

# ADULTS MANKIND ORGANIZATION, INC.

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## Independent Auditor's Report

To the Board of Directors  
Adults Mankind Organization, Inc.  
Miami, Florida

### Opinion

We have audited the accompanying financial statements of Adults Mankind Organization, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Adults Mankind Organization, Inc. as of December 31, 2023 and 2022, and the changes in its net assets and its 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Adults Mankind Organization, Inc. 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 Adults Mankind Organization, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Adults Mankind Organization, Inc.'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 Adults Mankind Organization, Inc.'s ability to continue as a going concern for a reasonable period of time.

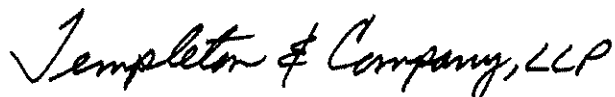
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance 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 June 14, 2024 on our consideration of Adults Mankind Organization, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Adults Mankind Organization, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Adults Mankind Organization, Inc.'s internal control over financial reporting and compliance.



Fort Lauderdale, Florida  
June 14, 2024

**ADULTS MANKIND ORGANIZATION, INC.**

**STATEMENTS OF FINANCIAL POSITION**

**December 31, 2023 and 2022**

**ASSETS**

	<u>2023</u>	<u>2022</u>
Current assets:		
Cash	\$ 341,837	\$ 190,270
Grants and contracts receivable	759,421	556,057
Prepaid expenses	<u>35,402</u>	<u>1,480</u>
Total current assets	1,136,660	747,807
Right-of-use asset - operating lease	35,794	74,485
Other assets	<u>6,410</u>	<u>7,230</u>
Total assets	<u>\$ 1,178,864</u>	<u>\$ 829,522</u>

**LIABILITIES AND NET ASSETS**

Current liabilities:		
Accounts payable and accrued expenses	\$ 53,041	\$ 79,333
Deferred revenue	262,288	-
Lease liability, current portion	<u>35,115</u>	<u>36,140</u>
Total current liabilities	350,444	115,473
Lease liability, net of current portion	<u>679</u>	<u>38,345</u>
Total liabilities	351,123	153,818
Net assets:		
Net assets without donor restrictions	<u>827,741</u>	<u>675,704</u>
Total liabilities and net assets	<u>\$ 1,178,864</u>	<u>\$ 829,522</u>

See accompanying notes to financial statements.

**ADULTS MANKIND ORGANIZATION, INC.**  
**STATEMENTS OF ACTIVITIES**  
**For the Years Ended December 31, 2023 and 2022**

	2023	2022
Changes in net assets without donor restrictions:		
Support and revenue:		
Federal grants	\$ 1,899,897	\$ 1,655,909
State grants and financial assistance	952,985	888,109
County and local grants	655,481	700,971
Total support and revenue	3,508,363	3,244,989
Expenses:		
Local workforce development	124,984	111,550
Out of school camps	190,598	182,797
Youth prevention programs	61,230	145,504
State youth program	765,103	738,192
WIOA youth program	1,229,618	1,140,999
Refugee employment	580,216	440,222
Management and general	404,577	405,664
Total expenses	3,356,326	3,164,928
Increase in net assets without donor restrictions	152,037	80,061
Net assets without donor restrictions - beginning of year	675,704	595,643
Net assets without donor restrictions - end of year	\$ 827,741	\$ 675,704

See accompanying notes to financial statements.

**ADULTS MANKIND ORGANIZATION, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**For the Year Ended December 31, 2023 (with summarized totals for 2022)**

	Local Workforce Development	Youth Prevention Programs	Out of School Camps	State Youth Program	WIOA Youth Program	Refugee Employment	Management and General	2023 Total Expenses	2022 Summarized Total
<b>Personnel costs:</b>									
Salaries	\$ 86,504	\$ 23,766	\$ 81,223	\$ 431,224	\$ 556,183	\$ 401,022	\$ 269,982	\$ 1,849,904	\$ 1,701,386
Payroll taxes and other personnel costs	30,004	4,304	10,842	102,050	169,140	82,625	75,032	473,995	434,255
<b>Total personnel costs</b>	<b>116,508</b>	<b>28,070</b>	<b>92,065</b>	<b>533,274</b>	<b>725,323</b>	<b>483,647</b>	<b>345,014</b>	<b>2,323,899</b>	<b>2,135,641</b>
<b>Operating expenses:</b>									
Equipment costs, maintenance and rent	185	78	206	487	1,022	4,051	716	6,745	3,619
Occupancy	2,966	236	31,933	13,358	21,402	50,939	5,401	126,235	130,629
Professional fees	-	-	-	-	-	-	29,307	29,307	29,150
Subcontract services	-	26,022	36,172	-	-	-	-	62,194	118,843
Insurance	475	233	725	2,910	4,676	2,207	1,247	12,473	13,833
Communications	2,953	856	8,230	13,339	20,940	21,501	6,381	74,200	72,807
Office supplies & services	1,897	286	8,499	3,499	21,559	10,689	16,489	62,918	63,836
Interest	-	-	-	-	-	-	23	23	1,279
Support services	-	5,450	12,768	198,236	434,696	7,182	-	658,332	595,291
<b>Total expenses</b>	<b>\$ 124,984</b>	<b>\$ 61,230</b>	<b>\$ 190,598</b>	<b>\$ 765,103</b>	<b>\$ 1,229,618</b>	<b>\$ 580,216</b>	<b>\$ 404,577</b>	<b>\$ 3,356,326</b>	<b>\$ 3,164,928</b>

See accompanying notes to financial statements.

**ADULTS MANKIND ORGANIZATION, INC.**  
**STATEMENTS OF CASH FLOWS**  
**For the Years Ended December 31, 2023 and 2022**

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ 152,037	\$ 80,061
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Changes in operating assets and liabilities:		
Grants and contracts receivable	(203,364)	(15,239)
Prepaid expenses and other assets	(33,102)	12,412
Accounts payable and accrued expenses	(26,292)	25,683
Deferred revenue	262,288	-
Net cash provided by operating activities	151,567	102,917
Net increase in cash and cash equivalents	151,567	102,917
Cash and cash equivalents, beginning of year	190,270	87,353
Cash and cash equivalents, end of year	\$ 341,837	\$ 190,270

See accompanying notes to financial statements.

# ADULTS MANKIND ORGANIZATION, INC.

## NOTES TO FINANCIAL STATEMENTS

### Note 1 – Organization and Nature of Operations

Adults Mankind Organization, Inc. (the "Organization") is a Florida not-for-profit corporation established in 1986. Through a variety of federal, state and local agency funded grants and contracts, the Organization offers job related support services including vocational training, job training, and counseling, assessment, guidance, case management, and employment services to eligible participants. Additionally, the Organization provides out-of-school camps for youth. Eligible participants include economically disadvantaged and at-risk youths, adults, dislocated workers, and refugees.

A summary of the Organization's programs follows:

Local Workforce Development – department implementing programmatic work to provide job counseling, employability skills, and employment assistance to local youth and adults.

Youth Prevention Programs – department implementing programmatic work to provide employability and life skills training, career preparation, academic assistance, community service, and direct placement for at-risk youth 15-18 years old.

Out of School Camps – department implementing programmatic work to provide after school and summer camp program services, including fitness, homework assistance and other educational enrichment activities such as literacy, cultural awareness, music, and art.

State Youth Program – department implementing programmatic work to provide eligibility screening, counseling, employability and life skills training, and paid work experience to youth 15- 21 years old.

WIOA Youth Program – department implementing programmatic work to provide employability and skills training, academic and general educational development assistance, work-based learning and internship opportunities, vocational training, and workforce development services for students to earn high school, post high school credential, and enter the workforce.

Refugee Employment – department implementing programmatic work to provide employment services, labor market information, and to assist eligible refugees and entrants in achieving economic self-sufficiency and effective resettlement in as short a time period as possible through gainful employment.

### Note 2 – Summary of Significant Accounting Policies

#### Basis of accounting and presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), as applicable to not-for-profit organizations. In the statement of financial position, assets are presented in order of liquidity or conversion to cash and liabilities are presented according to their maturity, resulting in the use of cash, respectively. Net assets and revenues, expenses, gains and losses are classified into two classes of net assets based on the existence or absence of donor-imposed restrictions. The two classes of net asset categories are as follows:

*Net assets without donor restrictions* – Net assets available for general use in operations and not subject to donor (or certain grantor) restrictions. At times, the governing board can designate, from net assets without donor restrictions, net assets as a board designated endowment or for other purposes.

*Net assets with donor restrictions* – Net assets subject to donor-imposed stipulations, and donations from certain grantors. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

**ADULTS MANKIND ORGANIZATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

**Note 2 – Summary of Significant Accounting Policies, Continued**

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The most significant estimates relate to the collectability of grants receivable and amounts due to third-party payors. Actual results could differ from those estimates and those differences could be material.

Cash

Cash consists of funds held in demand deposit accounts.

Grant and contract revenues and receivables

The Organization receives substantially all of its grant and contract revenues from federal, state and local agencies. Revenues from federal, state and local agency grants and contracts are recorded based upon terms of the grant agreements which generally provide that revenues are earned when the allowable costs of the specific grant provisions have been incurred or the allowable services are provided to program participants. Accordingly, the Organization evaluates whether a transfer of an asset is (1) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred or (2) a contribution. The Organization records conditional contributions as a refundable advance for monies received in advance of the expenditure of allowable costs. As of December 31, 2023 and 2022, there were no conditional promises to give.

Grants and contracts received are recorded as support with donor restrictions or without donor restrictions, depending on the existence and/or nature of any donor restrictions.

Grants and contracts receivable are mainly comprised of government support and are stated at the amount management expects to collect from outstanding balances. An allowance for doubtful accounts is based on management's review of the collectability of receivables. No allowance was considered necessary as of December 31, 2023 and 2022.

Two grantors accounted for approximately 54% and 37% of grants receivable at December 31, 2023 and 2022, respectively. Two grantors accounted for 76% and 78% of total support and revenue for the years ended December 31, 2023 and 2022, respectively. The loss of these funding sources could have an adverse impact on the Organization.

Leases

The Organization classifies a lease as operating or finance using the classification criteria set forth in ASC 842. Further, the Organization recognizes a lease right-of-use (ROU) asset and a corresponding lease liability on its statement of financial position as of the lease commencement date based on the present value of the lease payments over the lease term. The Organization elected to adopt a practical expedient available to nonpublic entities to use the risk-free rate to discount the lease liability since the Organization's leases do not provide a readily determinable implicit rate. The term of a lease is inclusive of any option to renew, extend, or terminate the lease when it is reasonably certain that the Organization will exercise such option. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization did not have any finance leases during the years ended December 31, 2023 and 2022.

**ADULTS MANKIND ORGANIZATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

**Note 2 – Summary of Significant Accounting Policies, Continued**

Functional expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable cost basis that is consistently applied. The Organization determines functional expense classification based on the departments to which time and expenses are charged. The Organization's departments reflect the nature and purpose of each expense that is incurred. Expenses that can be directly identified with the program or supporting service are reported as expenses of those functional areas. Other indirect expenses are allocated among the program and supporting services based on a reasonable basis that is consistently applied. Personnel expenses are allocated on the basis of estimated time and effort.

Income taxes

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (IRC). Accordingly, no provision for income taxes has been recorded. Management has determined that there was no unrelated business income for the years ended December 31, 2023 and 2022.

The Organization recognizes and measures tax positions based on their technical merit and assesses the likelihood that the positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period. Interest and penalties on tax liabilities, if any, would be recorded in interest expense and other non-interest expense, respectively.

The Organization files informational federal tax returns. The Organization is generally no longer subject to income tax examinations by tax authorities for years before 2020.

Concentrations of credit risks

Financial instruments which potentially subject the Organization to concentrations of credit risk include cash and cash equivalents and accounts receivable. The Organization places its cash balances with high credit quality financial institutions. Such balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.

Comparable information

The financial statements include certain prior-year summarized information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2022, from which the information was derived. Certain 2022 amounts have been reclassified to conform with the 2023 classifications. Such reclassifications have no effect on the change in net assets as previously reported.

**Note 3 – Liquidity Management 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 Organization holds cash in various non-interest bearing bank accounts with high credit-quality financial institutions. The Organization also has a line of credit available with borrowing capacity of up to \$100,000 which can be used to meet general expenditures within one year.

**ADULTS MANKIND ORGANIZATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

**Note 3 – Liquidity Management and Availability of Resources, Continued**

The Organization's financial assets available for general expenditures within one year at December 31, 2023 and 2022 consist of the following:

	2023	2022
Financial assets at year-end:		
Cash and cash equivalents	\$ 341,837	\$ 190,270
Grants and other receivables	759,421	556,057
Total financial assets available to management for general expenditures within one year	\$ 1,101,258	\$ 746,327

**Note 4 – Grants and Contracts Receivable**

Grants and contracts receivable consist of the following as of December 31:

	2023	2022
South Florida Workforce Investment Board	\$ 226,225	\$ 99,795
State of Florida	193,610	109,719
The Children's Trust	27,316	24,715
Other grants	312,270	321,828
	\$ 759,421	\$ 556,057

**Note 5 – Line of Credit**

The Organization has a revolving line of credit with a bank which provides for borrowings of up to \$100,000. The line of credit bears interest at the Prime Rate plus 2.75% (11.25% at December 31, 2023). The line of credit is unsecured and has an automatic renewal provision. As of December 31, 2023 and 2022, there was no outstanding balance on the line of credit. Interest expense for the years ended December 31, 2023 and 2022 was \$23 and \$1,279, respectively.

**Note 6 – Retirement Plan**

The Organization sponsors a Simple IRA Plan (the Plan) covering all employees who elect to participate. Under the Plan, the Organization contributes the lesser of 3% of the participant's wages or the participant's contribution. The Organization's contributions for the years ended December 31, 2023 and 2022 totaled \$21,434 and \$21,456, respectively.

**Note 7 – Leases**

The Organization leases its office facilities pursuant to non-cancellable operating lease agreements which expire through November 2024. Variable lease payments that depend on an index or a rate are included in the determination of ROU assets and lease liabilities using the index or rate at the lease commencement date. Variable lease payments that do not depend on an index or rate or result from changes in an index or rate subsequent to the lease commencement date are recorded as lease expense in the period in which the obligation for the payment is incurred. The Organization's leases do not contain any material residual value guarantees or restrictive covenants.

As of December 31, 2023 and 2022, the Organization's operating lease ROU assets are included as a noncurrent asset, its operating lease liabilities as a lease liability, net included as a long-term liability, and the current portion of the lease liability as a current liability in the Organization's statements of financial position.

**ADULTS MANKIND ORGANIZATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

**Note 7 – Leases, Continued**

The following table presents the Organization's operating lease ROU asset and lease liability as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
ROU asset - operating lease	<u>\$ 35,794</u>	<u>\$ 74,485</u>
Lease liability - operating lease	<u>\$ 35,794</u>	<u>\$ 74,485</u>

For the years ended December 31, 2023 and 2022, the Organization's operating lease expense is recorded within general and administrative expenses in the accompanying statements of activities. The following table represents the components of lease expense for the years ended December 31, 2023 and 2022:

<u>Operating leases:</u>	<u>2023</u>	<u>2022</u>
Operating lease expense	\$ 90,923	\$ 99,250
Short-term lease	<u>6,349</u>	<u>3,063</u>
Total lease expense	<u>\$ 97,272</u>	<u>\$ 102,313</u>

The following table presents a maturity analysis of the Organization's operating lease liability as of December 31, 2023:

<u>Year Ending December 31,</u>	<u>Minimum Lease Payments</u>
2024	\$ 35,937
Less: imputed interest	<u>(143)</u>
Present value of minimum lease payments	<u>\$ 35,794</u>

The following table presents the weighted average remaining lease term (in years) and discount rate of the Organization's operating leases as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Weighted average remaining lease term (years)	0.96	1.96
Weighted average discount rate	0.96%	0.96 %

The following table presents supplemental disclosure of cash flow information associated with the Organization's operating leases for the years ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows	<u>\$ 90,923</u>	<u>\$ 99,250</u>
ROU assets and lease liabilities recognized upon adoption of ASC 842	<u>\$ -</u>	<u>\$ 112,708</u>

**Note 8 – Subsequent Events**

Management evaluated events occurring subsequent to December 31, 2023 through June 14, 2024, the date on which the financial statements were available to be issued, for matters that should be recorded in the financial statements or disclosed in the footnotes thereto.

## **SUPPLEMENTARY INFORMATION**

**ADULTS MANKIND ORGANIZATION, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**For the Year Ended December 31, 2023**

Federal/State Grantor, Pass-Through Grantor, Federal Program/ State Project or Cluster Title	Federal/State Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal/State Expenditures
<b>Federal Awards:</b>			
<b>U.S. Department of Health and Human Services:</b>			
<b>Passed through the State of Florida to Workforce Investment Board:</b>			
Refugee and Entrant Assistance - State Administered Programs	93.584	XK063AMO	\$ 454,618
Refugee and Entrant Assistance - State Administered Programs	93.584	XK063AMO	<u>257,756</u>
Total Refugee and Entrant Assistance - State-Administered Programs			<u>712,374</u>
City of Miami Gardens Summer Youth Program	93.558	WS- YS-SP-PY21-19-00	<u>134,760</u>
Total Temporary Assistance for Needy Families (TANF)			<u>134,760</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>847,134</u>
<b>U.S. Department of Labor:</b>			
<b>Passed through the State of Florida to Workforce Investment Board:</b>			
<b>WIOA Youth Activities:</b>			
WIOA/WIAO Youth Activities (In School Youth)	17.259	WS-YS-ISY-PY'22-08-00	129,175
WIOA/WIAO Youth Activities (In School Youth)	17.259	WS-YS-ISY-PY'23-08-01	407,415
WIOA/WIAO Youth Activities (Out of School Youth)	17.259	WS-YS-OSY-PY'22-08-00	93,620
WIOA/WIAO Youth Activities (Out of School Youth)	17.259	WS-YS-OSY-PY'23-08-01	<u>422,553</u>
Total WIOA Youth Activities			<u>1,052,763</u>
<b>Total U.S. Department of Labor</b>			<u>1,052,763</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 1,899,897</u>
<b>State Financial Assistance:</b>			
<b>State of Florida Department of Legal Affairs and Attorney General</b>			
Minority Communities Crime Prevention Program - Adults Mankind Organization	41.007		\$ 521,876
Minority Communities Crime Prevention Program - Adults Mankind Organization	41.007		<u>431,110</u>
<b>Total Expenditures of State Financial Assistance</b>			<u>\$ 952,986</u>

See accompanying notes to financial statements.

**ADULTS MANKIND ORGANIZATION, INC.**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FOR THE YEAR ENDED DECEMBER 31, 2023**

**Note 1 – Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the "Schedule") includes the federal and state grant activity of Adults Mankind Organization, Inc. under programs of the federal government and the State of Florida for the year ended December 31, 2023. The information in the 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 Chapter 10.650, Rules of the State of Florida Auditor General. Because the Schedule presents only a selected portion of the operations of Adults Mankind Organization, Inc., it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of Adults Mankind Organization, Inc.

**Note 2 – 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, wherein certain types of expenditures are not allowable or are limited as to reimbursement. State expenditures are recognized in accordance with Chapter 10.650, Rules of the Auditor General of the State of Florida. The amounts reported in the Schedule as expenditures may differ from certain financial reports submitted to Federal funding agencies due to those reports being submitted on either a cash or modified accrual basis of accounting.

**Note 3 – Indirect Cost Rate**

The Organization has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance on eligible grants during the year ended December 31, 2023.



## **Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards**

To the Board of Directors  
Adults Mankind Organization, Inc.  
Miami, Florida

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, the financial statements of Adults Mankind Organization, Inc., a non-profit organization, (the Organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 14, 2024.

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

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

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Templeton & Company, LLP*

Fort Lauderdale, Florida  
June 14, 2024



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

To the Board of Directors  
Adults Mankind Organization, Inc.  
Miami, Florida

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

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

We have audited Adults Mankind Organization, Inc.'s (the Organization) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and Chapter 10.650, Rules of the State of Florida Auditor General that could have a direct and material effect on each of the Organization's major federal programs and major state project for the year ended December 31, 2023. The Organization's major federal programs and major state project are identified in the summary of auditor's results section of the Organization's schedule of findings and questioned costs.

In our opinion, Adults Mankind Organization, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state project for the year ended December 31, 2023.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, Rules of the State of Florida Auditor General (Chapter 10.650). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the 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 projects.

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

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance and Chapter 10.650 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance and Chapter 10.650, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

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

## **Report on Internal Control Over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or a 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 a 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.

*Templeton & Company, LLP*

Fort Lauderdale, Florida  
June 14, 2024

**ADULTS MANKIND ORGANIZATION, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended December 31, 2023**

**Part 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 U.S. GAAP:	Unmodified
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Internal control over financial reporting:

Material weakness(es) identified?	No
Significant deficiencies identified?	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards and State Financial Assistance:**

Internal control over major federal program/state project:

Material weaknesses identified?	No
Significant deficiencies identified?	None reported

Type of auditor's report issued on compliance for major federal program/state project:	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and Chapter 10.650	No
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**Identification of major federal program or cluster and state project:**

<u>CFDA/CSFA Number(s)</u>	<u>Name of Federal Program or Cluster and State Project</u>
17.259 (Federal Program)	WIOA/WIAO Youth Activities (In School Youth/Out of School Youth)
41.007 (State Project)	Minority Community Crime Prevention Program- Adults Mankind Organization

Dollar threshold used to distinguish Type A and Type B Program/Projects:	
Federal Programs	\$750,000
State Projects	\$750,000

Auditee qualified as low-risk auditee?	Yes
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