

**FLORIDA STATE ALLIANCE
OF YMCAS FOUNDATION,
INC.**

**FINANCIAL STATEMENTS,
AND SUPPLEMENTAL
INFORMATION**

June 30, 2023 and 2022

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities	4
Statements of Cash Flows	5
Notes to Financial Statements	6-10
SUPPLEMENTAL INFORMATION	
Schedule of Expenditures of State Financial Assistance	11
Notes to Schedule of Expenditures of State Financial Assistance	12
COMPLIANCE SECTION	
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>	13-14
Independent Auditor's Report on Compliance for Each Major State Financial Assistance Project and on Internal Control over Compliance Required by Chapter 10.650, <i>Rules of the Auditor of the State of Florida</i>	15-16
Schedule of Findings and Questioned Costs	17-18



Partners

W. Ed Moss, Jr.
Joe M. Krusick
Cori G. Cameron
Bob P. Marchewka
Ric Perez
Renee C. Varga
Richard F. Hayes
Frank J. Guida
John J. Rody, Jr.
Shawn M. Marshall

Winter Park, FL 32789
501 S. New York Ave.
Suite 100
Phone: 407-644-5811
www.mosskrusick.com

N. Palm Beach, FL 33408
631 US Highway One
Suite 405
Phone: 561-848-9300

Miami Lakes, FL 33016
7900 NW 155th Street
Suite 201
Phone: 305-445-7956

American Institute of
Certified Public
Accountants

Florida Institute of
Certified Public
Accountants

INDEPENDENT AUDITOR’S REPORT

To the Board of Directors of
Florida State Alliance of YMCAs Foundation, Inc.
St. Petersburg, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Florida State Alliance of YMCAs Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Florida State Alliance of YMCAs Foundation, Inc. as of June 30, 2023 and 2022, and the changes in 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 audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Florida State Alliance of YMCAs Foundation, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Florida State Alliance of YMCAs Foundation, 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.

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

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 Florida State Alliance of YMCAs Foundation, 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 Florida State Alliance of YMCAs Foundation, 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 accompanying schedule of expenditures of state financial assistance, as required by Chapter 10.650, *Rules of the Auditor General of the State of Florida*, 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 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 March 1, 2024 on our consideration of Florida State Alliance of YMCAs Foundation, 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 Florida State Alliance of YMCAs Foundation, 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 Florida State Alliance of YMCAs Foundation, Inc.'s internal control over financial reporting and compliance.

Moss, Krusick & Associates, LLC

Winter Park, Florida
March 1, 2024

Florida State Alliance of YMCAs Foundation, Inc.

STATEMENTS OF FINANCIAL POSITION

June 30, 2023 and 2022

	2023	2022
ASSETS		
Cash	\$ 888,360	\$ 405,213
Grants receivable	259,045	844,313
Prepaid expenses and other assets	21,173	18,341
Fixed assets	3,084	-
Total assets	\$ 1,171,662	\$ 1,267,867
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 638,932	\$ 276,692
Accrued expenses and other liabilities	310,191	530,824
Deferred revenue	33,833	27,972
Total liabilities	982,956	835,488
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Operations	(40,048)	203,625
Board designated	228,754	228,754
Total net assets	188,706	432,379
Total liabilities and net assets	\$ 1,171,662	\$ 1,267,867

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

Florida State Alliance of YMCAs Foundation, Inc.

STATEMENTS OF ACTIVITIES

Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
SUPPORT AND REVENUE		
Grants, state, and other	\$ 3,435,387	\$ 1,781,284
Program service fees, net	112,305	282,287
Membership dues, net	4,900	160
Other income	<u>97,315</u>	<u>1,050</u>
 Total support and revenue	 <u>3,649,907</u>	 <u>2,064,781</u>
 EXPENSES		
Program services:		
Youth-in-government	297,022	343,657
YREADS!	1,260,755	1,309,319
SAW	1,993,181	-
General and administrative	<u>342,622</u>	<u>312,469</u>
 Total expenses	 <u>3,893,580</u>	 <u>1,965,445</u>
 Change in net assets	 (243,673)	 99,336
 Net assets, beginning of year	 <u>432,379</u>	 <u>333,043</u>
 Net assets, end of year	 <u><u>\$ 188,706</u></u>	 <u><u>\$ 432,379</u></u>

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

Florida State Alliance of YMCAs Foundation, Inc.

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (243,673)	\$ 99,336
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	181	-
Net change in:		
Grants receivable	585,268	(398,369)
Prepaid expenses and other assets	(2,832)	(18,095)
Accounts payable	362,240	191,044
Accrued expenses and other liabilities	(220,633)	278,713
Deferred revenue	5,861	(46,338)
Net cash flows from operating activities	486,412	106,291
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(3,265)	-
Net cash used in investing activities	(3,265)	-
Net change in cash	483,147	106,291
Cash, beginning of year	405,213	298,922
Cash, end of year	\$ 888,360	\$ 405,213

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

Florida State Alliance of YMCAs Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 1 — THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Organization - Florida State Alliance of YMCAs Foundation, Inc. (the "Foundation") is a nonprofit Florida corporation. Its mission is to serve as the coordinating organization for three Young Men's Christian Association ("YMCA") programs that are serving individuals in the state of Florida.

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"). Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor imposed stipulations. At June 30, 2023 and 2022, the board has designated approximately \$229,000 and \$229,000, respectively, in funds to be set aside for operational reserves.

Net Assets With Donor Restrictions – Net assets subject to stipulations imposed by donors and grantors.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction. Donor-restricted contributions whose restrictions are met in the same reporting period in which they are received are reported as support without donor restrictions.

As of June 30, 2023 and 2022, there were no assets with donor restrictions.

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

In February 2016, the FASB issued ASU 2016-02, *Leases*, that requires lessees to put most leases on their balance sheets and recognize expenses on their income statements in a manner similar to today's capital lease accounting. For lessors, the guidance modifies the classification criteria for accounting for sales-type and direct financing leases. The Foundation adopted ASU 2016-02 effective July 1, 2022. The adoption of this pronouncement had no impact on the financial statements.

Revenue Recognition for Grants, State, and Other – Government funding is received through reimbursement-based grants. Revenue is recognized in the period in which the expense is incurred. The Foundation records deferred revenue if cash is received prior to appropriate revenue recognition.

Other Income – Other income consists primarily of contributions and sponsorships during the years ended June 30, 2023 and 2022.

Revenue Recognition – See Note 2.

Florida State Alliance of YMCAs Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

**NOTE 1 — THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Accounts and Grants Receivable and Allowance for Doubtful Accounts – Management regularly reviews the accounts and grants receivable to assess if balances require an allowance for doubtful accounts. Management does not believe an allowance for doubtful accounts is necessary as of June 30, 2023 or 2022; however, actual write-offs may exceed management's estimate.

Concentration of Credit Risk – The Foundation places its cash on deposit with financial institutions principally in the United States. The Federal Deposit Insurance Corporation covers \$250,000 for substantially all depository accounts. The Foundation from time to time may have amounts on deposit in excess of the insured limits. The Foundation had approximately \$632,000 and \$151,000 in excess of these insured limits as of June 30, 2023 and 2022, respectively.

Functional Allocation of Expenses – Expenses are allocated between program services and general and administrative with the exception of insurance, occupancy, and bad debt expense which are direct expenses to specific functions. The remaining expenses are allocated on management's estimated time and effort incurred.

Property and Equipment – Property and equipment are recorded at cost. Additions and major renewals in excess of \$1,000 are capitalized. Depreciation is recognized using the straight-line method over the estimated useful lives of the assets, which range from three to five years.

Income Taxes – The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been determined not to be a private foundation. Accordingly, no provision for income taxes has been made. Management believes the Foundation continues to satisfy the requirements of a tax-exempt organization as of June 30, 2023.

Use of Estimates – The preparation of the financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events – The Foundation has evaluated subsequent events through March 1, 2024, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

NOTE 2 — REVENUE RECOGNITION UNDER ASC 606

Revenue within the scope of ASC 606 is recognized when the Foundation transfers the promised services to a customer in an amount that reflects consideration that is expected to be received for those goods or services.

Contract Balances – Timing differences among revenue recognition may result in contract assets or liabilities. There were no contract assets or liabilities as of June 30, 2023 or 2022.

Florida State Alliance of YMCAs Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 2 — REVENUE RECOGNITION UNDER ASC 606 (continued)

Performance Obligations – A performance obligation is a promise in a contract to transfer a distinct good or service to a customer and is the unit of account under ASC 606. The transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The Foundation’s revenue within the scope of ASC 606 consists of revenue from program service fees and membership dues. The contract performance obligation for program service fees is generally satisfied at a point in time on the date of various programs and events whereas membership dues are satisfied over the course of the membership period.

Revenue Recognition – Revenue within the scope of ASC 606 is recognized in the period in which the Foundation provides the service.

Practical Expedients and Exemptions – The Foundation has elected to treat similar contracts as a portfolio of contracts. The contracts have the same provision terms and management has the expectation that the result will not be materially different from the consideration of each individual contract.

NOTE 3 — RELATED PARTY TRANSACTIONS

The Foundation contracts for certain services with various YMCA organizations including the YMCA of Greater St. Petersburg, Inc. (“YMCA of St. Pete”), the YMCA of Central Florida (“YMCA of CF”), and the Florida State Alliance of YMCAs, Inc. (the “Alliance”).

YMCA of St. Pete – The Foundation entered the agreement with the YMCA of St. Pete in February 2017. The YMCA of St. Pete provided financial management and accounting services and allows for usage of employees by the Foundation. The YMCA of St. Pete charged quarterly management fees of approximately \$4,300 for these services. The agreement expired in June 2019, however, the YMCA of St. Pete continued providing certain services at approximately the same rate based on a verbal agreement with the Foundation until the services could be transitioned to the YMCA of CF. Additionally the agreement requires reimbursement of salaries and wages of employees utilized to support the Foundation. During the years ended June 30, 2023 and 2022, the Foundation incurred approximately \$697,000 and \$422,000, respectively, of expenses under this agreement which are included in contract services and salary and benefits on the functional expenses schedules (see Note 5). Amounts due to the YMCA of St. Pete as of June 30, 2023 and 2022, were \$93,767 and \$57,419, respectively, and are included in accounts payable in the accompanying statements of financial position.

During the years ended June 30, 2023 and 2022, the YMCA of St. Pete contributed approximately \$0 and \$88,000, respectively, which are included in grants, state, and other in the accompanying 2023 and 2022 statement of activities.

YMCA of CF – The Foundation entered into an agreement with the YMCA of CF in February 2020. The agreement called for an initial payment of \$4,300 for the period from February 2020 through June 2020 and then quarterly payments of \$6,000 plus out-of-pocket expenses incurred for providing staffing services. During the years ended June 30, 2023 and 2022, the Foundation incurred approximately \$21,000 and \$23,000, respectively, of expenses under this agreement which is included in contract services on the functional expenses schedules (see Note 5). As of June 30, 2023 and 2022, approximately \$6,000 and \$16,000, respectively is due to the YMCA of CF, included in accrued expenses and other liabilities in the accompanying statements of financial position.

Florida State Alliance of YMCAs Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 4 — OPERATING LEASES

As disclosed in Note 1, the Foundation adopted FASB ASU 2016-02. The Foundation leases storage space under a month to month lease for a rate of \$250 per month. The Foundation has elected to apply the short term lease exception to all leases with a term of one year or less. As a result, adopting FASB ASU 2016-02 had no impact to prior year statement of financial position information, and because the lease is an operating lease, the adoption of this standard has no impact on the results of operations. Total lease expense of approximately \$3,700 and \$2,900 is included in miscellaneous expenses on the functional expenses schedules, for the years ended June 30, 2023 and 2022, respectively.

NOTE 5 — FUNCTIONAL EXPENSES

The Foundation reports expenses by its natural classification in the statements of activities. The functional allocations of these expenses as of June 30, 2023 are as follows:

	<u>Program Services</u>			<u>Total Program</u>	<u>General and Administrative</u>	<u>Total</u>
	<u>Youth-In- Government</u>	<u>YREADS!</u>	<u>SAW</u>			
Salary and benefits	\$ 126,914	\$ 283,407	\$ 229,676	\$ 639,997	\$ 195,816	\$ 835,813
Contract services	5,365	48,041	27,718	81,124	2,277	83,401
Supplies	113,245	16,015	42,523	171,783	25,071	196,854
Conferences and meetings	2,040	2,164	7,049	11,253	5,618	16,871
Travel and Transportation	43,189	5,325	21,236	69,750	17,356	87,106
Awards and grants	-	901,637	1,419,820	2,321,457	86,806	2,408,263
Insurance	1,141	1,141	570	2,852	1,136	3,988
Occupancy	1,516	1,106	1,106	3,728	-	3,728
Printing and promotion	3,612	239	233,506	237,357	1,013	238,370
Miscellaneous	-	1,680	9,977	11,657	7,348	19,005
Depreciation	-	-	-	-	181	181
Total Expenses	\$ 297,022	\$ 1,260,755	\$ 1,993,181	\$ 3,550,958	\$ 342,622	\$ 3,893,580

The functional allocations of these expenses as of June 30, 2022 are as follows:

	<u>Program Services</u>			<u>Total Program</u>	<u>General and Administrative</u>	<u>Total</u>
	<u>Youth-In- Government</u>	<u>YREADS!</u>	<u>SAW</u>			
Salary and benefits	\$ 102,704	\$ 156,866	\$ 259,570	\$ 239,341	\$ 498,911	
Contract services	33,795	41,567	75,362	15,534	90,896	
Supplies	131,324	107,554	238,878	23,371	262,249	
Conferences and meetings	14,193	2,923	17,116	16,140	33,256	
Travel and transportation	47,985	6,147	54,132	6,854	60,986	
Awards and grants	1,000	992,409	993,409	1,613	995,022	
Insurance	10	-	10	6,780	6,790	
Occupancy	2,890	-	2,890	-	2,890	
Printing and promotion	3,010	118	3,128	686	3,814	
Miscellaneous	6,746	1,735	8,481	2,150	10,631	
Total Expenses	\$ 343,657	\$ 1,309,319	\$ 1,652,976	\$ 312,469	\$ 1,965,445	

Florida State Alliance of YMCAs Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 6 — LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Foundation management monitors its liquidity, so it is able to cover operating expenses and other obligations as they come due. Management has budgeted approximately \$7,036,000 in operating expenses (including awards and grants) to be paid within one year of the statement of financial position date. Management budgets for such costs based on prior year actual expenditures and anticipated future expenditures. The Foundation strives to maintain one month of budgeted expenditures in assets that are readily available, that is, without donor or other restrictions limiting their use. The reserve amount may be higher or lower depending on actual expenses incurred and paid throughout the year.

The Foundation relies on public support revenue from grants, state, and other as well as revenues from operations including membership dues and program fees. Such revenues totaled approximately \$3,650,000 during the year ended June 30, 2023.

The Foundation's financial assets available within one year of the statement of financial position date for operating expenditures are as follows:

Financial assets at year-end:

Cash	\$	888,360
Grants receivable		<u>259,045</u>
		1,147,405

Board designations:

Operational reserves		<u>(228,754)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$	<u>918,651</u>

SUPPLEMENTAL INFORMATION

Florida State Alliance of YMCAs Foundation, Inc.

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

Year Ended June 30, 2023

	<u>CSFA Number</u>	<u>Contract Numbers</u>	<u>Contract Expenditures</u>	<u>Amount to Subrecipients</u>
Florida Department of Education and Commissioner of Education				
Mentoring/student assistance initiatives - YMCA Reads	48.068	93F-96800-3Q001	\$ 1,264,972	\$ 901,637
Florida Department of Health				
Community Health Promotion Contracted Services - SAW	64.157	COHDN	<u>1,918,201</u>	<u>1,419,820</u>
Total Expenditures of State Financial Assistance			<u>\$ 3,183,173</u>	<u>\$ 2,321,457</u>

See independent auditors' report.

Florida State Alliance of YMCAs Foundation, Inc.

NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

June 30, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of state financial assistance (the "Schedule") includes the state grant activity of the Florida State Alliance of YMCAs Foundation, Inc. (the "Foundation") and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Chapter 10.650, *Rules of the Auditor General of the State of Florida*.

NOTE 2 – CONTINGENCIES

Expenditures incurred by the Foundation are subject to audit and possible disallowance by the grantor agency. Management believes that if audited, any adjustment for disallowed expenses would be favorably resolved.

NOTE 3 – INDIRECT COST RATE

The Foundation has elected to use the 10% de minimis indirect cost rate for the fiscal year ended June 30, 2023.



Partners

W. Ed Moss, Jr.
Joe M. Krusick
Cori G. Cameron
Bob P. Marchewka
Ric Perez
Renee C. Varga
Richard F. Hayes
Frank J. Guida
John J. Rody, Jr.
Shawn M. Marshall

Winter Park, FL 32789
501 S. New York Ave.
Suite 100
Phone: 407-644-5811
www.mosskrusick.com

N. Palm Beach, FL 33408
631 US Highway One
Suite 405
Phone: 561-848-9300

Miami Lakes, FL 33016
7900 NW 155th Street
Suite 201
Phone: 305-445-7956

American Institute of
Certified Public
Accountants

Florida Institute of
Certified Public
Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
Florida State Alliance of YMCAs Foundation, Inc.
St. Petersburg, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the financial statements of Florida State Alliance of YMCAs Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 1, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Florida State Alliance of YMCAs Foundation, Inc.'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 Florida State Alliance of YMCAs Foundation, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Florida State Alliance of YMCAs Foundation, Inc.'s internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Moss, Krusick & Associates, LLC

Winter Park, Florida

March 1, 2024



Partners

W. Ed Moss, Jr.
Joe M. Krusick
Cori G. Cameron
Bob P. Marchewka
Ric Perez
Renee C. Varga
Richard F. Hayes
Frank J. Guida
John J. Rody, Jr.
Shawn M. Marshall

Winter Park, FL 32789
501 S. New York Ave.
Suite 100
Phone: 407-644-5811
www.mosskrusick.com

N. Palm Beach, FL 33408
631 US Highway One
Suite 405
Phone: 561-848-9300

Miami Lakes, FL 33016
7900 NW 155th Street
Suite 201
Phone: 305-445-7956

American Institute of
Certified Public
Accountants

Florida Institute of
Certified Public
Accountants

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

To the Board of Directors of
Florida State Alliance of YMCAs Foundation, Inc.
St. Petersburg, Florida

Report on Compliance for Each Major State Project

Opinion on Each Major State Project

We have audited Florida State Alliance of YMCAs Foundation, Inc.’s compliance with the types of compliance requirements identified as subject to audit in the state of Florida’s Department of Financial Services’ State Projects Compliance Supplement that could have a direct and material effect on each of Florida State Alliance of YMCAs Foundation, Inc.’s major state projects for the year ended June 30, 2023. Florida State Alliance of YMCAs Foundation, Inc.’s 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, Florida State Alliance of YMCAs Foundation, 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 state projects for the year ended June 30, 2023.

Basis for Opinion on Each 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 Chapter 10.650, *Rules of the Auditor General of the State of Florida* (“Chapter 10.650”). Our responsibilities under those standards 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 Florida State Alliance of YMCAs Foundation, Inc. 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 state project. Our audit does not provide a legal determination of Florida State Alliance of YMCAs Foundation, Inc.’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 Florida State Alliance of YMCAs Foundation, Inc.’s 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 Florida State Alliance of YMCAs Foundation, Inc.’s

Auditor's Responsibilities for the Audit of Compliance (continued)

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 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 Florida State Alliance of YMCAs Foundation, Inc.'s compliance with the requirements of each major state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, 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 Florida State Alliance of YMCAs Foundation, Inc.'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 Florida State Alliance of YMCAs Foundation, Inc.'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 Chapter 10.650, but not for the purpose of expressing an opinion on the effectiveness of Florida State Alliance of YMCAs Foundation, Inc.'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 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 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 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 Chapter 10.650. Accordingly, this report is not suitable for any other purpose.

Moss, Krusick & Associates, LLC

Winter Park, Florida
March 1, 2024

Florida State Alliance of YMCAs Foundation, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2023

Section I – Summary of Auditor’s Results

Financial Statements

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

State Financial Assistance

- 1. Internal control over major projects:
 - Material weakness(es) identified? No
 - Significant deficiencies identified that are not considered to be material weaknesses? None reported
- 2. Type of auditor’s report issued on compliance for major projects: Unmodified
- 3. Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650? No

Identification of Major Projects:

<u>Name of Major State Financial assistance projects:</u>	<u>CSFA Number</u>
Florida Department of Health Community Health Promotion Contracted Services – SAW	64.157
Dollar threshold used to distinguish between type A and type B programs:	\$750,000

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*. There were no findings required to be reported in accordance with *Government Auditing Standards*.

Florida State Alliance of YMCAs Foundation, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2023

Section III – State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of major projects, as required to be reported in accordance with Chapter 10.650, *Rules of the Auditor General of the State of Florida*. There were no findings required to be reported in accordance with Chapter 10.650, *Rules of the Auditor General of the State of Florida*.

Section IV – Summary Schedule of Prior Audit Findings

A summary schedule of prior audit findings is not necessary since there were no prior year audit findings.