right to curtail/freeze a portion of the line of credit (Note 6) at each annual review if it is determined that the Center's debt service coverage ratio cannot support a debt service of at least 1.25x for both credit facilities on a term-out basis.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**Note 6 - Line of Credit**

The Center has a \$200,000 revolving line of credit agreement with a bank to provide funding for working capital needs which will continue until the earlier of when demand is made or February 2023. Interest is charged at a floating rate equal to 1% per annum over the variable Prime Rate (5.50% at June 30, 2022 and 2021) and is payable monthly on the outstanding balance. The interest rate shall never be less than the initial rate of 5.50%. During each year of the term of this line, a twenty-five percent (25%) annual clean-up for at least thirty (30) consecutive days shall be required. In addition, this line of credit is cross-collateralized and cross-defaulted with the mortgage notes payable discussed in Note 5. At June 30, 2022 and 2021, the Center had no outstanding balance on the line of credit.

**Note 7 - Grants and Contracts for Client Services**

Funding agreements for services to be provided are entered into on an annual basis. The release of funds is subject to monies being made available by the federal government, the Florida Legislature and certain other grantor agencies. Generally, agreements may be terminated by either party within thirty days written notice. However, such an event would be unlikely if contract performance continues to be satisfactory.

Program expenditures made by the Center are subject to additional audit by grantor agencies. As a result of such audits, the grantor may require that amounts be returned. As of June 30, 2022 and 2021, the Center had no amounts required to be returned as a result of such audits.

**Note 8 - Client Service Revenue**

The components of client service revenue for the years ended June 30, 2022 and 2021 are summarized as follows:

	<b><u>2022</u></b>	<b><u>2021</u></b>
Client service revenue, gross	\$ 3,739,794	\$ 2,743,916
Less: contractual adjustments	779,817	637,268
Less: provision for doubtful accounts	<u>81,069</u>	<u>72,634</u>
Client service revenue, net	<u>\$ 2,878,908</u>	<u>\$ 2,034,014</u>

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**Note 9 - Lease Commitments**

The Center conducts portions of its operations in various facilities under several operating leases expiring at various times through September 2026. Current monthly payments in connection with these leases are approximately \$37,750 plus estimated common area maintenance. Certain leases contain renewal options and provide for rental increases by either index or renegotiation. Rent expense relative to these operating leases, other expired, and month-to-month arrangements, totaled approximately \$398,000 and \$417,000 for the years ended June 30, 2022 and 2021, respectively.

In addition, the Center rents various vehicles and equipment for approximately \$4,900, in the aggregate, per month under lease arrangements expiring at various times through August 2024.

Estimated future base minimum lease payments in the aggregate are approximately as follows:

<b>Year Ending June 30,</b>	
2023	\$ 465,731
2024	477,219
2025	489,607
2026	507,129
2027	<u>127,900</u>
	<u>\$ 2,067,586</u>

**Note 10 - Reinvestment Plan**

During the year ended June 30, 2021, the Center received excess funding from Citrus Health Network, Inc., one of their grantor agencies, resulting in a surplus. This was mostly attributed to salary attrition due to difficulty in recruitment and retention of case management staff, minimal usage of flex funds (funds that can be used for non-clinical expenses), due to children remaining out of school for the majority of the year, closure of many recreational and care facilities, medical and specialty offices, transport services, etc., and minimal usage of travel funds. This was a direct result of the coronavirus (COVID-19) outbreak, as discussed in Note 14.

The Center was approved to use these excess funds over the next three years for adjustments to salary scales for several positions, of which the largest is for case management positions, 3% annual salary increases for all personnel, and staff retention bonuses, ranging from \$1,000 to \$3,000 depending upon the years of service.

The surplus, which amounted to \$1,847,368, is presented as a refundable advance/deferred revenue on the accompanying statement of financial position and will be recognized over the next three years as the following expenditures are incurred. As of June 30, 2022, the Center has utilized \$912,311 to cover the 3% annual salary increases and bonuses incurred during the fiscal year. The balance of \$935,057 remains to be utilized.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**Note 11 - Employee Benefit Plan**

The Center offers all employees a tax-sheltered annuity under the Internal Revenue Code Section 403(b). Contributions are based upon the amount of compensation each participant elects to defer yearly, subject to certain limitations. No contributions to the plan are required of the Center.

**Note 12 - Concentration in Operations**

The Center receives a substantial amount of its public support and revenues from the State of Florida, including Medicaid, the federal government, and other state and county/local agencies. If a significant reduction in the level of funding were to occur, there would be an adverse effect on the Center's programs and activities.

**Note 13 - Contingencies**

The Center is involved in certain litigation which arose in the normal course of operations. The Center's management and legal counsel believe that the amount of liability resulting from any pending or unasserted claims is not reasonably determinable at this time but should be within the Center's insurance limits.

**Note 14 - Uncertainties**

The coronavirus (COVID-19) outbreak has caused disruption in international and U.S. economies and markets. The coronavirus and fear of further spread has caused quarantines, cancellation of events, and overall reduction in business and economic activity. On March 11, 2020, the *World Health Organization* designated the coronavirus outbreak as a pandemic. Management and the Board of Directors continue to evaluate and monitor the potential adverse effect that this event may have on the Center's financial position, operations, and cash flows. The full impact of COVID-19 is unknown at this time and cannot be reasonably estimated as these events are still developing.

**Note 15 - Subsequent Events**

The Center evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through November 11, 2022, which is the date the accompanying financial statements were available to be issued.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**

**SUPPLEMENTAL INFORMATION**

**JUNE 30, 2022**

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2022**

Federal/State Agency, Pass-through Entity Federal Program/State Project	CFDA/ CSFA Number	Contract/ Grant Number	Expenditures	Transfers to Subrecipients
<b>FEDERAL PROGRAMS</b>				
<b>Direct Programs:</b>				
Department of Health and Human Services, Health Resources and Services Administration	93.526	C8ECS43858	\$ 41,506	\$ -
Grants for New and Expanded Services Under the Health Center Program	93.527	H80CS26589	1,951,223	-
	93.224	CS13CS32040	26,758	-
	93.224	H8FCS71318	6,000	-
	93.224	H8DCS36006	372,275	-
	93.224	H8ECS38465	7,494	-
<b>Indirect Programs:</b>				
<b>Department of Health and Human Services</b>				
<b>Passed through the Florida Department of Children and Families -</b>				
<b>Passed through the South Florida Behavioral Network, Inc.</b>				
Block Grants for Community Mental Health Services	93.958	ME 225-12-47	27,141	-
Children's Health Insurance Program (CHIP) Title XXI	93.767	ME 225-12-47	81,920	-
Block Grant for Prevention and Treatment of Substance Abuse	93.959	ME 225-12-47	8,373	-
<b>Passed through Citrus Health Network, Inc. d/b/a Citrus Family Care Network</b>				
Foster Care Title IV-E	93.658		1,950,422	-
Temporary Assistance for Needy Families	93.558		999,507	-
Adoption Assistance	93.659		325,474	-
Promoting Safe and Stable Families	93.556		450,699	-
Social Services Block Grant	93.667		113,740	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674		125,943	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645		541,802	-
Medical Assistance Program	93.778		75,586	-
Grants to States for Access and Visitation Program	93.597		8,331	-
<b>Passed through Health Choice Network of Florida, Inc.</b>				
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	X10MC31134	<u>196,458</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 7,310,652</u>	<u>\$ -</u>

See notes to the schedule of expenditures of federal awards and state financial assistance,  
other state funding and local financial assistance.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2022**

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<u>Federal/State Agency, Pass-through Entity Federal Program/State Project</u>	<u>CFDA/ CSFA Number</u>	<u>Contract/ Grant Number</u>	<u>Expenditures</u>	<u>Transfers to Subrecipients</u>
<b>STATE PROJECTS</b>				
<b>Indirect Projects:</b>				
<b>Florida Department of Children and Families</b>				
<b>Passed through Citrus Health Network, Inc. d/b/a Citrus Family Care Network</b>				
Out-of-Home Supports	60.074		\$ 801,722	\$ -
CBC Purchase Therapeutic Services for Children	60.183		17,175	-
<b>Florida Department of Juvenile Justice</b>				
<b>Passed through Florida Network of Youth and Family Services</b>				
Children and Families in Need of Services (CINS/FINS)	80.005		<u>690,976</u>	<u>-</u>
Total Expenditures of State Financial			<u>\$ 1,509,873</u>	<u>\$ -</u>

See notes to the schedule of expenditures of federal awards and state financial assistance,  
other state funding and local financial assistance.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.  
SCHEDULE OF OTHER STATE FUNDING  
FOR THE YEAR ENDED JUNE 30, 2022**

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<u>Grantor</u>	<u>Program</u>	<u>Contract Number</u>	<u>Expenditures</u>
<b>Other State Funding:</b>			
State Matching Funds for Federal Programs:			
Florida Department of Health and Human Services			
Passed through the Florida Department of Children and Families			
Passed through Citrus Health Network, Inc. d/b/a Citrus Family Care Network			
	Promoting Safe And Stable Families Temporary Assistance For Needy Families Block Grant	93.556	\$ 23,670
	Child Welfare Services-State Grants	93.558	1,084,865
	Foster Care-Title IV-E	93.645	406,862
	Adoption Assistance	93.658	3,003,631
	Social Services Block Grant	93.659	449,843
	Independent Living	93.667	440,413
	Medical Assistance Program	93.674	31,486
		93.778	<u>75,586</u>
			<u>5,516,355</u>
Passed through the South Florida Behavioral Network, Inc.	Children's Mental Health and Substance Abuse Services	ME 225-12-47	<u>175,969</u>
Total Expenditures of Other State Funding			<u>\$ 5,692,324</u>

See notes to the schedules of expenditures of federal awards and state financial assistance, other state funding and local financial assistance.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.  
SCHEDULE OF LOCAL FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2022**

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<u>Grantor</u>	<u>Program</u>	<u>Contract Number</u>	<u>Expenditures</u>
<b>Local Financial Assistance:</b>			
University of Miami	Culturally Informed Flexible Family-Based Treatment for Adolescents (CIFFTA)	2235-7570	\$ 83,763
University of Miami	Jasmine Project	OS 00000432	104,136
Miami-Dade County	Violence and Drug Prevention Program	21-CFCE and 22-CFCE-A	204,504
Miami-Dade County	Freedom School Peek Program		15,000
United Way of Miami Dade	Freedom School Peek Program		70,000
City of Miami Gardens	CDC - Reach Supplemental Vaccination Project		42,168
Children's Trust	Freedom School Peek Program		<u>18,000</u>
Total Local Financial Assistance			<u>\$ 537,571</u>

See notes to the schedules of expenditures of federal awards and state financial assistance, other state funding and local financial assistance.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE, OTHER STATE FUNDING AND LOCAL FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2022**

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**Note 1 - Basis of Presentation**

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance, Other State Funding and Local Financial Assistance (the “Schedules”) includes the federal, state, other state, and local funding of Center for Family and Child Enrichment, Inc. (the “Center”) under programs of federal, state, and local government for the year ended June 30, 2021. The information in the Schedule of Expenditures of Federal Awards and State Financial Assistance is presented in accordance with the requirements of the Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, (Uniform Guidance) and Chapter 10.650, *Rules of the Auditor General*. Because the Schedules present only a selected portion of the operations, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Center.

**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, and Chapter 10.650, *Rules of the Auditor General*, wherein certain types of expenditures are not allowable or are limited as to reimbursement, as applicable.

**Note 3 - Indirect Cost Rate**

The Center elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note 4 - Contingency**

The grant and contract revenue amounts received are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor/contract agencies would become a liability of the Center. In the opinion of management, all grant and contract expenditures are in compliance with the terms of the agreements and applicable federal and state laws and other applicable regulations.

**Note 5 - Reinvestment Plan**

As discussed in Note 10, the Center recorded a refundable advance for excess amounts received from one of their grantor agencies. This amount is reduced from the expenditures shown in the accompanying schedules of federal awards and state financial assistance and other state funding based on a proportional allocation.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**SCHEDULE OF PROGRAM/COVERED SERVICE ACTUAL EXPENSES AND REVENUES**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Mental Health									Total for State SAMH Funded Covered Services	Total for Non-State SAMH Funded Covered Services	Total
	Case Management	Assessment	Medical Services	Outreach	Outpatient (Individual)	Information and Referral	B NETT Program	Prevention	Total Mental Health			
<b>Funding Sources and Revenues:</b>												
<b>State SAMH Funding:</b>												
Contract/OCA:												
ME-225-11-47/MH009	\$ 5,729	\$ 4,779	\$ 19,787	\$ 5,461	\$ 132,246	\$ 9,324	\$ 107,707	\$ 8,373	\$ 293,406	\$ 293,406	\$ -	\$ 293,406
Total State SAMH funding	5,729	4,779	19,787	5,461	132,246	9,324	107,707	8,373	293,406	293,406	-	293,406
<b>Other Government Funding:</b>												
Other state agency funding	-	-	-	-	-	-	-	-	-	-	12,518,612	12,518,612
Federal grants and contracts	-	-	-	-	-	-	-	-	-	-	2,405,256	2,405,256
Local government	-	-	-	-	-	-	-	-	-	-	646,029	646,029
Medicaid	816	42,758	222,101	-	1,303,601	-	-	-	1,569,276	1,569,276	770,026	2,339,302
Total other government funding	816	42,758	222,101	-	1,303,601	-	-	-	1,569,276	1,569,276	16,339,923	17,909,199
<b>All Other Revenues:</b>												
Contributions and donations	-	-	-	-	-	-	-	-	-	-	128,514	128,514
First and second party payments	-	-	-	-	-	-	-	-	-	-	-	-
In-kind	-	-	-	-	10,175	-	-	-	10,175	10,175	30,000	40,175
Other	-	19,688	18,277	-	269,718	-	-	-	307,683	307,683	1,499,109	1,806,792
Total all other revenues	-	19,688	18,277	-	279,893	-	-	-	317,858	317,858	1,657,623	1,975,481
Total funding	\$ 6,545	\$ 67,225	\$ 260,165	\$ 5,461	\$ 1,715,740	\$ 9,324	\$ 107,707	\$ 8,373	\$ 2,180,540	\$ 2,180,540	\$ 17,997,546	\$ 20,178,086

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**SCHEDULE OF PROGRAM/COVERED SERVICE ACTUAL EXPENSES AND REVENUES**  
**FOR THE YEAR ENDED JUNE 30, 2022 (CONTINUED)**

	Mental Health									Total for State-SAMH Funded Covered Services	Total for Non-State-SAMH Funded Covered Services	Administration	Fundraising	Total Expenses
	Case Management	Assessment	Medical Services	Outreach	Outpatient	Information and Referral	B NETT Program	Prevention	Total Mental Health					
<b>Expenses</b>														
<b>Personnel Costs:</b>														
Salaries	\$ 15,064	\$ 81,523	\$ 11,342	\$ 6,295	\$ 757,938	\$ 14,591	\$ 33,380	\$ 7,462	\$ 927,595	\$ 927,595	\$ 9,826,102	\$ 855,836	\$ -	\$ 11,609,533
Payroll taxes	1,092	5,845	877	488	56,967	1,130	2,582	571	69,552	69,552	742,254	69,497	-	881,302
Fringe benefits	1,205	2,838	-	-	51,691	-	3,717	-	59,451	59,451	513,518	36,543	-	609,512
Workers' compensation and recruitment	212	1,025	148	83	9,556	189	429	89	11,731	11,731	122,646	1,248	-	135,625
	<u>17,573</u>	<u>91,231</u>	<u>12,367</u>	<u>6,866</u>	<u>876,152</u>	<u>15,910</u>	<u>40,108</u>	<u>8,122</u>	<u>1,068,329</u>	<u>1,068,329</u>	<u>11,204,520</u>	<u>963,124</u>	<u>-</u>	<u>13,235,973</u>
<b>Other Expenses:</b>														
Contract consulting (allocated)	8,421	7,451	169,156	-	81,595	-	650	-	267,273	267,273	1,159,013	83,008	-	1,509,294
Occupancy costs	8,316	12,647	12,647	-	82,041	-	3,300	-	118,951	118,951	227,519	72,737	-	419,207
Telephone	1,261	1,799	-	-	14,335	-	-	376	17,771	17,771	151,617	12,782	-	182,171
Office supplies	64	13	-	-	5,865	-	-	-	5,943	5,943	123,507	47,460	-	176,910
Client meals	-	-	-	-	-	-	-	-	-	-	32,009	-	-	32,009
Client outing	-	-	-	-	-	-	-	-	-	-	4,430	-	-	4,430
Insurance	4,497	6,746	8,994	2,249	32,863	2,249	1,866	-	59,463	59,463	193,654	13,491	-	266,608
Utilities	-	-	-	-	-	-	-	-	-	-	40,533	-	-	40,533
Program supplies	-	-	-	-	648	-	-	-	648	648	343,033	1,100	-	344,781
Professional fees	-	-	-	-	-	-	-	-	-	-	15,000	39,850	-	54,850
Travel	18	-	-	-	188	-	-	1,000	1,205	1,205	95,429	12,440	-	109,075
Client services	-	-	-	-	9	-	2,006	-	2,015	2,015	44,179	-	-	46,194
Seminars	-	-	-	-	2,522	-	-	2,000	4,522	4,522	48,891	13,793	-	67,206
Property taxes	-	-	-	-	-	-	-	-	-	-	4,347	214	-	4,561
Security	-	-	-	-	983	-	-	-	983	983	16,683	1,376	-	19,042
Repairs and maintenance	-	-	-	-	4,478	-	-	-	4,478	4,478	266,744	1,417	-	272,640
Equipment rental	274	160	-	-	2,024	-	-	-	2,459	2,459	20,879	7,394	-	30,734
Postage	100	111	-	-	535	-	-	-	746	746	2,048	639	-	3,432
Printing and reproduction	-	-	-	-	-	-	-	-	-	-	254	818	-	1,072
Dues and memberships	-	-	-	-	1,667	-	-	-	1,667	1,667	62,108	18,039	-	81,814
Licenses and permits	514	1,329	664	-	16,265	-	-	-	18,772	18,772	87,166	8,401	-	114,338
Marketing expenses	-	-	-	-	-	-	-	-	-	-	16,795	600	-	17,395
Auto expenses	-	-	-	-	7,447	-	-	-	7,447	7,447	256,867	-	-	264,313
Recruiting	-	-	-	-	-	-	-	-	-	-	-	17,498	-	17,498
Miscellaneous	-	-	-	416	268	-	211	-	895	895	42,320	7,419	-	50,634
Interest expense	-	-	-	-	-	-	-	-	-	-	50,292	11,896	-	62,188
Depreciation	-	-	-	-	7,700	-	-	-	7,700	7,700	219,540	-	-	227,240
Debt amortization	-	-	-	-	-	-	-	-	-	-	3,124	-	-	3,124
Bad debts	672	1,636	1,350	-	26,097	-	-	-	29,755	29,755	51,314	-	-	81,069
Sliding fee discounts	-	18,791	17,752	-	248,379	-	-	-	284,923	284,923	146,131	-	-	431,054
Donations in-kind – goods	-	-	-	-	10,175	-	-	-	10,175	10,175	30,000	-	-	40,175
Fundraising expense	-	-	-	-	-	-	-	-	-	-	-	-	7,141	7,141
Total other expenses	<u>24,137</u>	<u>50,683</u>	<u>210,563</u>	<u>2,665</u>	<u>546,084</u>	<u>2,249</u>	<u>8,032</u>	<u>3,376</u>	<u>847,791</u>	<u>847,791</u>	<u>3,755,429</u>	<u>372,372</u>	<u>-</u>	<u>4,982,733</u>
Total direct expenses	<u>41,710</u>	<u>141,914</u>	<u>222,930</u>	<u>9,531</u>	<u>1,422,236</u>	<u>18,159</u>	<u>48,140</u>	<u>11,498</u>	<u>1,916,119</u>	<u>1,916,119</u>	<u>14,959,949</u>	<u>1,335,496</u>	<u>7,141</u>	<u>18,218,706</u>
<b>Distributed Indirect Costs:</b>														
Administration	2,273	11,364	1,645	914	128,079	2,118	4,730	1,053	152,176	152,176	1,183,320	(1,335,496)	-	-
Total distributed indirect costs	<u>2,273</u>	<u>11,364</u>	<u>1,645</u>	<u>914</u>	<u>128,079</u>	<u>2,118</u>	<u>4,730</u>	<u>1,053</u>	<u>152,176</u>	<u>152,176</u>	<u>1,183,320</u>	<u>(1,335,496)</u>	<u>-</u>	<u>-</u>
Total expenses	<u>43,983</u>	<u>153,278</u>	<u>224,575</u>	<u>10,445</u>	<u>1,550,315</u>	<u>20,277</u>	<u>52,870</u>	<u>12,551</u>	<u>2,068,295</u>	<u>2,068,295</u>	<u>16,143,270</u>	<u>-</u>	<u>7,141</u>	<u>18,218,706</u>
<b>Unallowable Costs</b>	-	-	-	-	-	-	-	-	-	-	172,932	-	7,141	180,073
Total allowable operating expenses	<u>\$ 43,983</u>	<u>\$ 153,278</u>	<u>\$ 224,575</u>	<u>\$ 10,445</u>	<u>\$ 1,550,315</u>	<u>\$ 20,277</u>	<u>\$ 52,870</u>	<u>\$ 12,551</u>	<u>\$ 2,068,295</u>	<u>\$ 2,068,295</u>	<u>\$ 15,970,338</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,038,633</u>
<b>Capital Expenditures</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 754,559	\$ -	\$ -	\$ 754,559

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**SCHEDULE OF STATE EARNINGS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

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<b>Total Expenditures</b>	\$ 18,218,706
Less other state and federal funds	(16,957,517)
Less nonmatch SAMH funds	(148,733)
Less unallowable costs per 65E-14, F.A.C.	<u>(180,073)</u>
<b>Total Allowable Expenditures</b>	<u>\$ 932,383</u>
<b>Maximum Available Earnings</b>	<u>\$ 699,287</u>
<b>Amount of State Funds Requiring Match</b>	<u>\$ 144,673</u>
<b>Amount Due to Department **</b>	<u>\$ 554,614</u>

\*\* If this amount is negative, the amount is due to the department up to the amount on the line listed as "amount of state funds requiring match."

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**  
**SCHEDULE OF REVENUES AND EXPENSES**  
**FOR THE DEPARTMENT OF JUVENILE JUSTICE - CIN/FIN NON-RESIDENTIAL PROGRAMS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

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**Revenues:**

Department of Juvenile Justice	\$ 690,976
In-kind donation	<u>4,750</u>
Total revenues	<u>695,726</u>

**Operating Expenses:**

Payroll and related expenses:

Salaries	366,003
Payroll taxes	27,305
Health insurance and other fringe benefits	<u>24,230</u>
Total payroll and related expenses	<u>417,538</u>

Other operating expenses:

Contract consultancy	9,538
Repairs and maintenance	1,121
Supplies	3,422
Travel	4,609
Insurance	20,237
Rent	60,444
Food service client	214
Communication	9,223
Staff development/recruiting	4,551
In-kind donated goods	4,750
Other	<u>5,841</u>
Total other operating expenses	123,951

Center's overhead allocation	<u>51,043</u>
Total operating expenses	<u>592,532</u>
Excess of revenues over expenses	<u>\$ 103,194</u>

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.**

**INTERNAL CONTROL AND COMPLIANCE**

**FOR THE YEAR ENDED JUNE 30, 2022**



# ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

**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  
Center for Family and Child Enrichment, 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 Center for Family and Child Enrichment, Inc. (the "Center") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements 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 11, 2022.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Center's internal control over financial reporting (internal control) 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 the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

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



Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. However, material weaknesses or significant deficiencies may exist that were not identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Center’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 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.



Miramar, Florida  
November 11, 2022



# ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

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

To the Board of Directors  
Center for Family and Child Enrichment, Inc.

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

***Opinion on Each Major Federal Program and State Project***

We have audited Center for Family and Child Enrichment, Inc.'s (the "Center") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the Department of Financial Services' State Projects Compliance Supplement that could have a direct and material effect on each of the Center's major federal programs and state projects for the year ended June 30, 2022. The Center'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.

In our opinion, the Center complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended June 30, 2022.

***Basis for Opinion on Each Major Federal Program and State Project***

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; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, Rules of the Auditor General. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Center and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the Center's compliance with the compliance requirements referred to above.



### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Center's federal programs and state projects.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Center's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Center's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Center's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Center's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items. Our opinion on each major federal program and state project is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the Center's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Center's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program 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 a type of compliance requirement of a federal program and 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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



Miramar, Florida  
November 11, 2022

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022**

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

**Financial Statements**

**Type of auditor's report issued:**

***Unmodified Opinion***

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes      X   None Reported
- Noncompliance material to financial statements noted? \_\_\_\_\_ Yes      X   No

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes      X   None Reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_   X   Yes    \_\_\_\_\_ No

**Identification of major federal program(s):**

<u>CFDA No.</u>	<u>Federal Programs:</u>
93.527 and 93.224	Department of Health and Human Services - Grants for New and Expanded Services Under the Health Center Program
93.658	Foster Care Title IV-E
93.556	Promoting Safe and Stable Families

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? \_\_\_\_\_   X   Yes    \_\_\_\_\_ No

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022**

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**Section I - Summary of Auditor's Results (cont'd)**

**State Projects**

**Internal control over major projects:**

- Material weaknesses identified?  Yes  No
- Significant deficiencies identified that are not considered to be material weaknesses?  Yes  None Reported

Type of auditors' report issued on compliance for major projects: **Unmodified Opinion**

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650 "Rules of the Auditor General?"  Yes  No

**Identification of Major Projects:**

<b>CSFA Number</b>	<b>Name of State Project</b>
60.074	Florida Department of Children and Families - Out of Home Supports

Dollar threshold used to distinguish between Type A and Type B projects: \$750,000

**Section II - Financial Statement Findings**

None reported.

**Section III - Federal Awards Programs and State Financial Assistance Projects Findings and Questioned Costs**

None reported.

**Section IV - Prior Year Audit Findings**

None reported.

**CENTER FOR FAMILY AND CHILD ENRICHMENT, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022**

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**Section VI - Financial Assistance - Management Letter**

A Management Letter was not issued.

**Section VII - Other Issues**

- (a) No Summary Schedule of Prior Audit Findings is required because there were no prior audit findings related to Federal programs and State projects; and
- (b) No Corrective Action Plan is required because there were no findings required to be reported under the Federal Single Audit Act and Florida Single Audit Act.