

**ORANGE COUNTY SCHOOL
READINESS COALITION, INC.
d/b/a
EARLY LEARNING
COALITION OF ORANGE
COUNTY**

**Consolidated Financial
Statements
and Supplemental
Information**

**Years Ended
June 30, 2022 and 2021**

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INDEPENDENT AUDITOR'S REPORT

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American Institute of
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To the Board of Directors of
Early Learning Coalition of Orange County
Orlando, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Early Learning Coalition of Orange County (a nonprofit organization) (the "Coalition") and the Foundation for Early Childhood Development, Inc. (a nonprofit organization) (the "Foundation") (collectively the "Organization"), which comprise the consolidated statements of financial position as of June 30, 2022, and 2021, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2022, and 2021, and the changes in their net assets and their cash flows for the years 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 Organization 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 consolidated 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 consolidated 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 consolidated 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 Organization'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, State of Florida Chapter 10.650, *Rules of the Auditor General*, and special audit guidance provided by the Division of Early Learning, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Also, the consolidating schedules are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and results of operations of the individual companies, and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2023, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Moss, Krusick & Associates, LLC

Winter Park, Florida

March 15, 2023

Early Learning Coalition of Orange County

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

June 30, 2022 and 2021

	2022	2021
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,110,067	\$ 4,854,378
Grants receivable	9,180,646	5,228,889
Due from 4C	3,071	830,139
Other assets	250,767	202,667
	11,544,551	11,116,073
Property and equipment - net	11,195	16,792
	\$ 11,555,746	\$ 11,132,865
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and other	\$ 1,175,789	\$ 291,332
Due to 4C	8,879,613	9,188,487
Due to DEL	177,984	848,978
Deferred revenue	708,290	247,720
Accrued compensation	274,823	278,739
	11,216,499	10,855,256
Commitments and contingencies	-	-
Net assets		
Without donor restrictions	339,247	277,609
	339,247	277,609
Total liabilities and net assets	\$ 11,555,746	\$ 11,132,865

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

Early Learning Coalition of Orange County

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Years Ended June 30, 2022 and 2021

	2022	2021
REVENUES AND SUPPORT		
Government grants:		
School Readiness	\$ 94,035,966	\$ 69,002,213
Voluntary Pre-Kindergarten	28,203,315	23,047,637
Preschool Development	576,713	164,925
Other grant income	1,734,164	3,878,555
Other income	112,784	517,184
Contribution of non-financial assets	80,899	37,529
Total revenues and support	124,743,841	96,648,043
EXPENSES		
Program services:		
School Readiness	91,804,163	68,003,638
Voluntary Pre-Kindergarten	27,540,589	22,562,187
Other	2,659,663	4,064,822
Non-financial expense	80,899	37,529
Total program services	122,085,314	94,668,176
Coalition support services:		
Management and general	2,596,889	2,063,379
Total expenses	124,682,203	96,731,555
Change in net assets	61,638	(83,512)
NET ASSETS AT BEGINNING OF YEAR	277,609	361,121
NET ASSETS AT END OF YEAR	\$ 339,247	\$ 277,609

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

Early Learning Coalition of Orange County

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended June 30, 2022 and 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 61,638	\$ (83,512)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	5,597	5,597
(Increase) decrease in assets:		
Grants receivable	(3,951,757)	2,913,734
Due from 4C	827,068	852,738
Other assets	(48,100)	548,241
Increase (decrease) in liabilities:		
Accounts payable and other	884,457	(923,030)
Deferred revenue	460,570	(126,037)
Due to 4C	(308,874)	(1,890,790)
Due to DEL	(670,994)	840,804
Accrued compensation	(3,916)	32,492
Net cash (used in) provided by operating activities	(2,744,311)	2,170,237
Net (decrease) increase in cash and cash equivalents	(2,744,311)	2,170,237
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	4,854,378	2,684,141
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 2,110,067	\$ 4,854,378

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

Early Learning Coalition of Orange County

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2022

	Program Services				Total	Coalition Support Services	Total
	School Readiness	Voluntary Pre-Kindergarten	Other	Non-financial Expense			
Pass-through payments to subrecipients	\$ 87,283,333	\$ 27,344,526	\$ 684,056	\$ -	\$ 115,311,915	\$ 974,213	\$ 116,286,128
Salaries and benefits	2,240,046	162,037	601,030	-	3,003,113	1,205,450	4,208,563
Quality initiatives	1,434,478	837	534,881	-	1,970,196	81,758	2,051,954
Professional fees	198,248	7,517	758,815	-	964,580	83,259	1,047,839
Rent	222,721	10,678	2,189	-	235,588	51,482	287,070
Office expense	126,361	7,202	9,342	-	142,905	34,810	177,715
Community outreach	93,892	-	37,046	-	130,938	37,830	168,768
Repairs and maintenance	80,880	5,577	-	-	86,457	34,488	120,945
Training and development	71,648	924	2,040	-	74,612	34,777	109,389
Other expense	21,053	46	24,429	-	45,528	49,251	94,779
Travel	21,790	886	4,826	-	27,502	8,095	35,597
Printing and reproduction	9,713	359	1,009	-	11,081	1,476	12,557
Non-financial expense							
Facilities	-	-	-	25,324	25,324	-	25,324
Services	-	-	-	55,575	55,575	-	55,575
Total expenses	\$ 91,804,163	\$ 27,540,589	\$ 2,659,663	\$ 80,899	\$ 122,085,314	\$ 2,596,889	\$ 124,682,203

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

Early Learning Coalition of Orange County
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2021

	Program Services				Total	Coalition Support Services	Total
	School Readiness	Voluntary Pre-Kindergarten	Other	Non-financial Expense			
Pass-through payments to subrecipients	\$ 63,977,379	\$ 22,350,358	\$ 948,998	\$ -	\$ 87,276,735	\$ 990,068	\$ 88,266,803
Salaries and benefits	2,338,150	180,262	597,405	-	3,115,817	829,748	3,945,565
Quality initiatives	904,262	97	2,311,337	-	3,215,696	45,344	3,261,040
Professional fees	162,223	4,443	142,394	-	309,060	30,993	340,053
Rent	231,482	10,699	-	-	242,181	34,680	276,861
Office expense	172,396	10,438	3,164	-	185,998	50,936	236,934
Community outreach	93,366	46	39,816	-	133,228	8,642	141,870
Other expense	44,004	1,193	15,623	-	60,820	37,960	98,780
Repairs and maintenance	48,606	3,796	194	-	52,596	24,978	77,574
Training and development	23,129	544	60	-	23,733	6,233	29,966
Printing and reproduction	8,641	311	858	-	9,810	3,797	13,607
Travel	-	-	4,973	-	4,973	-	4,973
Non-financial expense							
Facilities	-	-	-	25,923	25,923	-	25,923
Services	-	-	-	11,606	11,606	-	11,606
Total expenses	\$ 68,003,638	\$ 22,562,187	\$ 4,064,822	\$ 37,529	\$ 94,668,176	\$ 2,063,379	\$ 96,731,555

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

Early Learning Coalition of Orange County

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Organization and nature of activities

Orange County School Readiness Coalition, Inc. d/b/a Early Learning Coalition of Orange County (“the Coalition”), was organized on May 9, 2001 as a Florida not-for-profit corporate 501(c)(3) entity. The Coalition was created by Florida Legislators, with the enactment of Section 411.01, Florida Statutes. The Coalition receives funding from federal and state grants through the Division of Early Learning and local funding sources. The Coalition’s mission is to promote high quality school readiness services and after school care through community-responsive policy guidance and program outcome oversight. Led by a board of community leaders, the Coalition’s priority is to ensure that all eligible children, birth through five years of age, in Orange County are afforded the opportunity for developmentally appropriate learning experiences leading to enhanced academic success, as funding permits, and to support the economic self-sufficiency of low income families in need of before and after school care.

Effective December 29, 2002, Foundation for Early Childhood Development, Inc. (“Foundation”) was established as a separate 501(c)(3) organization to benefit and be responsive to the needs of the Coalition and to conduct fundraising activities and act as an endowment for the Coalition to provide services and materials to enhance the development of children prior to entering kindergarten.

The Coalition contracts primarily with Community Coordinated Care for Children, Inc., an independent 501(c)(3), to assist in providing eligible children and families access to Coalition funded services. (See Note E – Related Party Transactions.)

2. Principles of consolidation

The Early Learning Coalition of Orange County and the Foundation for Early Childhood Development, Inc. (collectively the “Organization”) have common members of their Boards of Directors (the “Board”) and utilize the same management and employees. They were organized to achieve common goals. Therefore, the accompanying financial statements are presented on a consolidated basis. All significant intercompany accounts and transactions have been eliminated in consolidation.

3. Revenue recognition

The Organization follows Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (ASC 606), which outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied, and ASU No. 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (ASC 958-605), which clarifies how transactions should be accounted for as contributions (nonreciprocal transactions) or exchange transactions and whether a contribution is conditional.

Early Learning Coalition of Orange County

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022

**NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

3. Revenue recognition (continued)

Revenue from government grants is recorded when earned, which is generally when the allowable costs of the specific grant provisions have been incurred or the performance of services rendered. Such revenue is subject to audit by the grantor and, if the examination results in a deficiency of allowable expenses, the Organization will be required to refund any deficiencies. Management is of the opinion that all monies recognized as revenue have been earned as of June 30, 2022 and 2021, respectively.

Revenue from program fees are recognized when the earnings process is substantially complete and goods have been delivered or services performed. Revenues from program fees are recognized in the year to which they relate. As part of the Voluntary Pre-Kindergarten grants, the Organization receives advances on revenue which are to be repaid to the state.

Contributions to the Organization generally represent unconditional promises to give and are recognized in the period that the promises to give are made. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met.

4. Functional allocation of expenses

The cost of providing the various programs and supporting services have been summarized on a functional basis in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among programs and supporting services benefited.

5. Use of estimates

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

6. Basis of accounting and financial statement presentation

The accompanying consolidated financial statements and accompanying consolidating schedules have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Organization is required to report information regarding its financial position and activities according to two classes of net assets as follows:

Early Learning Coalition of Orange County

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022

**NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

6. Basis of accounting and financial statement presentation (continued)

Net Assets Without Donor Restrictions

Net assets without donor restrictions are available for use at the discretion of the Board and/or management for general operating purposes. From time to time, the Board designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion.

Net Assets With Donor Restrictions

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed restrictions, time and/or purpose restrictions. The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the consolidated statements of activities as net assets released from restrictions. Net assets are reflected as revenue without donor restrictions if received and expended in the same year.

Some net assets with donor restrictions may include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor imposed stipulations or a Board approved spending policy.

7. Cash and cash equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

The Organization maintains their cash in deposit accounts in banks covered by the Federal Deposit Insurance Corporation (FDIC). The FDIC insures the first \$250,000 of balance per depositor per institution. At June 30, 2022 and 2021, the Organization had \$1,938,250 and \$5,036,370, respectively, in excess of federally insured limits. The Organization has not experienced any losses in such accounts and does not believe they are exposed to any significant credit risk on cash and cash equivalents.

8. Grants receivable and grants advance

Grants receivable are due from federal and state governmental agencies and recorded when services are provided. The Organization's receivables as of June 30, 2022 and 2021 are due in less than one year and management believes that all receivables are fully collectible. Grants advance represents prepayments to subrecipients for future services under grant contracts.

Early Learning Coalition of Orange County

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022

**NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

9. Property and equipment

The Organization's policy is to capitalize property and equipment with a cost in excess of \$5,000. Depreciation is computed on the straight line basis over the expected life of the asset. Office furniture is depreciated over ten years.

Property acquired with governmental funds is considered to be owned by the Organization while used in the program for which it was purchased or in future authorized programs; however, its disposition as well as the ownership of any proceeds from the sale of assets therefrom is subject to applicable regulations.

10. Deferred revenue

Deferred revenue represents other program income received but not yet earned, and conditional revenue, which will be recognized as revenue when the condition is met.

11. Recent accounting pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases*, that requires lessees to put most leases on their balance sheets and recognize expenses on their income statements in a manner similar to today's capital lease accounting. The guidance also eliminates today's real estate specific provisions for all entities. For lessors, the guidance modifies the classification criteria for accounting for sales-type and direct financing leases. The new guidance is effective for fiscal years beginning after December 15, 2021.

12. Accounting Pronouncements Implemented

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities* (Topic 958): *Presentation and Disclosures by Not-for-Profit Entities for Contributed Non-financial Assets*, which requires the monitoring and tracking of gifts in kind by asset category, while also noting any donor-imposed restrictions. The Organization adopted ASU No. 2020-07 effective July 1, 2021. The adoption has no significant impact on the Organization's financial statements.

13. Income taxes

The Coalition and the Foundation are exempt from income tax under Section 501(c)(3) of the Internal Revenue Code; therefore, no income tax provision is required in the accompanying consolidated financial statements. The Coalition and Foundation are not classified as private foundations. Contributions to the Organization are generally qualified as deductible charitable contributions for tax purposes.

Early Learning Coalition of Orange County

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022

**NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

13. Income Taxes (continued)

Management has analyzed the Organization's various federal and state filing positions and believes that its income tax filing positions and deductions are well documented and supported, and that no accruals for tax liabilities are necessary. Therefore, no reserves for uncertain income tax positions have been recorded.

14. Subsequent events

Management has evaluated the effect subsequent events would have on the accompanying consolidated financial statements through the date these consolidated financial statements were available to be issued on March 15, 2023.

NOTE B – ECONOMIC DEPENDENCE

The Organization received substantially all of its revenue from federal and state contracts during the years ended June 30, 2022 and 2021. The continuance of state and federal funding is subject to annual legislative budgetary review.

NOTE C – 401K PLAN

The Coalition established a 401(k) Plan effective January 1, 2006 for all qualifying employees. All employees with one full year of service and at least 21 years of age are eligible to participate in the Plan. The Coalition's Plan includes a 401(k) match fund for participating employees of .25% per 1% of salary (maximum of 1% match) and 5% Safe Harbor Contribution. Contributions to the profit sharing component of the Plan are at the discretion of the Coalition and are determined on an annual basis. The Coalition provided for matching contributions of \$151,093 and \$146,239 to the Plan for the years ended June 30, 2022 and 2021, respectively. Employees are immediately vested in their contributions and the matching contributions.

NOTE D – MATCH FROM LOCAL RESOURCES

Funds in the General Appropriations Act, Specific Appropriation 85, totaling \$30,000,000 were provided to expand the provision of services to low income families at or below 200 percent of the federal poverty level as long as the income does not exceed 85 percent of the state median income. To be eligible for funding, the Coalition must match the state funds on a dollar-for-dollar basis and the local match must comply with federal Child Care and Development Block Grant matching requirements. During the years ended June 30, 2022 and 2021, the local matching requirements were met.

Early Learning Coalition of Orange County

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022

NOTE E – RELATED PARTY TRANSACTIONS

As mandated by the Florida Statute 411.01 (the School Readiness Act), the Coalition’s Board of Directors members must include a county health department director and a president of a community college or his/her designee as voting related party members. Additional members of the Board are derived from the community at large, as designed by the Coalition’s By-laws. The Coalition’s Board members included the district superintendent of schools or his/her designee, a central agency administrator, a representative of private childcare providers, a representative of faith-based childcare providers and a representative of programs for children with disabilities under the Federal Individuals with Disabilities Education Act. Additionally, an agreement with any other Coalition Board member or their employer is considered a related party. An agreement was entered into with the Orlando Sentinel who has an employee on the Coalition Board.

At June 30, 2022 and 2021, amounts due to related parties are included in accounts payable in the consolidated statements of financial position as follows:

	<u>2022</u>	<u>2021</u>
Community Coordinated Care for Children (4C)	\$ 8,879,613	\$ 9,188,487
Orange County Public School District	28,063	32,642
Orlando Sentinel	<u>6,500</u>	<u>4,200</u>
Total	<u>\$ 8,914,176</u>	<u>\$ 9,225,329</u>

In addition, the Coalition has a due from 4C of \$3,071 and \$830,139 for the years ended June 30, 2022 and 2021, respectively, for over payments to providers by 4C.

The Coalition passes through grants received from federal and state agencies to the above organizations which act as sub-recipients of the federal and state grants. Total payments made by the Coalition to these organizations during the years ended June 30, 2022 and 2021 were \$116,286,127 and \$88,266,803, respectively.

Effective July 1, 2010, the Florida Legislature mandated that all board members of Early Learning Coalitions shall be considered eligible to vote on all matters, subject to the restrictions imposed on all board members by the by-laws of the Coalition for related party transactions.

Early Learning Coalition of Orange County
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022

NOTE F – COMMITMENTS AND CONTINGENCIES

1. Operating leases

The Coalition entered into an 11-year operating lease with Surterre, LLC which commenced July 1, 2017 for office space. The Coalition also leases various office equipment under separate operating leases with the last lease expiring September 2023.

The following is a schedule of the future minimum lease payments required under these leases for the fiscal years ending June 30:

2023	\$ 300,473
2024	305,514
2025	313,884
2026	324,085
2027	334,617
Thereafter	<u>345,493</u>
	<u>\$ 1,924,065</u>

Rent expense for the years ended June 30, 2022 and 2021 was \$285,173 and \$276,861 respectively.

2. Federal and state appropriated funds

Amounts received from federal and state agencies are subject to audit and adjustment at the discretion of those entities. If expenditures are disallowed as a result of these audits, the claims for reimbursement would be a liability of the Organization.

NOTE G – PROPERTY AND EQUIPMENT

Property and equipment at June 30 are summarized as follows:

	<u>2022</u>	<u>2021</u>
Office furniture	\$ 39,180	\$ 39,180
Less: accumulated depreciation	<u>(27,985)</u>	<u>(22,388)</u>
Net property and equipment	<u>\$ 11,195</u>	<u>\$ 16,792</u>

Depreciation expense for the years ended June 30, 2022 and 2021 was \$5,597 for each year.

Early Learning Coalition of Orange County

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022

NOTE H – CALCULATION OF MAXIMUM ADMINISTRATIVE EXPENSES

The following tables compare administrative expenses incurred to expenses subject to the maximum administrative expenses allowed by the Office of Early Learning (OEL) for the School Readiness and Voluntary Pre-Kindergarten programs for the years ended June 30 2022 and 2021:

	<u>School Readiness</u>	<u>Voluntary Pre-Kindergarten</u>	<u>Total</u>
2022:			
Total administrative expenses subject to 5% and 4% maximum	\$ 1,511,192	\$ 1,084,743	\$ 2,595,935
Maximum 5% and 4% administrative expenses allowable per OEL	<u>3,245,886</u>	<u>1,084,743</u>	<u>4,330,629</u>
Administrative expenses (under) maximum	<u>\$ (1,734,694)</u>	<u>\$ -</u>	<u>\$ (1,734,694)</u>
2021:			
Total administrative expenses subject to 5% and 4% maximum	\$ 1,590,560	\$ 884,868	\$ 2,475,428
Maximum 5% and 4% administrative expenses allowable per OEL	<u>2,778,761</u>	<u>885,173</u>	<u>3,663,934</u>
Administrative expenses (under) maximum	<u>\$ (1,188,201)</u>	<u>\$ (305)</u>	<u>\$ (1,188,506)</u>

NOTE I – FUNCTIONAL EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and benefits, quality initiatives, rent, professional fees, office expense, repairs and maintenance, community outreach, training and development, travel, printing and reproduction, and other expense, which are allocated on the basis of estimates of time and effort.

Early Learning Coalition of Orange County

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022

NOTE J – LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization’s financial assets available within one year of the consolidated statement of financial position date for general expenditures are as follows:

	2022	2021
Cash and cash equivalents	\$ 2,110,067	\$ 4,854,378
Grants receivable	9,180,646	5,228,889
Due from 4C	3,071	830,139
Total financial assets available within one year	11,293,784	10,913,406
Accounts payable and other	1,175,789	291,332
Due to 4C	8,879,613	9,188,487
Due to DEL	177,984	848,978
Deferred revenue	708,290	247,720
Accrued compensation	274,823	278,739
Total amounts unavailable for general expenditures within one year	11,216,499	10,855,256
Total net financial assets available within one year	\$ 77,285	\$ 58,150

As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations come due. The Organization receives approximately 98% and 95% of its funding from federal and state grants passed through DEL for the years ended June 30, 2022 and 2021, respectively, which are on a reimbursable basis. Throughout the year, the Organization receives advances and reimbursements each month to cover incurred expenses.

NOTE K – CONTRIBUTIONS OF NON-FINANCIAL ASSETS

Contributions of non-financial assets are recorded at their fair market values on the date of receipt by the Organization. For the years ended June 30, contributions of non-financial assets recognized within the statements of activities and changes in net assets included:

	2022	2021
Facilities	\$ 25,324	\$ 25,923
Services	55,575	11,606
	\$ 80,899	\$ 37,529

Early Learning Coalition of Orange County

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022

NOTE L – RISK AND UNCERTAINTY

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Organization's financial condition, liquidity, and future results of operations.

Management is actively following federal and state mandates/guidelines and monitoring the global pandemic situation.

SUPPLEMENTAL INFORMATION



Partners

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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 of
Early Learning Coalition of Orange County
Orlando, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Early Learning Coalition of Orange County (a nonprofit organization) (the "Coalition") and the Foundation for Early Childhood Development, Inc. (a nonprofit organization) (the "Foundation") (collectively the "Organization"), which comprise the statement of financial position as of June 30, 2022, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated March 15, 2023.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Report on Compliance and Other Matters (continued)

However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Moss, Krusick & Associates, LLC

Winter Park, Florida
March 15, 2023



Partners

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

To the Board of Directors of
Early Learning Coalition of Orange County
Orlando, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Early Learning Coalition of Orange County (a nonprofit organization) (the "Coalition") and the Foundation for Early Childhood Development, Inc.'s (a nonprofit organization) (the "Foundation") (collectively the "Organization") 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*, and special audit guidance provided by the Division of Early Learning that could have a direct and material effect on each of the Organization's major federal programs and state project for the year ended June 30, 2022. The Organization'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 Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state 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 State of Florida Chapter 10.650, *Rules of the Auditor General* (Chapter 10.650), and special audit guidance provided by the Division of Early Learning. Our responsibilities under those standards and the Uniform Guidance and Chapter 10.650 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 Organization 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 Organization'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 Organization'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 Organization'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 and Chapter 10.650, 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 Organization'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, and Chapter 10.650, 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 Organization'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 Organization'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 and Chapter 10.650, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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.

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.

Report on Internal Control over Compliance (continued)

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

Moss, Krusick & Associates, LLC

Winter Park, Florida
March 15, 2023

Early Learning Coalition of Orange County
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended June 30, 2022

Section I – Summary of Auditor’s Results

Financial Statements

- | | |
|---|---------------|
| 1. Type of auditor’s report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiencies identified that are not considered to be material weaknesses? | None Reported |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|---------------|
| 1. Type of auditor’s report issued on compliance for major programs: | Unmodified |
| 2. Internal control over major programs: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiencies identified that are not considered to be material weaknesses? | None Reported |
| 3. Audit findings disclosed that are required to be reported in accordance with Uniform Guidance? | No |
| 4. Dollar threshold used to distinguish between Type A and Type B programs | \$2,838,380 |
| 5. Auditee qualified as low-risk auditee? | Yes |

Identification of major programs:

<u>Name of Federal Program</u>	<u>ALN</u>
Child Care and Development Cluster	93.575 & 93.596
Temporary Assistance for Needy Families	93.558

Early Learning Coalition of Orange County
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended June 30, 2022

Section I – Summary of Auditor’s Results (continued)

State Financial Assistance

- | | |
|--|---------------|
| 1. Type of auditor’s report issued on compliance for major projects: | Unmodified |
| 2. Internal control over major projects: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiencies identified that are not considered to be material weaknesses? | None Reported |
| 3. Audit findings disclosed that are required to be reported in accordance with the Florida Single Audit Act and Chapter 10.650, <i>Rules of the Auditor General</i> | |
| | No |
| 4. Dollar threshold used to distinguish between Type A and Type B projects | |
| | \$846,099 |

Identification of major projects:

<u>Name of State Projects</u>	<u>CSFA Number</u>
Voluntary Pre-Kindergarten Education Program	48.108

Section II – Enhanced Fields System Modernization (EFS Mod) monthly reconciliation

- | | |
|--|-----|
| 1. EFS Mod reconciled monthly | Yes |
| 2. Processes in place to identify and correct errors during monthly reconciliations to EFS Mod | Yes |
| 3. Coalition’s financial records reconcile and agree to EFS Mod records as of program year ended June 30, 2022 | Yes |
| 4. Audit work papers documenting verification of reconciliations available to DEL staff | Yes |

Section III – Financial Statement Findings

No current year findings (no corrective action plan or management letter required)

Section IV – Federal Award and State Financial Assistance Findings and Questioned Costs

None (there are no items related to Federal Awards and State Financial Assistance required to be reported in the management letter, therefore no management letter issued)

Section V – Status of Prior Year Audit Findings

There were no prior year audit findings.

Early Learning Coalition of Orange County

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Year Ended June 30, 2022

Grantor/Program Title	ALN / CSFA	Award Number	Expenditures	Transfer to Subrecipients
Federal Awards:				
U.S. Department of Health and Human Services				
<i>Passed through State of Florida's Division of Early Learning</i>				
Child Care and Development Block Grant	93.575	EL372	\$ 37,126,039	\$ 33,679,098
Coronavirus Response and Relief Supplemental Appropriations Funds	93.575	EL372	15,288,726	14,421,196
Coronavirus Response and Relief Supplemental Appropriations Funds	93.575	EL373	<u>366,478</u>	<u>345,683</u>
Total Coronavirus Response and Relief Supplemental Appropriations Funds			15,655,204	14,766,879
American Rescue Plan Act	93.575	EL373	15,577,289	15,543,916
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	EL372	<u>15,391,375</u>	<u>13,962,380</u>
Total Child Care and Development Fund Cluster			83,749,907	77,952,273
Temporary Assistance for Needy Families	93.558	EL372	10,256,431	9,304,184
Preschool Development Grant	93.434	EL372	478,429	-
Preschool Development Grant	93.434	EL373	<u>98,284</u>	<u>-</u>
Total Preschool Development Grant			576,713	-
Social Services Block Grant	93.667	EL372	<u>29,628</u>	<u>26,876</u>
Total Expenditures of Federal Awards			<u>\$ 94,612,679</u>	<u>\$ 87,283,333</u>
State Financial Assistance:				
State of Florida Department of Education				
<i>Passed through State of Florida's Division of Early Learning</i>				
Voluntary Pre-Kindergarten Education Program	48.108	EL372	<u>\$ 28,203,315</u>	<u>\$ 27,118,572</u>
Total Expenditures of State Financial Assistance			<u>\$ 28,203,315</u>	<u>\$ 27,118,572</u>

Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), State of Florida Chapter 10.650, Rules of the Auditor General, and the Florida Department of Fiscal Service's State Projects Compliance Supplement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Indirect Cost Rates

The Coalition has elected to not use the 10% de minimis indirect cost rate for its federal programs and state projects for the year ended June 30, 2022. The indirect costs rates used on the Coalition's federal programs and state projects are determined by the relevant federal or state agency.

See independent auditor's report.

Early Learning Coalition of Orange County

CONSOLIDATING SCHEDULE FOR STATEMENT OF FINANCIAL POSITION

June 30, 2022

	Early Learning Coalition of Orange County	Foundation for Early Childhood Development, Inc.	Eliminations	Total
ASSETS				
Current assets				
Cash and cash equivalents	\$ 2,081,927	\$ 28,140	\$ -	\$ 2,110,067
Grants receivable	9,180,646	-	-	9,180,646
Due from 4C	3,071	-	-	3,071
Other assets	250,767	-	-	250,767
	<u>11,516,411</u>	<u>28,140</u>	<u>-</u>	<u>11,544,551</u>
Total current assets				
Property and equipment - net	11,195	-	-	11,195
	<u>11,527,606</u>	<u>28,140</u>	<u>-</u>	<u>11,555,746</u>
Total assets				
LIABILITIES AND NET ASSETS				
Current liabilities				
Accounts payable and other	\$ 1,175,789	\$ -	\$ -	\$ 1,175,789
Due to 4C	8,879,613	-	-	8,879,613
Due to DEL	177,984	-	-	177,984
Deferred revenue	708,290	-	-	708,290
Accrued compensation	274,823	-	-	274,823
	<u>11,216,499</u>	<u>-</u>	<u>-</u>	<u>11,216,499</u>
Total current liabilities				
Commitments and contingencies	-	-	-	-
Net assets				
Without donor restrictions	311,107	28,140	-	339,247
	<u>311,107</u>	<u>28,140</u>	<u>-</u>	<u>339,247</u>
Total net assets				
Total liabilities and net assets	<u>\$ 11,527,606</u>	<u>\$ 28,140</u>	<u>\$ -</u>	<u>\$ 11,555,746</u>

See independent auditor's report.

Early Learning Coalition of Orange County

**CONSOLIDATING SCHEDULE FOR STATEMENT OF ACTIVITIES
AND CHANGES IN NET ASSETS**

Year Ended June 30, 2022

	Early Learning Coalition of Orange County	Foundation for Early Childhood Development, Inc.	Eliminations	Total
REVENUES AND SUPPORT				
Government grants:				
School Readiness	\$ 94,035,966	\$ -	\$ -	\$ 94,035,966
Voluntary Pre-Kindergarten	28,203,315	-	-	28,203,315
Preschool Development	576,713	-	-	576,713
Other grant income	1,734,164	-	-	1,734,164
Other income	112,784	-	-	112,784
Contribution of non-financial assets	80,899	-	-	80,899
	<u>124,743,841</u>	<u>-</u>	<u>-</u>	<u>124,743,841</u>
Total revenues and support				
EXPENSES				
Program services:				
School Readiness	91,804,163	-	-	91,804,163
Voluntary Pre-Kindergarten	27,540,589	-	-	27,540,589
Other	2,659,663	-	-	2,659,663
Non-financial expense	80,899	-	-	80,899
	<u>122,085,314</u>	<u>-</u>	<u>-</u>	<u>122,085,314</u>
Total program services				
Coalition support services:				
Management and general	2,596,559	330	-	2,596,889
	<u>124,681,873</u>	<u>330</u>	<u>-</u>	<u>124,682,203</u>
Total expenses				
Change in net assets	61,968	(330)	-	61,638
NET ASSETS AT BEGINNING OF YEAR	<u>249,139</u>	<u>28,470</u>	<u>-</u>	<u>277,609</u>
NET ASSETS AT END OF YEAR	<u>\$ 311,107</u>	<u>\$ 28,140</u>	<u>\$ -</u>	<u>\$ 339,247</u>

See independent auditor's report.