

Suncoast Center, Inc. and Subsidiary

Consolidated Financial and Compliance Report
June 30, 2022

Contents

Independent auditor's report	1-3
<hr/>	
Financial statements	
Consolidated statements of financial position	4
Consolidated statements of activities	5-6
Consolidated statements of functional expenses	7-10
Consolidated statements of cash flows	11
Notes to consolidated financial statements	12-25
Additional information	26
Substance abuse and mental health services program/cost center actual revenues and expenses schedule required by the State of Florida Department of Children and Families	27-28
Schedule of state earnings for substance abuse and mental health services	29
Schedule of support and revenue	30
Schedule of bed—day availability payments	31
Schedule of related party transaction adjustment	32
<hr/>	
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 <i>Government Auditing Standards</i>	33-34
<hr/>	
Independent auditor's report on compliance for each major program and major state project and report on internal control over compliance required by the Uniform Guidance and State of Florida Chapter 10.650, Rules of the Auditor General	35-37
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Schedule of expenditures of federal awards and state financial assistance	38-39
Notes to schedule of expenditures of federal awards and state financial assistance	40
Schedule of findings and questioned costs	42-43
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RSM US LLP

Independent Auditor's Report

Board of Trustees
Suncoast Center, Inc. and Subsidiary

Opinion

We have audited the consolidated financial statements of Suncoast Center, Inc. and Subsidiary (the Organization), which comprise the consolidated statements of financial position as of June 30, 2022 and 2021, the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements 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 audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by *the Comptroller of the United States of America (Government Auditing Standards)*. 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 audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 GAAS 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 GAAS 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 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 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.

Other Matters—Additional Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying additional information on pages 27 through 32 is presented for purposes of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described above, it is inappropriate and we do not express an opinion on the supplementary information referred to above.

Other Matters—Other 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 and state financial assistance and related notes, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and State of Florida Chapter 10.650, *Rules of the Auditor General*, is presented for purposes of additional analysis and is not a required part of the financial statements. 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 audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2022, on our consideration of the Organization's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Suncoast Center, Inc. and Subsidiary'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.

RSM US LLP

St. Petersburg, Florida
December 14, 2022

Suncoast Center, Inc. and Subsidiary

Consolidated Statements of Financial Position
June 30, 2022 and 2021

	2022	2021
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,711,625	\$ 4,807,680
Accounts receivable	2,627,371	1,982,703
Medication inventory	98,053	72,763
Prepaid expenses and current other assets	276,203	590,776
Total current assets	6,713,252	7,453,922
Property and equipment, net	4,521,885	4,807,758
Investments	1,930,613	1,666,102
Investments designated for deferred compensation	864,332	974,594
Endowed investments	334,182	334,182
Total investments	3,129,127	2,974,878
Charitable remainder trusts	-	6,496
Other assets	80,688	80,688
Total assets	\$ 14,444,952	\$ 15,323,742
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 57,971	\$ 53,871
Accrued expenses	829,228	805,254
Deferred revenue	17,761	139,070
Total current liabilities	904,960	998,195
Deferred compensation payable	864,332	974,594
Total liabilities	1,769,292	1,972,789
Net assets:		
Without donor restrictions	12,321,050	12,993,541
With donor restrictions	354,610	357,412
Total net assets	12,675,660	13,350,953
Total liabilities and net assets	\$ 14,444,952	\$ 15,323,742

See notes to consolidated financial statements.

Suncoast Center, Inc. and Subsidiary

**Consolidated Statement of Activities
Year Ended June 30, 2022**

With Summarized Comparative Information for the Year Ended June 30, 2021

	Year Ended June 30, 2022			Summarized Comparative Totals Year Ended June 30, 2021
	Without Donor Restrictions	With Donor Restrictions	Total	
Operating support and revenue:				
Public support:				
Special event revenue	\$ 38,035	\$ -	\$ 38,035	\$ 39,825
Less special event costs	(11,026)	-	(11,026)	(1,807)
Net revenue from special events	27,009	-	27,009	38,018
Contributions	101,274	40,177	141,451	184,992
In-kind contributions	560,536	-	560,536	699,402
	661,810	40,177	701,987	884,394
Revenue:				
Reimbursement of direct and indirect costs of providing services to clients (including Medicaid and Medicare of \$3,684,806 and \$3,840,705 in 2022 and 2021, respectively)	4,264,894	-	4,264,894	4,424,837
Governmental and other agencies	13,108,160	-	13,108,160	14,191,977
Gain on sale of property and equipment	954,800	-	954,800	804
Gain on forgiveness of long-term debt	-	-	-	2,620,402
Other (loss) income	(240,274)	-	(240,274)	504,844
	18,087,580	-	18,087,580	21,742,864
Net assets released from restrictions:				
Satisfaction of donor restrictions	42,979	(42,979)	-	-
Total support and revenue	18,819,378	(2,802)	18,816,576	22,665,276
Operating expenses:				
Program services	17,303,647	-	17,303,647	17,681,199
Supporting services:				
Administrative and general	2,074,209	-	2,074,209	1,966,262
Fundraising and development	114,013	-	114,013	120,095
Total supporting services	2,188,222	-	2,188,222	2,086,357
Total expenses	19,491,869	-	19,491,869	19,767,556
Change in net assets	(672,491)	(2,802)	(675,293)	2,897,720
Net assets at beginning of year	12,993,541	357,412	13,350,953	10,453,233
Net assets at end of year	\$ 12,321,050	\$ 354,610	\$ 12,675,660	\$ 13,350,953

See notes to consolidated financial statements.

Suncoast Center, Inc. and Subsidiary

**Consolidated Statement of Activities
Year Ended June 30, 2021**

	Without Donor Restrictions	With Donor Restrictions	Total
Operating support and revenue:			
Public support:			
Special event revenue	\$ 39,825	\$ -	\$ 39,825
Less special event costs	(1,807)	-	(1,807)
Net revenue from special events	38,018	-	38,018
Contributions	91,417	93,575	184,992
In-kind contributions	699,402	-	699,402
	790,819	93,575	884,394
Revenue:			
Reimbursement of direct and indirect costs of providing services to clients (including Medicaid and Medicare of \$3,840,705)	4,424,837	-	4,424,837
Gain on sale of property and equipment	804	-	804
Governmental and other agencies	14,191,977	-	14,191,977
Gain on forgiveness of long-term debt	2,620,402	-	2,620,402
Other income	504,844	-	504,844
	21,742,864	-	21,742,864
Net assets released from restrictions:			
Satisfaction of donor restrictions	251,629	(251,629)	-
Total support and revenue	22,823,330	(158,054)	22,665,276
Operating expenses:			
Program services	17,681,199	-	17,681,199
Supporting services:			
Administrative and general	1,966,262	-	1,966,262
Fundraising and development	120,095	-	120,095
Total supporting services	2,086,357	-	2,086,357
Total expenses	19,767,556	-	19,767,556
Change in net assets	3,055,774	(158,054)	2,897,720
Net assets at beginning of year	9,937,767	515,466	10,453,233
Net assets at end of year	\$ 12,993,541	\$ 357,412	\$ 13,350,953

See notes to consolidated financial statements.

Suncoast Center, Inc. and Subsidiary

Consolidated Statement of Functional Expenses
Year Ended June 30, 2022

	Program Services							
	Case Management	Community Intensive Services	Adult Integrated Services	Intensive Family Services	Forensic Services	Family Integrated Services	Early Childhood Services	Child Protection Team
Salaries	\$ 476,807	\$ 569,859	\$ 3,434,079	\$ 498,860	\$ 462,808	\$ 1,849,970	\$ 876,205	\$ 675,382
Fringes	112,749	132,176	757,356	104,447	123,139	444,988	220,035	156,189
Psychiatric consultants	-	-	-	-	-	-	-	6,200
Total salaries and related expenses	589,556	702,035	4,191,435	603,307	585,947	2,294,958	1,096,240	837,771
Building occupancy	20,757	36,177	163,940	30,127	16,910	74,548	51,577	42,241
Professional services	15,280	42,195	109,587	14,595	15,191	104,557	27,406	23,190
Travel and training	12,381	21,718	4,530	7,123	23,374	9,436	20,499	7,947
Equipment costs	11,051	23,436	54,553	6,729	7,942	33,845	14,371	13,859
Medical and pharmacy	-	480	71,810	-	-	105	-	19,044
Insurance	13,412	19,277	51,447	6,332	7,002	26,481	13,100	94,540
Interest and amortization	-	1,159	-	-	-	-	-	-
Operating supplies and expenses	137,580	189,321	132,074	16,989	24,026	89,170	35,853	28,774
Other	157	12,859	5,006	516	-	2,612	917	940
In-kind expense	-	-	532,510	-	-	-	-	-
Total operating expenses	210,618	346,622	1,125,457	82,411	94,445	340,754	163,723	230,535
Total expenses	\$ 800,174	\$ 1,048,657	\$ 5,316,892	\$ 685,718	\$ 680,392	\$ 2,635,712	\$ 1,259,963	\$ 1,068,306

(Continued)

Suncoast Center, Inc. and Subsidiary

Consolidated Statement of Functional Expenses (Continued)
Year Ended June 30, 2022

	Program Services (Continued)				Supporting Services			Total Year Ended June 30, 2022
	Wellness Connection	Total Family Strategy	Trauma Services	Suncoast Center Properties, Inc.	Total Program Services	Fundraising and Development	Administrative and General	
Salaries	\$ 54,208	\$ 1,418,987	\$ 902,410	\$ -	\$ 11,219,575	\$ 68,874	\$ 1,307,457	\$ 12,595,906
Fringes	10,164	364,607	196,955	-	2,622,805	21,615	266,052	2,910,472
Psychiatric consultants	-	-	-	-	6,200	-	-	6,200
Total salaries and related expenses	64,372	1,783,594	1,099,365	-	13,848,580	90,489	1,573,509	15,512,578
Building occupancy	-	99,829	55,094	151,455	742,655	2,462	38,707	783,824
Professional services	123,224	44,272	56,569	55,297	631,363	13,328	213,241	857,932
Travel and training	-	17,832	9,425	-	134,265	250	12,953	147,468
Equipment costs	949	22,101	15,944	-	204,780	1,285	23,451	229,516
Medical and pharmacy	-	-	10,687	-	102,126	-	49	102,175
Insurance	1,191	19,922	13,827	41,977	308,508	952	33,538	342,998
Interest and amortization	-	-	-	-	1,159	-	-	1,159
Operating supplies and expenses	5,384	44,951	38,734	3,716	746,572	5,247	168,188	920,007
Other	-	91	105	-	23,203	-	10,473	33,676
In-kind expense	-	-	27,926	-	560,436	-	100	560,536
Total operating expenses	130,748	248,998	228,311	252,445	3,455,067	23,524	500,700	3,979,291
Total expenses	\$ 195,120	\$ 2,032,592	\$ 1,327,676	\$ 252,445	\$ 17,303,647	\$ 114,013	\$ 2,074,209	\$ 19,491,869

See notes to consolidated financial statements.

Suncoast Center, Inc. and Subsidiary

**Consolidated Statement of Functional Expenses
Year Ended June 30, 2021**

	Program Services								
	Case Management	Community Intensive Services	Adult Integrated Services	Self Sufficiency Services	Intensive Family Services	Forensic Services	Family Integrated Services	Early Childhood Services	Child Protection Team
Salaries	\$ 459,912	\$ 876,447	\$3,480,482	\$ 49,046	\$ 345,025	\$ 483,789	\$ 1,344,337	\$ 1,079,336	\$ 685,737
Fringes	115,591	245,715	801,137	16,592	76,774	131,646	329,231	296,118	163,692
Psychiatric consultants	-	-	-	-	-	-	-	-	19,205
Total salaries and related expenses	575,503	1,122,162	4,281,619	65,638	421,799	615,435	1,673,568	1,375,454	868,634
Building occupancy	18,546	46,297	170,295	2,664	19,114	23,610	64,367	61,770	37,689
Professional services	14,547	41,131	108,747	1,462	12,192	14,668	47,768	36,550	12,439
Travel and training	5,850	22,458	4,272	7	3,697	11,424	3,534	13,095	2,382
Equipment costs	10,519	23,766	88,295	830	6,167	8,453	24,165	20,464	13,606
Medical and pharmacy	3	166	98,162	-	2	3	7	6	7,325
Insurance	7,627	30,648	34,878	479	3,500	4,807	13,733	11,939	35,929
Interest and amortization	-	1,512	-	-	-	-	-	-	-
Operating supplies and expenses	147,435	375,736	127,371	23,379	13,635	29,348	42,212	46,219	26,120
Other	(341)	112	(5,735)	6	(231)	62	(2,143)	(380)	256
In-kind expense	-	33,095	637,861	-	-	-	-	-	-
Total operating expenses	204,186	574,921	1,264,146	28,827	58,076	92,375	193,643	189,663	135,746
Total expenses	\$ 779,689	\$1,697,083	\$5,545,765	\$ 94,465	\$ 479,875	\$ 707,810	\$ 1,867,211	\$ 1,565,117	\$ 1,004,380

(Continued)

Suncoast Center, Inc. and Subsidiary

**Consolidated Statement of Functional Expenses (Continued)
Year Ended June 30, 2021**

	Program Services (Continued)				Supporting Services			Total Year Ended June 30, 2021
	Wellness Connection	Total Family Strategy	Trauma Services	Suncoast Center Properties, Inc.	Total Program Services	Fundraising and Development	Administrative and General	
Salaries	\$ 33,802	\$ 1,395,668	\$ 1,164,257	\$ -	\$ 11,397,838	\$ 69,039	\$ 1,285,989	\$ 12,752,866
Fringes	4,494	370,527	303,303	-	2,854,820	21,269	286,902	3,162,991
Psychiatric consultants	-	-	-	-	19,205	-	-	19,205
Total salaries and related expenses	38,296	1,766,195	1,467,560	-	14,271,863	90,308	1,572,891	15,935,062
Building occupancy	-	85,168	61,961	136,807	728,288	3,214	50,302	781,804
Professional services	-	48,386	59,862	-	397,752	16,717	127,500	541,969
Travel and training	-	6,071	1,456	-	74,246	2	8,334	82,582
Equipment costs	1,397	26,779	22,191	-	246,632	1,110	24,548	272,290
Medical and pharmacy	-	7	6,452	-	112,133	-	102	112,235
Insurance	-	15,353	11,445	57,309	227,647	646	23,884	252,177
Interest and amortization	-	-	-	-	1,512	-	-	1,512
Operating supplies and expenses	1,057	46,335	46,418	4,585	929,850	8,097	142,072	1,080,019
Other	-	158	110	-	(8,126)	1	16,629	8,504
In-kind expense	-	-	28,446	-	699,402	-	-	699,402
Total operating expenses	2,454	228,257	238,341	198,701	3,409,336	29,787	393,371	3,832,494
Total expenses	\$ 40,750	\$ 1,994,452	\$ 1,705,901	\$ 198,701	\$ 17,681,199	\$ 120,095	\$ 1,966,262	\$ 19,767,556

See notes to consolidated financial statements.

Suncoast Center, Inc. and Subsidiary

**Consolidated Statements of Cash Flows
Years Ended June 30, 2022 and 2021**

	2022	2021
Cash flows from operating activities:		
Change in net assets	\$ (675,293)	\$ 2,897,720
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	338,673	355,515
Gain on sale of property and equipment	(954,800)	(804)
Change in value of charitable remainder trusts	6,496	(73,400)
Net realized and unrealized gains on investments	10,224	(567,069)
Forgiveness of long-term debt	-	(2,620,402)
Changes in assets and liabilities:		
Accounts receivable	(644,668)	(2,453)
Medication inventory	(25,290)	23,165
Prepaid expenses and other current assets	314,573	(178,984)
(Decrease) increase in operating liabilities:		
Accounts payable	4,100	(24,591)
Accrued expenses	23,974	55,983
Deferred revenue	(121,309)	122,549
Deferred compensation payable	(110,262)	262,305
Net cash (used in) provided by operating activities	(1,833,582)	249,534
Cash flows from investing activities:		
Purchases of property and equipment	(349,711)	(389,200)
Proceeds from sale of property and equipment	1,251,711	4,579
Proceeds received from charitable remainder trust	-	241,942
Purchases of investments	(1,309,436)	(626,930)
Sales of investments	1,144,963	608,295
Net cash provided by (used in) investing activities	737,527	(161,314)
Net change in cash and cash equivalents	(1,096,055)	88,220
Cash and cash equivalents at beginning of year	4,807,680	4,719,460
Cash and cash equivalents at end of year	\$ 3,711,625	\$ 4,807,680
Supplemental schedule of noncash financing activities:		
Forgiveness of long-term debt	\$ -	\$ 2,620,402

See notes to consolidated financial statements.

Suncoast Center, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1. Organization and Summary of Significant Accounting Policies

Organization and purpose: Suncoast Center, Inc. (Suncoast) was chartered as a nonprofit Florida corporation on June 3, 1981. Suncoast administers and provides a full spectrum of programs designed to resolve clients' emotional and behavioral problems arising from mental health issues, substance abuse, child abuse and neglect, lack of parenting skills, financial challenges, and domestic violence. Clients receiving services include children, adults, seniors, and families. Suncoast continually evolves to meet the multifaceted and frequently interrelated behavioral, psychological, and financial needs of individuals and families. Suncoast has the ability to provide a full continuum of care through integrated services and programs, with results that include providing a greater level of access for individuals and families. In addition, Suncoast is one of the only certified Rape Crisis Treatment Centers and certified Children's Advocacy Centers in Pinellas County, Florida. Suncoast furthers its commitment to the mission of strengthening, protecting, and restoring lives for a healthy community through the participation in numerous outreach and educational activities. Services are primarily provided to individuals and families residing in Pinellas County and Tampa Bay region of Florida. Suncoast is accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF).

Suncoast Center Properties, Inc. (SCP or Subsidiary) was chartered as a title-holding Florida 501(c)(2) corporation on April 29, 1996. SCP holds title to certain real property in Pinellas County, Florida for Suncoast. Suncoast maintains a majority voting interest in SCP.

Principles of consolidation: The accompanying consolidated financial statements include the activities of Suncoast and SCP (collectively, the Organization). All significant inter-organization accounts and transactions have been eliminated in consolidation.

A summary of the Organization's significant accounting policies follows:

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

Cash and cash equivalents: For purposes of the consolidated statements of cash flows, the Organization considers all highly liquid investments with original maturities of three months or less, such as money market accounts, to be cash equivalents.

Accounts receivable: Client fees receivable are stated at the estimated transaction price.

Governmental and other agency receivables are due in less than one year. Management believes receivables under governmental and other agencies are fully collectible and thus has not factored in any implicit price concessions when determining the transaction price.

Medication inventory: Medication inventory is stated at the lower of cost or net realizable value. Cost, including the value of donated medication, is determined by the first-in, first-out (FIFO) method. Medication donated to the Organization by pharmaceutical companies that are intended for other beneficiaries are not recorded by the Organization.

Property and equipment: Property and equipment are carried at cost if purchased or at estimated fair value at date of receipt if acquired by gift, less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets ranging from 3 to 43½ years.

Suncoast Center, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

Expenditures for renewals and improvements that significantly add to the productive capacity or extend the useful life of the asset are capitalized. Expenditures for normal repairs and maintenance are expensed as incurred.

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 and the ownership of any proceeds are subject to applicable regulations.

Impairment of long-lived assets: The Organization evaluates the recoverability of its long-lived assets whenever adverse events or changes in the business climate indicate that the expected undiscounted future cash flows from the related asset may be less than previously anticipated. If the total of the future cash flows is less than the carrying amount of those assets, the Organization recognizes an impairment loss based on the excess of the carrying amount over the fair value of the assets. Management has determined that there is no indication that any long-lived assets are impaired at June 30, 2022 or 2021.

Investments and fair value: Investments are comprised of fixed income annuities, stocks, mutual funds, corporate bonds, other investments, and beneficial interests in assets held by a foundation. Investments are reported at fair value (see Notes 5 and 6).

Realized gains and losses are recorded at the date of disposition based on the difference between the net proceeds and the cost of the investments sold, using the specific identification method. Unrealized gains and losses are reported for the changes in fair value between reporting periods, net of investment expenses. Investment earnings are recorded net of investment expenses. Investment income that is restricted by the donor is reported as an increase in net assets without donor restriction if the restrictions expire or are otherwise satisfied in the fiscal year in which the investment income is recognized.

The Organization defines fair value in accordance with accounting principles generally accepted in the United States of America, which specify a hierarchy of valuation techniques. The disclosure of fair value estimates in the hierarchy is based on whether the significant inputs into the valuation are observable. In determining the level of hierarchy in which the estimate is disclosed, the highest priority is given to unadjusted quoted prices in active markets and the lowest priority to unobservable inputs that reflect the Organization's significant market assumptions.

The Organization measures investments at fair value on a recurring basis. The following is a brief description of the type of valuation information (inputs) that qualifies a financial asset for each level:

- Level 1:** Unadjusted quoted market prices for identical assets in active markets which are accessible by the Organization.
- Level 2:** Observable prices in active markets for similar assets or liabilities. Prices for identical or similar assets or liabilities in markets that are not active. Market inputs that are not directly observable but are derived from or corroborated by observable market data.
- Level 3:** Unobservable inputs based on the Organization's own judgment as to assumptions a market participant would use, including inputs derived from extrapolation and interpolation that are not corroborated by observable market data.

Suncoast Center, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

The Organization evaluates the various types of financial assets to determine the appropriate fair value hierarchy based upon trading activity and the observability of market inputs. The Organization employs control processes to validate the reasonableness of the fair value estimates of its assets and liabilities, including those estimates based on prices and quotes obtained from independent third-party sources.

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

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

Net assets with donor restrictions: Net assets are subject to restrictions imposed by donors or grants. Some donor-imposed restrictions are temporary in nature, such as those that will be met by actions of the Organization or by the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates the resources be maintained in perpetuity.

All contributions are considered to be available without restriction of use unless specifically restricted by the donor. Contributions that are restricted by the donor are reported as increases in net assets without donor restriction if the restrictions expire or are otherwise satisfied in the fiscal year in which the contributions are recognized.

Contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions.

When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restriction and reported in the consolidated statement of activities as net assets released from restrictions.

Revenue recognition: The Organization first determines if a transaction represents an exchange transaction and if so, accounts for the transaction under Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606), which provides a five-step model for recognizing revenue from contracts with customers as follows:

- Identify the contract with a customer.
- Identify the performance obligations in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contract.
- Recognize revenue when or as performance obligations are satisfied.

Suncoast Center, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

Net revenue from special events, contributions, in-kind contributions, governmental and other agencies revenue and other income are accounted for under Topic 958. The Organization receives funding under both performance and expense reimbursement contracts and grants. Performance contract and grant revenue is recognized when the unit of service has been provided or the performance objective has been completed. Cost reimbursement contract revenue is recognized when the allowable costs, as defined by the funder, are incurred. Payments received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred.

Reimbursement of direct and indirect costs of providing services to clients (client service fee revenue) is accounted for under Topic 606. The Organization performs an evaluation at contract inception focused on whether a performance obligation is satisfied over time or at a point in time. Client visits are considered a self-contained episode of care and each visit would be considered one contract with a single performance obligation satisfied at a point in time, as such each visit is generally billed separately. Accordingly, there are no performance obligations that are unsatisfied or partially unsatisfied as the end of the reporting period with respect to client service fee revenue. The Organization believes that this method provides a faithful depiction of the transfer of services for the performance obligation based on the inputs needed to satisfy the obligation. Revenues are recorded in the period in which performance obligations are satisfied at established billing rates less implicit and explicit price concessions.

The Organization applied the portfolio approach as the practical expedient to group client service fee contracts with similar characteristics, such that revenue for a given portfolio would not be materially different than if it were evaluated on an individual contract basis. This grouping is based upon the third-party payor.

The Organization determines transaction price based on original charge for the service provided less contractual adjustments and other stated discounts (explicit price concessions) and implicit price concessions. The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to clients and the amounts expected to collect based on the Organization's collection history with similar class of clients. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to client service fee revenue in the period of the change. Subsequent changes that are determined to be the result of an adverse change in the client's ability to pay and are deemed uncollectible are recorded as a bad debt expense. Bad debt expense for the years ended June 30, 2022 and 2021, was not significant. Recoveries of receivables previously written off are recorded as a reduction of the provision for bad debt expense when received. Bad debt expense is recognized as an operating expense.

The Organization has elected a practical expedient and does not adjust the promised amount of consideration from clients and third-party payors for the effects of a significant financing component due to the Organization's expectation that the period between the time the service is provided to the client and the time that the client or a third party pays for that service will be one year or less.

Provider Relief Funds: The Coronavirus Aid, Relief and Economic Security Act (CARES Act) included Provider Relief Funds made available to health care providers to prevent, prepare for and respond to coronavirus primarily through grants. Eligible health care providers received distributions as reimbursement for health care-related expenses or lost revenue that are attributable to the coronavirus (COVID-19).

Suncoast Center, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

Payments from the Provider Relief Fund are considered to be grant revenue. As a condition to receiving distributions, the Organization had to agree to certain terms and conditions, including, among other things, that the funds were to be used for lost patient service revenues and COVID-19-related costs. For the years ended June 30, 2022 and 2021, the Organization recognized revenue of approximately \$130,000 and \$305,000, respectively, related to these funds and the revenue is recorded in governmental and other agencies revenue in the consolidated statements of activities. The Organization believes that the amount recorded as CARES Act Funds revenue for the years ended June 30, 2022 and 2021, is consistent with the guidance available from the U.S. Department of Health and Human Services. Amounts recognized as revenue could change in the future based on the evolving grant compliance guidance provided by the government.

Donated goods and services: Donations of goods are recorded as support at their estimated fair value at the date of donation. Donated professional services are recorded as support at the respective fair values of the services received (see Note 11).

A number of full-time and part-time volunteers have made contributions of their time to maintain the Organization's programs. The value of this contributed time is not reflected in these consolidated financial statements since these services do not meet recognition requirements.

Income taxes: Suncoast and SCP are nonprofit entities exempt from federal income tax under Sections 501(c)(3) and 501(c)(2), respectively, of the Internal Revenue Code (IRC), and from Florida income tax under Chapter 220 of the Florida Statutes. The Organization follows accounting standards relating to accounting for uncertainty in income taxes. Management assessed whether there were any uncertain tax positions which may give rise to income tax liabilities and determined that there were no such matters requiring recognition in the accompanying consolidated financial statements.

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

Suncoast Center, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

Functional allocation of expenses: The costs of providing the various programs and other activities have been reported on a functional basis in the consolidated statements of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to the function. Certain other costs have been allocated among program and supporting services benefited. Such allocations are determined by management on an equitable basis that is consistently applied. The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries	Time and effort
Fringes	Time and effort
Psychiatric consultants	Time and effort
Building occupancy	Square footage
Professional services	Direct costs
Travel and training	Direct costs
Equipment costs	Direct costs
Medical and pharmacy	Direct costs
Insurance	Direct costs
Interest and amortization	Direct costs
Operating supplies and expenses	Direct costs
Other	Direct costs
In-kind expense	Direct costs

Recently adopted accounting pronouncement: In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This ASU requires not-for-profit organizations to present contributed nonfinancial assets as a separate line item in the consolidated statement of activities, apart from contribution of cash or other financial assets and other increased disclosures regarding the contributed nonfinancial assets. ASU 2020-07 is effective retrospectively for annual periods beginning after June 15, 2021, with early adoption permitted. The Organization adopted this ASU during the year ended June 30, 2022.

Recent accounting pronouncement: In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract (i.e., lessees and lessors). The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principal of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today. The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales type leases, direct financing leases and operating leases. The standard is effective for annual periods beginning after December 15, 2021, with early adoption permitted. The Organization is in the process of evaluating the impact of this new guidance on the consolidated financial statements.

Suncoast Center, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

Reclassifications: Certain reclassifications were made to the prior year consolidated financial statements to conform to the 2022 presentation, with no effect on previously reported change in net assets, net assets or cash flows.

Subsequent events: The Organization has evaluated subsequent events through December 14, 2022, which is the date the consolidated financial statements were available to be issued. There were no subsequent events which would require disclosure in the accompanying consolidated financial statements.

Note 2. Liquidity and Availability of Resources

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due. The following represents the Organization's financial assets available to meet general expenditures over the next 12 months at June 30:

	2022	2021
Financial assets at year-end:		
Cash and cash equivalents	\$ 3,711,625	\$ 4,807,680
Accounts receivable, net	2,627,371	1,982,703
Investments	3,129,127	2,974,878
Total financial assets	<u>9,468,123</u>	<u>9,765,261</u>
Less donor-imposed restrictions:		
Funds subject to time and purpose restrictions	(20,428)	(23,230)
Endowment funds restricted in perpetuity	(334,182)	(334,182)
	<u>(354,610)</u>	<u>(357,412)</u>
Less designated investments	<u>(864,332)</u>	<u>(974,594)</u>
Financial assets available to meet general expenditures over the next 12 months	<u>\$ 8,249,181</u>	<u>\$ 8,433,255</u>

Note 3. Accounts Receivable

Accounts receivable consists of the following at June 30:

	2022	2021
Governmental and other agencies	\$ 1,543,886	\$ 1,667,118
Client fees	624,983	314,624
Other	458,502	961
	<u>\$ 2,627,371</u>	<u>\$ 1,982,703</u>

Suncoast Center, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 4. Property and Equipment

Property and equipment consists of the following at June 30:

	2022	2021
Land	\$ 2,304,669	\$ 2,587,169
Land improvements	235,249	208,154
Building and improvements	4,385,496	4,154,973
Furniture and equipment	4,433,144	4,378,344
Vehicles	119,864	171,271
Construction in progress	30,580	8,173
	<u>11,509,002</u>	<u>11,508,084</u>
Less accumulated depreciation	<u>(6,987,117)</u>	<u>(6,700,326)</u>
	<u>\$ 4,521,885</u>	<u>\$ 4,807,758</u>

Depreciation expense was approximately \$339,000 and \$356,000 for the years ended June 30, 2022 and 2021, respectively.

Note 5. Investments

Investments, including investments designated for deferred compensation, and endowed investments consists of the following at June 30:

	2022	2021
Fixed income annuities	\$ 207,854	\$ 204,199
Investments designated for deferred compensation—mutual funds	864,332	974,594
Stocks and mutual funds	1,800,824	1,163,918
Corporate bonds	246,229	621,676
Beneficial interests in assets held by foundation	9,888	10,491
	<u>\$ 3,129,127</u>	<u>\$ 2,974,878</u>

The amounts classified as beneficial interests in assets held by foundation include amounts held by Community Foundation of Tampa Bay, Inc. (CFT). Distributions from CFT are made as set forth in each agreement.

Investment earnings included in other income (loss) in the consolidated statements of activities consist of the following for the years ended June 30:

	2022	2021
Net realized and unrealized gains (losses)	\$ (10,224)	\$ 567,069
Interest and dividend income	115,270	36,433
	<u>\$ 105,046</u>	<u>\$ 603,502</u>

Suncoast Center, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 6. Fair Value

A review of fair value hierarchy classifications is conducted on an annual basis. The following tables provide information about the Organization's financial instruments measured on a recurring basis as of June 30:

	2022			
	Estimated Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments:				
Fixed income annuities	207,854	\$ -	\$ -	\$ 207,854
Investments designated for deferred compensation— mutual funds	864,332	864,332	-	-
Stocks and mutual funds	1,800,824	1,800,824	-	-
Corporate bonds	246,229	-	246,229	-
Beneficial interests in assets held by foundation	9,888	-	9,888	-
Total investments	<u>\$ 3,129,127</u>	<u>\$ 2,665,156</u>	<u>\$ 256,117</u>	<u>\$ 207,854</u>
	2021			
	Estimated Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments:				
Fixed income annuities	\$ 204,199	\$ -	\$ -	\$ 204,199
Investments designated for deferred compensation— mutual funds	974,594	974,594	-	-
Stocks and mutual funds	1,163,918	1,163,918	-	-
Corporate bonds	621,676	-	621,676	-
Beneficial interests in assets held by foundation	10,491	-	10,491	-
Total investments	<u>\$ 2,974,878</u>	2,138,512	632,167	204,199
Charitable remainder trusts	<u>\$ 6,496</u>	-	-	6,496
		<u>\$ 2,138,512</u>	<u>\$ 632,167</u>	<u>\$ 210,695</u>

Financial assets classified as Level 1 in the fair value hierarchy include investments designated for deferred compensation and stocks and mutual funds which are measured at fair value based on quoted market prices in an active market. Fair values for corporate bonds are classified as Level 2 and are valued using a market value pricing model. Fair values for beneficial interest in assets held by foundation are classified as Level 2 and recorded based on the statements received from CFT. Fair values for fixed income annuities are classified as Level 3 and are determined by the accumulation of benefits derived from the guaranteed contract interest rate. Fair values for charitable remainder trusts were recorded at fair value based on the underlying value of the assets in the trusts. The trusts are managed by third parties and are invested in stocks, mutual funds and fixed income securities that are traded in active markets with observable inputs, which would result in Level 1 and Level 2 hierarchical reporting and real estate which would result in Level 3 hierarchical reporting. Since the Organization does not own or control the trust assets, these trusts are reported as Level 3.

Suncoast Center, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 6. Fair Value (Continued)

The following is an analysis of the fair value measurements for assets in Level 3 for the years ended June 30:

	2022	2021
Beginning balance	\$ 210,695	\$ 375,688
Distribution received from charitable remainder trust	-	(241,942)
Interest and change in value	(2,841)	76,949
Ending balance	<u>\$ 207,854</u>	<u>\$ 210,695</u>

Note 7. Endowment Funds

The Organization has interpreted the wishes of donors and state law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In the absence of donor restrictions, the net appreciation on a donor-restricted endowment fund is spendable and classified as net assets. However, certain of the Organization's donors have placed restrictions on the use of the investment income or net appreciation resulting from the donor-restricted endowment funds.

The Organization tracks the net investment income attributed to each component of the endowment fund. Income earned from the endowments is available for general or specific purposes.

As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Organization considers the following factors in making a determination to appropriate or accumulate endowment funds:

- Donor desires and restrictions
- General economic conditions
- Historical and expected returns of investments
- Preservation and protection of assets

Return objectives and risk parameters: The Organization has invested endowment assets in a manner that attempts to provide a predictable stream of funding to programs supported by its endowments, while seeking to maintain the value of the endowment assets.

Strategies employed for achieving objectives: To satisfy its long-term rate of return objectives, the Organization relies on a total return strategy whereby investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation.

Suncoast Center, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 7. Endowment Funds (Continued)

Spending policy and how the investment objectives relate to spending policy: The Organization's objective is to maintain endowment assets, as well as to provide additional real growth through investment return.

Composition of endowment net assets and changes in endowment net assets are as follows as of and for the years ended June 30:

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at beginning of year	\$ -	\$ 334,182	\$ 334,182
Investment income	421	3,234	3,655
Amounts released for expenditure	(421)	(3,234)	(3,655)
Endowment net assets at end of year	<u>\$ -</u>	<u>\$ 334,182</u>	<u>\$ 334,182</u>

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at beginning of year	\$ -	\$ 334,182	\$ 334,182
Investment income	409	3,140	3,549
Amounts released for expenditure	(409)	(3,140)	(3,549)
Endowment net assets at end of year	<u>\$ -</u>	<u>\$ 334,182</u>	<u>\$ 334,182</u>

Note 8. Charitable Remainder Trusts

The Organization's consolidated financial statements reflect receivables from charitable remainder trusts which are stated at the present value of the estimated future benefits to be received when the trust assets are distributed. Discount rates ranging from 3% to 4% are used in computing present values.

Note 9. Long-Term Debt

On April 18, 2020, the Organization received a U.S. Small Business Administration Paycheck Protection Program loan in the amount of \$2,620,402. Under the Coronavirus Aid, Relief and Economic Security Act (CARES Act), up to the full principal amount of the loan and any accrued interest can be forgiven if the Organization uses all of the loan proceeds for forgivable purposes as required under the CARES Act. The Organization used the entire loan amounts for qualifying expenses. In April 2021, the SBA forgave in full the outstanding balance of the loan. During the year ended June 30, 2021, the Organization recognized a gain of \$2,620,402 on forgiveness of the loan which is recorded in other income in the accompanying consolidated statement of activities. Although fully forgiven, the SBA maintains the right to audit for six years after the SBA forgave the loan to determine if the Organization was eligible for the loan and met the conditions for forgiveness.

Suncoast Center, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 9. Long-Term Debt (Continued)

The Organization maintains a line of credit agreement through a large commercial bank which allows the Organization to borrow up to \$1,000,000 at prime rate of interest (5.5% at June 30, 2022). The Organization renewed their line of credit on February 27, 2022, and the line of credit matures on February 27, 2024. Amounts drawn on the line of credit are due on demand. No amounts were drawn down during the years ended June 30, 2022 or 2021. There were no amounts outstanding under the line of credit at June 30, 2022 or 2021.

Note 10. Operating Leases

The Organization leases certain office equipment under leases which are classified as operating leases for financial reporting purposes. Rent expense under operating leases was approximately \$185,000 and \$145,000 for the years ended June 30, 2022 and 2021, respectively.

Future minimum lease payments under noncancelable operating leases (with initial or remaining lease terms in excess of one year) as of June 30, 2022, are approximately as follows:

Years ending June 30:		
2023		\$ 181,300
2024		159,600
2025		150,900
2026		63,600
Total		<u>\$ 555,400</u>

Note 11. In-Kind Revenue and Expenses

Certain goods and services are provided to the Organization gratis or at a cost substantially less than fair market value. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions. The difference between the actual charge and the estimated fair value is reflected as in-kind revenue and expense in the accompanying consolidated financial statements. In-kind revenue and expenses consist of the following for the years ended June 30:

	2022	2021
Salary and benefits	\$ 28,026	\$ 61,541
Pharmaceuticals	532,510	637,861
	<u>\$ 560,536</u>	<u>\$ 699,402</u>

Pharmaceuticals include donated drug samples from pharmaceutical companies. The contributed pharmaceuticals were provided to patients serviced in the community intensive, adult integrated and trauma program services. In valuing contributed pharmaceuticals otherwise legally permissible for sale in the United States, the Organization used a third party pharmaceutical company's listed drug prices as of each month end during the years ended June 30, 2022 and 2021, to determine the approximate wholesale prices in the United States for the month in which the drugs were provided. Contributed salary and benefits recognized comprise professional services from therapists and counselors providing services to the Organization on various community intensive, adult integrated, and trauma program services. Contributed services are valued and are reported at the estimated fair value in the financial statements based on current payroll salary rates and benefits for similar employee services.

The Organization has no plans or policies to monetize the in-kind goods and services provided.

Suncoast Center, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 12. Net Assets With Donor Restrictions

Net assets with donor restrictions are composed of the following at June 30:

	2022	2021
Subject to expenditure for specified purpose:		
Medical equipment	\$ 3,512	\$ 6,244
Charitable remainder trust	-	6,496
Suicide Prevention Initiatives	16,916	10,490
	<u>20,428</u>	<u>23,230</u>
Endowment—subject to endowment spending policy and appropriation	334,182	334,182
	<u>\$ 354,610</u>	<u>\$ 357,412</u>

Net assets with donor restrictions released from restrictions are composed of the following for the years ended June 30:

	2022	2021
Restricted for future periods:		
Distribution from charitable trust	\$ -	\$ 241,942
Suicide Prevention Initiatives	32,751	9,687
Medical equipment	2,732	-
Young scholarship	1,000	-
Other	6,496	-
	<u>\$ 42,979</u>	<u>\$ 251,629</u>

Note 13. Commitments and Contingencies

Grantors: The Organization routinely enters into grant agreements and contracts with governmental agencies that provide for reimbursement of the eligible direct and indirect costs of providing certain program services of the Organization.

Grants and contracts are subject to audit or review and retroactive adjustment based on a final determination by the grantor of eligible reimbursable expenditures. The effect of such adjustments, if any, on the Organization's consolidated financial statements cannot be determined at this time and no provision has been made for any such adjustment in the accompanying consolidated financial statements.

Litigation: In the normal course of business, the Organization is a named defendant in various litigation relating to professional liability matters. Management is of the opinion that the final disposition of these matters will not have a materially adverse effect on the Organization's consolidated financial statements.

Note 14. Retirement Plans

The Organization has a 403(b) Tax Deferred Annuity Plan (403(b) Plan) covering substantially all employees. The 403(b) Plan provides for employee salary deferrals that are limited to the maximum amount allowable under the IRC and a discretionary match that is available to all employees after one year of service.

Suncoast Center, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 14. Retirement Plans (Continued)

For 2022 and 2021, the discretionary match was a dollar-for-dollar match of the amount a participant deferred into the 403(b) Plan, up to a maximum of 3% of the participant's salary. Retirement plan expense was approximately \$218,000 and \$237,000 for the years ended June 30, 2022 and 2021, respectively.

The Organization maintains a nonqualified retirement plan as inducement and motivation to managerial and highly compensated employees pursuant to Section 457(b) of the IRC of 1986. Key managerial employees, as are determined by sole discretion of the board of trustees, are eligible to participate. The Organization's contribution to the plan is discretionary and is limited to the maximum amount allowable under the IRC. Contributions of approximately \$54,000 and \$44,000 for the years ended June 30, 2022 and 2021, respectively, were allocated to participants as determined by the board of trustees.

Note 15. Concentrations and Risks

The Organization receives substantially all of its support directly from federal, state, and local government agencies or as pass-through government funding awards from other local agencies. Continuation of the Organization's program services is greatly dependent upon the fiscal ability of these agencies (federal, state and local) to continue to provide support.

At June 30, 2022 and 2021, amounts due from governmental and other agencies, include in accounts receivable on the consolidated statements of financial position, of \$1,543,886 and \$1,667,118, respectively, consist almost entirely of amounts due from Central Florida Behavioral Health Network, Pinellas County Board of County Commissioners, State of Florida Department of Health and Juvenile Welfare Board of Pinellas County.

Financial instruments that potentially subject the Organization to significant concentration of credit risk consist principally of cash, investments, and accounts receivable. Concentrations of credit risk with respect to accounts receivable are considered minimal, as the majority of the amounts related to grants from federal and state governmental agencies.

The Organization maintains its demand deposit accounts at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000 or the Securities Investor Protection Corporation up to \$500,000. Account balances periodically exceed the federally insured limits.

Additional Information

Suncoast Center, Inc. and Subsidiary

Substance Abuse and Mental Health Services Program/Cost Center Actual Revenues and Expenses For the Budget Period: July 1, 2021 to June 30, 2022

Part I: Actual Funding Sources and Revenues	State Designated SAMH Cost Centers											Total for State SAMH-Funded Cost Centers	Total for Nonstate SAMH-Funded Cost Centers	Total for All State- Designated SAMH Cost Centers	Non-SAMH Cost Centers	Total Funding
	State SAMH – Funded Cost Centers															
	SAMH															
	Assessment	Case Management	Crisis Support	In Home and On Site	Intervention	Medical Services	Outpatient	Outreach	Incidental	FACT						
IA. State SAMH funding																
(1) From Central Florida Behavioral Health Network	\$ 75,567	\$ 708,484	\$ 11,708	\$ 33,062	\$ 523,706	\$ 694,096	\$ 734,573	\$ 112,624	\$ 305,008	\$ 405,794	\$ 3,604,622	\$ -	\$ 3,604,622	\$ -	\$ 3,604,622	
(2) From state IDP line of credit	-	-	-	-	-	93,012	-	-	-	-	93,012	-	93,012	-	93,012	
Total state SAMH funding	75,567	708,484	11,708	33,062	523,706	787,108	734,573	112,624	305,008	405,794	3,697,634	-	3,697,634	-	3,697,634	
IB. Other government funding																
(1) Other state agency funding	-	-	-	-	-	-	-	-	-	-	-	-	-	1,349,855	1,349,855	
(2) Medicaid	-	251,870	-	116,648	2,485	560,769	481,964	-	-	496,003	1,909,739	684,361	2,594,100	273,468	2,867,568	
(3) Local government	-	323,789	-	839,020	120,071	5,052	168	25,000	-	-	1,313,100	4,787,315	6,100,415	1,504,411	7,604,826	
(4) Federal grants and contracts	-	9,019	-	17,787	293	9,624	50,157	-	-	-	86,880	42,653	129,533	129,846	259,379	
Total other government funding	-	584,678	-	973,455	122,849	575,445	532,289	25,000	-	496,003	3,309,719	5,514,329	8,824,048	3,257,580	12,081,628	
IC. All other revenues																
(1) 1st & 2nd party payments	-	8	-	1,239	(21)	31,346	29,536	-	-	-	62,108	8,292	70,400	1,598	71,998	
(2) 3rd party payments (except Medicare)	-	437	-	23,793	144	133,300	178,704	-	-	-	336,378	105,349	441,727	66,876	508,603	
(3) Medicare	-	17,489	-	2,266	-	429,788	331,182	-	-	-	780,725	669	781,394	35,843	817,237	
(4) Contributions and donations	-	-	-	-	-	-	-	-	-	-	-	-	-	168,459	168,459	
(5) Other	-	-	-	140	-	-	1,450	-	-	-	1,590	3,420	5,010	905,471	910,481	
(6) In-kind	-	-	-	-	-	532,510	-	-	-	-	532,510	-	532,510	28,026	560,536	
Total all other revenues	-	17,934	-	27,438	123	1,126,944	540,872	-	-	-	1,713,311	117,730	1,831,041	1,206,273	3,037,314	
Total funding	\$ 75,567	\$ 1,311,096	\$ 11,708	\$ 1,033,955	\$ 646,678	\$ 2,489,497	\$ 1,807,734	\$ 137,624	\$ 305,008	\$ 901,797	\$ 8,720,664	\$ 5,632,059	\$ 14,352,723	\$ 4,463,853	\$ 18,816,576	

(Continued)

Suncoast Center, Inc. and Subsidiary

Substance Abuse and Mental Health Services
 Program/Cost Center Actual Revenues and Expenses (Continued)
 For the Budget Period: July 1, 2021 to June 30, 2022

Part II: Actual Expenses Expense Categories	State Designated SAMH Cost Centers															
	State SAMH – Funded Cost Centers															
	SAMH															
	Assessment	Case Management	Crisis Support	In Home and On Site	Intervention	Medical Services	Outpatient	Outreach	Incidental Expense	FACT	Total for State SAMH-Funded Cost Centers	Total for Nonstate SAMH-Funded Cost Centers	Total for All State Designated SAMH Cost Centers	Non-SAMH Cost Centers	Admin	Total Expenses
I.A. Personnel expenses																
(1) Salaries	\$ 128,180	\$ 808,704	\$ 31,423	\$ 746,381	\$ 115,891	\$ 1,357,046	\$ 1,870,060	\$ 285,921	\$ -	\$ 569,692	\$ 5,913,298	\$ 3,200,296	\$ 9,113,594	\$ 2,174,854	\$ 1,307,458	\$ 12,595,906
(2) Fringe benefits	34,414	195,377	7,697	190,870	26,619	245,518	457,212	77,317	-	132,176	1,367,200	765,250	2,132,450	511,971	266,051	2,910,472
(3) Psychiatric Consultants	-	-	-	-	-	-	-	-	-	-	-	-	-	6,200	-	6,200
Total personnel expenses	162,594	1,004,081	39,120	937,251	142,510	1,602,564	2,327,272	363,238	-	701,868	7,280,498	3,965,546	11,246,044	2,693,025	1,573,509	15,512,578
I.B. Other expenses																
(1) Building occupancy	8,724	28,524	1,124	48,863	5,087	36,172	115,899	8,333	-	36,177	288,903	186,687	475,590	269,526	38,708	783,824
(2) Professional services	4,460	25,147	991	23,122	4,915	43,578	59,254	9,406	-	42,195	213,068	144,793	357,861	286,832	213,239	857,932
(3) Travel	215	15,130	596	17,961	3,107	1,406	2,862	17,628	-	21,718	80,623	29,474	110,097	24,415	12,956	147,468
(4) Equipment	2,200	15,310	603	12,167	1,809	21,957	29,230	5,030	-	23,436	111,742	54,548	166,290	39,773	23,453	229,516
(5) Food services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(6) Medical and pharmacy	20	-	-	-	-	71,527	264	-	-	480	72,291	105	72,396	29,730	49	102,175
(7) Subcontracted services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(8) Insurance	2,077	17,249	679	11,022	1,708	20,677	27,592	4,242	-	19,277	104,523	45,147	149,670	159,793	33,535	342,998
(9) Interest paid	-	-	-	-	-	-	-	-	-	1,159	1,159	-	1,159	-	-	1,159
(10) Operating supplies and expenses	4,651	20,754	5,618	31,804	4,022	51,539	59,270	9,102	305,008	29,064	520,832	133,524	654,356	97,464	168,187	920,007
(11) Other	188	271	11	690	23	2,305	2,493	-	-	12,859	18,840	2,918	21,758	1,445	10,473	33,676
(12) Donated items	-	-	-	-	-	532,510	-	-	-	-	532,510	-	532,510	27,926	100	560,536
Total other expenses	22,535	122,385	9,622	145,629	20,671	781,671	296,864	53,741	305,008	186,365	1,944,491	597,196	2,541,687	936,904	500,700	3,979,291
Total personnel and other expenses	185,129	1,126,466	48,742	1,082,880	163,181	2,384,235	2,624,136	416,979	305,008	888,233	9,224,989	4,562,742	13,787,731	3,629,929	2,074,209	19,491,869
I.C. Distributed indirect costs																
(a) Other support costs (optional)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Administration	25,348	145,174	5,719	134,928	19,863	249,150	336,762	52,084	-	109,882	1,078,910	585,935	1,664,845	409,364	(2,074,209)	-
Total distributed indirect costs	25,348	145,174	5,719	134,928	19,863	249,150	336,762	52,084	-	109,882	1,078,910	585,935	1,664,845	409,364	(2,074,209)	-
Total actual operating expenses	210,477	1,271,640	54,461	1,217,808	183,044	2,633,385	2,960,898	469,063	305,008	998,115	10,303,899	5,148,677	15,452,576	4,039,293	-	19,491,869
I.D. Unallowable costs																
Total allowable operating expense	210,477	1,271,640	54,461	1,217,808	183,044	2,633,385	2,960,898	469,063	305,008	998,115	10,303,899	5,148,677	15,452,576	4,039,293	-	19,491,869
I.F. Capital expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See independent auditor's report.

Suncoast Center, Inc. and Subsidiary

**Schedule of State Earnings for Substance Abuse and Mental Health Services
Year Ended June 30, 2022**

Total expenditures:	\$ 19,491,869
Less other state and federal funds	(4,585,094)
Less nonmatch SAMH funds	(1,275,876) *
Less unallowable costs	-
Total allowable expenditures	<u>13,630,899</u>
Maximum available earnings (75%)	<u>10,223,174</u>
Amount of state funds requiring match (total of invoices paid and submitted to be paid, less line 3)	<u>2,777,361</u> *
Amount due to the department (subtract line 6 from line 5. If negative, the amount of the difference is due to the department up to the amount of line 5)	<u><u>\$ -</u></u>
Other state and federal funds:	
Department of Health (federal portion)	\$ 366,988
Department of Health (state portion)	551,800
Office of the Attorney General	154,067
Pinellas County Justice Coordination	24,936
Healthy Start Coalition of Pinellas (federal portion)	15,694
Florida Council Against Sexual Violence (state portion)	129,447
Florida Network of Children's Advocacy (state portion)	169,413
Department of Health and Human Services	305,181
Medicaid	<u>2,867,568</u>
Total other state and federal funds	<u><u>\$ 4,585,094</u></u>

*CFBHN contract #QB046

See independent auditor's report.

Suncoast Center, Inc. and Subsidiary

**Schedule of Support and Revenue
Year Ended June 30, 2022**

State SAMH funding:	
Central Florida Behavioral Network, Inc. CF652-1010:	
Community Mental Health Services (including federal funds of \$918,321)	\$ 3,604,622
IDP line of credit	93,012
Total state SAMH funding	<u>3,697,634</u>
Other government funding:	
Local government grants	
Juvenile Welfare Board of Pinellas County	5,899,335
Department of Health (including federal funds of \$366,988)	918,788
Victims of Crime Act (including federal funds of \$154,067)	154,067
Pinellas County, Florida (including federal funds of \$24,936)	785,237
Pinellas County School Board	287,613
PEMHS	394,843
Boley Centers	559
Lutheran Services	22,444
Department of Health and Human Services	129,533
Medicaid	2,867,568
Governmental funding passed through local agencies	
Florida Council Against Sexual Violence	129,846
Florida Network for Children’s Advocacy	169,413
Department of Justice—Comp Victim Exams	277,000
Community Health Center of Pinellas	4,688
Healthy Start Coalition (including federal funds of \$15,694)	15,694
Pinellas Community Foundation	25,000
Total other government funding	<u>12,081,628</u>
All other funding and revenues:	
Medicare	817,237
First- and third-party fees	580,601
Contributions, donations and bequests	168,459
In-kind revenues	560,536
Other revenues	910,481
Total nongovernment funding	<u>3,037,314</u>
Total support and revenue	<u><u>\$ 18,816,576</u></u>

See independent auditor’s report.

Suncoast Center, Inc. and Subsidiary

**Substance Abuse and Mental Health Services
 Schedule of Bed—Day Availability Payments
 Budget Period From: July 1, 2021 to June 30, 2022**

Program	Cost Center	State Contracted Rate	Total Units of Service Provided	Total Units of Total Services Paid		Maximum # of Units Eligible for Payment by Department	Amount Paid for Services by the Department	Maximum \$ Value of Units in Column F	Amount Owed to Department
				Contracts, Local Govt. or Other State Agencies	Paid for by Third-Party				
Children's MH	Crisis Stabilization Unit	\$ -	-	-	-	-	\$ -	\$ -	\$ -
Adult MH	Crisis Stabilization Unit	-	-	-	-	-	-	-	-
Children's SA	Substance Abuse Detox	-	-	-	-	-	-	-	-
Adult SA	Substance Abuse Detox	-	-	-	-	-	-	-	-
Adult MH	Short-Term Residential Treatment	-	-	-	-	-	-	-	-
Total amount owed to department									<u><u>\$ -</u></u>

Suncoast Center, Inc. and Subsidiary

**Substance Abuse and Mental Health Services
 Schedule of Related Party Transaction Adjustment
 Budget Period From: July 1, 2021 to June 30, 2022**

	Related Party	Allocation of Related-Party Transaction State-Designated Cost Centers				Total
		1	2	3	4	
Revenues from grantee:						
Rent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total revenue from grantee	-	-	-	-	-	-
Expenses associated with grantee transactions:						
Personnel services	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total associated expenses	-	-	-	-	-	-
Related-party transaction adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**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**

RSM US LLP

Independent Auditor's Report

Board of Trustees
Suncoast Center, Inc. and Subsidiary

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the *Comptroller General of the United States (Government Auditing Standards)*, the consolidated financial statements of Suncoast Center, Inc. and Subsidiary (the Organization), which comprise the consolidated statement of financial position as of June 30, 2022, the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, the financial statements), and have issued our report thereon dated December 14, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Suncoast Center, Inc. and Subsidiary'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 Suncoast Center, Inc. and Subsidiary's internal control. Accordingly, we do not express an opinion on the effectiveness of the Suncoast Center, Inc. and Subsidiary's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

RSM US LLP

St. Petersburg, Florida
December 14, 2022



RSM US LLP

**Report on Compliance for Each Major Federal Program and State Financial Assistance Project
and Report on Internal Control Over Compliance Required by the Uniform Guidance;
and State of Florida Chapter 10.650, Rules of the Auditor General**

Board of Trustees
Suncoast Center, Inc. and Subsidiary

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

Opinion on Each Major Federal Program and State Financial Assistance Project

We have audited Suncoast Center, Inc. and Subsidiary's (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 State of Florida Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs and major state projects for the year ended June 30, 2022. The Organization's major federal programs and major 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 financial assistance projects for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program and State Financial Assistance Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 the State of Florida *Chapter 10.650, Rules of the Auditor General (Chapter 10.650)*. 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 major 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 financial assistance 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 GAAS, *Government Auditing Standards*, 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 financial assistance project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, 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 or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state 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 and Chapter 10.650. Accordingly, this report is not suitable for any other purpose.

RSM US LLP

St. Petersburg, Florida
December 14, 2022

Suncoast Center, Inc. and Subsidiary

**Schedule of Expenditures of Federal Awards and State Financial Assistance
Year Ended June 30, 2022**

Federal Grantor Pass-Through Grantor Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Provided to Subrecipients
U.S. Department of Justice				
<i>Passed through State of Florida Office of the Attorney General</i>				
Crime Victim Assistance	16.575	VOCA-2021-Suncoast Center, Inc.-006-1	\$ 154,067	\$ -
<i>Passed through Pinellas County Justice Coordination</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-MU-BX-0006	24,936	-
Subtotal—U.S. Department of Justice			179,003	-
U.S. Department of Health and Human Services				
<i>Department of Health and Human Services</i>				
COVID-19: Provider Relief Fund (PRF) and American Rescue Plan (ARP) Rural Distribution	93.498	Not Applicable	305,181	-
<i>Passed through State of Florida Department of Health</i>				
Social Services Block Grant	93.667	CP15A	366,988	-
<i>Passed through Healthy Start Coalition of Pinellas, Inc.</i>				
Medical Assistance Program (Medicaid; Title XIX)	93.778	Not Applicable	15,694	-
<i>Passed through Central Florida Behavioral Health Network, Inc.</i>				
Block Grants for Community Mental Health Services	93.958	QG046	918,321	-
Subtotal—U.S. Department of Health and Human Services			1,606,184	-
Total federal awards			\$ 1,785,187	\$ -

(Continued)

Suncoast Center, Inc. and Subsidiary

**Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued)
Year Ended June 30, 2022**

State Grantor <i>Pass-Through Grantor</i> Program or Cluster Title	State CSFA Number	Pass-Through Entity Identifying Number	Total State Expenditures	Provided to Subrecipients
State of Florida Justice Administration				
<i>Passed through The Florida Network for Children's Advocacy Centers</i>				
Florida Network of Children's Advocacy Centers	41.031	21/22-GR-CAC16	\$ 166,271	\$ -
State of Florida Department of Legal Affairs and Attorney General				
<i>Passed through Florida Council Against Sexual Violence</i>				
Florida Council Against Sexual Violence	41.010	20OAG13	14,439	-
State of Florida Department of Health				
<i>Direct Funding</i>				
Medical Services for Abused and Neglected Children	64.006	Not Applicable	551,800	-
<i>Passed through Florida Council Against Sexual Violence</i>				
Rape Crisis Program Trust Fund—				
Sexual Battery Victims' Access to Services Act	64.061	16TFGR13	42,815	-
<i>Passed through Florida Council Against Sexual Violence</i>				
Rape Crisis Center	64.069	16TFGR13	72,193	-
Subtotal—State of Florida Department of Health			666,808	-
State of Florida Department of Highway Safety and Motor Vehicles				
<i>Passed through The Florida Network for Children's Advocacy Centers</i>				
Child Abuse Prevention and Intervention License Plate Project	76.067	21-22-LPVC-CAC-16	1,900	-
<i>Passed through The Florida Network for Children's Advocacy Centers</i>				
Florida Network of Children's Advocacy Center Voluntary Contribution	76.123	21-22-LPVC-CAC-16	1,242	-
Subtotal—State of Florida Department of Highway Safety and Motor Vehicles			3,142	-
Total state financial assistance			\$ 850,660	\$ -

See accompanying notes to schedule of expenditures of federal awards and state financial assistance.

Suncoast Center, Inc. and Subsidiary

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance June 30, 2022

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule) includes the federal and state award activity of Suncoast Center, Inc. and Subsidiary under programs of the federal government and the State of Florida for the year ended June 30, 2022. 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), and the State of Florida Chapter 10.650, *Rules of the Auditor General*. Because the schedule presents only a selected portion of the operations of Suncoast Center, Inc. and Subsidiary, it is not intended to and does not present the financial position, changes in net assets or cash flows of Suncoast Center, Inc. and Subsidiary.

Some amounts presented in the schedule may differ from amounts presented or used in the preparation of the consolidated financial statements.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and cost principles established by the State of Florida Department of Financial Services, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Expenditures reported in the Schedule for Federal Assistance Listing Number 93.498, Department of Health and Human Services—Provider Relief Fund (PRF) and American Rescue Plan (ARP) Rural Distribution, include \$305,181 of expenditures incurred by the Organization and awarded during the year ended June 30, 2021.

The Organization did not pass through any federal award amounts to subrecipients during the year ended June 30, 2022.

Note 3. Support Requiring Matching Funds

From time to time, Suncoast Center, Inc. and Subsidiary receive funding from various sources that require the Organization to obtain matching funds. During the year ended June 30, 2022, Suncoast Center, Inc. and Subsidiary obtained matching funds of the required amount.

Note 4. Indirect Costs

The Organization elected to use the 10% de minimis indirect cost rate allowed by the Uniform Guidance for federal awards.

Note 5. Contingencies

Grant expenditures are subject to audit and possible disallowance by the grantor agencies. If any expenditure were to be disallowed by the grantor agency as a result of such an audit, any claim for reimbursement to the grantor agency would become a liability of Suncoast Center, Inc. and Subsidiary. In the opinion of management, all grant expenditures included on the accompanying schedule of expenditures of federal awards and state financial assistance, are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

Suncoast Center, Inc. and Subsidiary

**Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance
June 30, 2022**

Note 6. Provider Relief Fund (PRF) and American Rescue Plan (ARP) Rural Distribution

The following entity within the Organization received Provider Relief Fund (PRF) and American Rescue Plan (ARP) Rural Distribution funds:

<u>Entity</u>	<u>Tax ID</u>
Suncoast Center, Inc.	59-2092717

Note 7. Fair Market Value of Donated Personal Protective Equipment (Unaudited)

During the year ended June 30, 2022, the Corporation did not receive significant donated personal protective equipment from federal sources.

Suncoast Center, Inc. and Subsidiary

**Schedule of Findings and Questioned Costs
Federal Programs and State Financial Assistance Projects (Continued)
Year Ended June 30, 2022**

Section I—Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	___	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 awards: Unmodified

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

Identification of major federal programs:

Assistance Listing Number	Name of Federal Program or Cluster
93.667	Social Services Block Grant
93.958	Block Grants for Community Mental Health Services
93.498	COVID-19: Provider Relief Fund (PRF) and American Rescue Plan (ARP) Rural Distribution

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

Auditee qualified as low-risk auditee? ___ X ___ Yes ___ ___ No

State Financial Assistance Projects

Internal control over major projects:

Material weakness(es) identified?	___	Yes	___	X	No
Significant deficiency(ies) identified?	___	Yes	___	X	None reported

Type of auditor’s report issued on compliance for state financial assistance projects: Unmodified

Any audit findings disclosed that are required to be reported in accordance with State of Florida Chapter 10.650, Rules of the Auditor General? ___ Yes ___ X ___ No

Identification of major state projects:

CFSA Number	Name of State Financial Assistance Project
64.006	Medical Services for Abused and Neglected Children

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Suncoast Center, Inc. and Subsidiary

**Schedule of Findings and Questioned Costs
Federal Programs and State Financial Assistance Projects (Continued)
Year Ended June 30, 2022**

Section II—Financial Statement Findings

None reported.

Section III—Federal Award Findings and Questioned Costs

None reported.

Section IV—State Financial Assistance Findings and Questioned Costs

None reported.

Section V—Other Matters

No Summary Schedule of Prior Audit Findings is required because there were no prior audit findings related to federal programs or state projects.

No Corrective Action Plan is required because there were no findings required to be reported related to federal programs or state projects.

There were no items related to state financial assistance that were required to be reported in the management letter as mandated by the Auditor General of the State of Florida.