

**Big Brothers Big Sisters  
Of Tampa Bay, Inc.**

Financial Statements

August 31, 2024 and 2023

And

Reports of Independent  
Certified Public Accountants

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.**  
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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Big Brothers Big Sisters of Tampa Bay, Inc.  
Tampa, Florida

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of Big Brothers Big Sisters of Tampa Bay, Inc. (the Organization), which comprise the statements of financial position as of August 31, 2024 and 2023 and the related statements of activities, and cash flows for the years then ended, and the statement of functional expenses for the year ended August 31, 2024, 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 Big Brothers Big Sisters of Tampa Bay, Inc. as of August 31, 2024 and 2023, 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 Big Brothers Big Sisters of Tampa Bay, 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 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 Big Brothers Big Sisters of Tampa Bay, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**CONTINUED**

## INDEPENDENT AUDITOR'S REPORT – CONTINUED

### ***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 Big Brothers Big Sisters of Tampa Bay, 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 Big Brothers Big Sisters of Tampa Bay, 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.

### **Report on Summarized Comparative Information**

We have previously audited the Organization's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 14, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

**CONTINUED**

## INDEPENDENT AUDITOR'S REPORT – CONTINUED

### ***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 *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.650, *Rules of the Auditor General, 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 expenditures 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 November 20, 2024 on our consideration of Big Brothers Big Sisters of Tampa Bay, 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 Big Brothers Big Sisters of Tampa Bay, 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 Big Brothers Big Sisters of Tampa Bay, Inc.'s internal control over financial reporting and compliance.

*PDR CPAs + Advisors*

Oldsmar, Florida  
November 20, 2024

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**AUGUST 31, 2024 AND 2023**

|                                                    | <b>2024</b>         | <b>2023</b>         |
|----------------------------------------------------|---------------------|---------------------|
| <b><u>ASSETS</u></b>                               |                     |                     |
| Cash                                               | \$ 3,055,318        | \$ 2,790,426        |
| Restricted cash                                    | 16,593              | 13,999              |
| Grants receivable                                  | 517,329             | 498,704             |
| Other receivables                                  | 25,860              | 4,170               |
| Prepaid expenses and other assets                  | 197,195             | 166,739             |
| Certificates of deposit                            | 763,970             | 258,889             |
| Beneficial interest in funds held by others - CFTB | 291,129             | 273,316             |
| Beneficial interest in funds held by others - PCF  | 15,545              | 14,496              |
| Property and equipment, net                        | 72,322              | 313,240             |
| Operating lease right-of-use asset                 | 452,068             | 23,432              |
| <b>Total Assets</b>                                | <b>\$ 5,407,329</b> | <b>\$ 4,357,411</b> |
| <b><u>LIABILITIES AND NET ASSETS</u></b>           |                     |                     |
| <b>Liabilities</b>                                 |                     |                     |
| Accounts payable and accrued expenses              | \$ 122,933          | \$ 176,932          |
| Deferred revenue                                   | 201,769             | 267,368             |
| Current portion of operating lease liability       | 104,123             | 23,540              |
| <b>Total current liabilities</b>                   | <b>428,825</b>      | <b>467,840</b>      |
| <b>Long-term Liabilities</b>                       |                     |                     |
| Long-term operating lease liability                | 366,147             | -                   |
| <b>Total liabilities</b>                           | <b>794,972</b>      | <b>467,840</b>      |
| <b>Net Assets</b>                                  |                     |                     |
| Without donor restrictions                         | 4,223,256           | 3,491,655           |
| With donor restrictions                            | 389,101             | 397,916             |
| <b>Total net assets</b>                            | <b>4,612,357</b>    | <b>3,889,571</b>    |
| <b>Total Liabilities and Net Assets</b>            | <b>\$ 5,407,329</b> | <b>\$ 4,357,411</b> |

See accompanying notes to financial statements

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED AUGUST 31, 2024**  
**(WITH COMPARATIVE TOTALS FOR 2023)**

|                                                                                                             | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total        |              |
|-------------------------------------------------------------------------------------------------------------|-------------------------------|----------------------------|--------------|--------------|
|                                                                                                             |                               |                            | 2024         | 2023         |
| <b>Operating Support and Revenue</b>                                                                        |                               |                            |              |              |
| <b>Public Support</b>                                                                                       |                               |                            |              |              |
| United Way                                                                                                  | \$ 343,184                    | \$ -                       | \$ 343,184   | \$ 339,166   |
| Government support                                                                                          | 3,267,897                     | -                          | 3,267,897    | 3,280,621    |
| Scholarship revenue                                                                                         | -                             | 20,480                     | 20,480       | 44,476       |
| Contributions                                                                                               | 368,510                       | 133,501                    | 502,011      | 523,045      |
| Contributed nonfinancial assets                                                                             | 195,274                       | -                          | 195,274      | 115,942      |
| Special events, including \$197,509 of contributed<br>nonfinancial assets, net of direct costs of \$613,183 | 1,142,705                     | -                          | 1,142,705    | 1,016,214    |
| Foundations and grants                                                                                      | 424,530                       | -                          | 424,530      | 349,203      |
| Wills and bequests                                                                                          | -                             | -                          | -            | 151,453      |
| Social entrepreneurship                                                                                     | 34,968                        | -                          | 34,968       | 22,966       |
| Change in value in beneficial interest held by others                                                       | -                             | 29,161                     | 29,161       | 25,520       |
| Investment income                                                                                           | 95,806                        | -                          | 95,806       | 41,715       |
| Gain on disposal of assets                                                                                  | 417,380                       | -                          | 417,380      | -            |
| Net assets released from restriction                                                                        | 191,957                       | (191,957)                  | -            | -            |
| <b>Total operating support and revenue</b>                                                                  | 6,482,211                     | (8,815)                    | 6,473,396    | 5,910,321    |
| <b>Operating Expenses</b>                                                                                   |                               |                            |              |              |
| Program services                                                                                            | 4,796,039                     | -                          | 4,796,039    | 5,014,726    |
| Supporting services:                                                                                        |                               |                            |              |              |
| Management and general                                                                                      | 423,294                       | -                          | 423,294      | 272,095      |
| Fundraising                                                                                                 | 527,578                       | -                          | 527,578      | 599,801      |
| <b>Total operating expenses</b>                                                                             | 5,746,911                     | -                          | 5,746,911    | 5,886,622    |
| <b>Change in Net Assets Before Other Changes</b>                                                            | 735,300                       | (8,815)                    | 726,485      | 23,699       |
| <b>Other Changes - Revenue (Expense)</b>                                                                    |                               |                            |              |              |
| Employee Retention Credit                                                                                   | -                             | -                          | -            | 816,032      |
| Other (expense) income                                                                                      | (3,699)                       | -                          | (3,699)      | 13,220       |
| <b>Total other changes</b>                                                                                  | (3,699)                       | -                          | (3,699)      | 829,252      |
| <b>Change in Net Assets</b>                                                                                 | 731,601                       | (8,815)                    | 722,786      | 852,951      |
| <b>Net Assets at Beginning of Year</b>                                                                      | 3,491,655                     | 397,916                    | 3,889,571    | 3,036,620    |
| <b>Net Assets at End of Year</b>                                                                            | \$ 4,223,256                  | \$ 389,101                 | \$ 4,612,357 | \$ 3,889,571 |

See accompanying notes to financial statements

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED AUGUST 31, 2023**

|                                                                                                             | <u>Without Donor<br/>Restrictions</u> | <u>With Donor<br/>Restrictions</u> | <u>Total</u>        |
|-------------------------------------------------------------------------------------------------------------|---------------------------------------|------------------------------------|---------------------|
| <b>Operating Support and Revenue</b>                                                                        |                                       |                                    |                     |
| <b>Public Support</b>                                                                                       |                                       |                                    |                     |
| United Way                                                                                                  | \$ 339,166                            | \$ -                               | \$ 339,166          |
| Government support                                                                                          | 3,280,621                             | -                                  | 3,280,621           |
| Scholarship revenue                                                                                         | -                                     | 44,476                             | 44,476              |
| Contributions                                                                                               | 431,886                               | 91,159                             | 523,045             |
| Contributed nonfinancial assets                                                                             | 115,942                               | -                                  | 115,942             |
| Special events, including \$205,632 of contributed<br>nonfinancial assets, net of direct costs of \$550,627 | 1,016,214                             | -                                  | 1,016,214           |
| Foundations and grants                                                                                      | 349,203                               | -                                  | 349,203             |
| Wills and bequests                                                                                          | 151,453                               | -                                  | 151,453             |
| Social entrepreneurship                                                                                     | 22,966                                | -                                  | 22,966              |
| Change in value in beneficial interest held by others                                                       | -                                     | 25,520                             | 25,520              |
| Investment income                                                                                           | 41,715                                | -                                  | 41,715              |
| Net assets released from restriction                                                                        | 132,008                               | (132,008)                          | -                   |
| <b>Total operating support and revenue</b>                                                                  | <b>5,881,174</b>                      | <b>29,147</b>                      | <b>5,910,321</b>    |
| <b>Operating Expenses</b>                                                                                   |                                       |                                    |                     |
| Program services                                                                                            | 5,014,726                             | -                                  | 5,014,726           |
| Supporting services:                                                                                        |                                       |                                    |                     |
| Management and general                                                                                      | 272,095                               | -                                  | 272,095             |
| Fundraising                                                                                                 | 599,801                               | -                                  | 599,801             |
| <b>Total operating expenses</b>                                                                             | <b>5,886,622</b>                      | <b>-</b>                           | <b>5,886,622</b>    |
| <b>Change in Net Assets Before Other Changes</b>                                                            | <b>(5,448)</b>                        | <b>29,147</b>                      | <b>23,699</b>       |
| <b>Other Changes - Revenue</b>                                                                              |                                       |                                    |                     |
| Employee Retention Credit                                                                                   | 816,032                               | -                                  | 816,032             |
| Other income                                                                                                | 13,220                                | -                                  | 13,220              |
| <b>Total other changes</b>                                                                                  | <b>829,252</b>                        | <b>-</b>                           | <b>829,252</b>      |
| <b>Change in Net Assets</b>                                                                                 | <b>823,804</b>                        | <b>29,147</b>                      | <b>852,951</b>      |
| <b>Net Assets at Beginning of Year</b>                                                                      | <b>2,667,851</b>                      | <b>368,769</b>                     | <b>3,036,620</b>    |
| <b>Net Assets at End of Year</b>                                                                            | <b>\$ 3,491,655</b>                   | <b>\$ 397,916</b>                  | <b>\$ 3,889,571</b> |

See accompanying notes to financial statements



**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED AUGUST 31, 2024**  
**(WITH COMPARATIVE TOTALS FOR 2023)**

|                                            | Supporting Services |                           |                   |                                 | Total               |                     |
|--------------------------------------------|---------------------|---------------------------|-------------------|---------------------------------|---------------------|---------------------|
|                                            | Program<br>Services | Management<br>and General | Fundraising       | Total<br>Supporting<br>Services | Total               |                     |
|                                            |                     |                           |                   |                                 | 2024                | 2023                |
| Salaries                                   | \$ 3,028,639        | \$ 255,427                | \$ 364,896        | \$ 620,323                      | \$ 3,648,962        | \$ 3,788,400        |
| Employee benefits                          | 370,148             | 31,217                    | 44,596            | 75,813                          | 445,961             | 432,921             |
| Payroll taxes                              | 216,342             | 18,246                    | 26,065            | 44,311                          | 260,653             | 271,072             |
| <b>Total salaries and related expenses</b> | <b>3,615,129</b>    | <b>304,890</b>            | <b>435,557</b>    | <b>740,447</b>                  | <b>4,355,576</b>    | <b>4,492,393</b>    |
| Contributed nonfinancial assets            | 122,515             | 59,662                    | 8,098             | 67,760                          | 190,275             | 115,942             |
| Professional fees                          | 176,278             | 14,867                    | 21,238            | 36,105                          | 212,383             | 202,928             |
| Office rent                                | 92,165              | 7,773                     | 11,104            | 18,877                          | 111,042             | 98,862              |
| Match and volunteer activities             | 278,627             | -                         | -                 | -                               | 278,627             | 219,398             |
| Office supplies                            | 118,399             | 9,985                     | 14,265            | 24,250                          | 142,649             | 141,221             |
| Insurance                                  | 115,268             | 9,721                     | 13,888            | 23,609                          | 138,877             | 132,427             |
| Grant management fees                      | 65,313              | -                         | -                 | -                               | 65,313              | 69,366              |
| Telephone                                  | 50,194              | 4,233                     | 6,048             | 10,281                          | 60,475              | 66,048              |
| Printing                                   | 4,101               | 346                       | 494               | 840                             | 4,941               | 45,369              |
| Agency activities                          | 24,409              | 2,059                     | 2,941             | 5,000                           | 29,409              | 18,903              |
| Miscellaneous                              | 56,247              | 4,741                     | 6,777             | 11,518                          | 67,765              | 123,299             |
| Utilities                                  | 9,923               | 837                       | 1,196             | 2,033                           | 11,956              | 24,312              |
| Postage                                    | 2,628               | 222                       | 317               | 539                             | 3,167               | 4,591               |
| Conferences and conventions                | 11,950              | 1,008                     | 1,440             | 2,448                           | 14,398              | 25,431              |
| Scholarship awards                         | 17,910              | -                         | -                 | -                               | 17,910              | 40,000              |
| Maintenance                                | 5,253               | 443                       | 633               | 1,076                           | 6,329               | 3,925               |
| <b>Total expenses before depreciation</b>  | <b>1,151,180</b>    | <b>115,897</b>            | <b>88,439</b>     | <b>204,336</b>                  | <b>1,355,516</b>    | <b>1,332,022</b>    |
|                                            | 4,766,309           | 420,787                   | 523,996           | 944,783                         | 5,711,092           | 5,824,415           |
| Depreciation                               | 29,730              | 2,507                     | 3,582             | 6,089                           | 35,819              | 62,207              |
|                                            | <b>\$ 4,796,039</b> | <b>\$ 423,294</b>         | <b>\$ 527,578</b> | <b>\$ 950,872</b>               | <b>\$ 5,746,911</b> | <b>\$ 5,886,622</b> |

See accompanying notes to financial statements

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED AUGUST 31, 2024 AND 2023**

|                                                                                                    | <b>2024</b>         | <b>2023</b>         |
|----------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Cash Flows from Operating Activities:</b>                                                       |                     |                     |
| Change in net assets                                                                               | \$ 722,786          | \$ 852,951          |
| <b>Adjustments to reconcile change in net assets to net cash provided by operating activities:</b> |                     |                     |
| Depreciation                                                                                       | 35,819              | 62,207              |
| Gain on disposal of assets                                                                         | (417,380)           | -                   |
| Noncash operating lease expense                                                                    | 109,242             | 132,513             |
| <b>(Increase) decrease in:</b>                                                                     |                     |                     |
| Grants receivable                                                                                  | (18,625)            | (19,005)            |
| Unconditional promises to give                                                                     | -                   | 3,750               |
| Other receivables                                                                                  | (21,690)            | (5,847)             |
| Beneficial interest in funds held by others                                                        | (18,862)            | (18,878)            |
| Prepaid expenses and other assets                                                                  | (30,456)            | (36,420)            |
| <b>Increase (decrease) in:</b>                                                                     |                     |                     |
| Accounts payable and accrued expenses                                                              | (53,999)            | (99,783)            |
| Deferred revenue                                                                                   | (65,599)            | 131,492             |
| Change in lease liability                                                                          | (91,148)            | (132,405)           |
|                                                                                                    | 150,088             | 870,575             |
| <b>Net cash provided by operating activities</b>                                                   | <b>150,088</b>      | <b>870,575</b>      |
| <b>Cash Flows from Investing Activities:</b>                                                       |                     |                     |
| Increase in certificate of deposit                                                                 | (505,081)           | -                   |
| Cash paid for purchase of property and equipment                                                   | (40,128)            | (21,220)            |
| Proceeds from sale of property and equipment                                                       | 662,607             | -                   |
|                                                                                                    | 117,398             | (21,220)            |
| <b>Net cash provided by (used in) investing activities</b>                                         | <b>117,398</b>      | <b>(21,220)</b>     |
| <b>Net Increase in Cash</b>                                                                        | <b>267,486</b>      | <b>849,355</b>      |
| <b>Total Cash at Beginning of Year</b>                                                             | <b>2,804,425</b>    | <b>1,955,070</b>    |
| <b>Total Cash at End of Year</b>                                                                   | <b>\$ 3,071,911</b> | <b>\$ 2,804,425</b> |
| <b>Total cash consisted of the following at August 31:</b>                                         |                     |                     |
| Cash                                                                                               | \$ 3,055,318        | \$ 2,790,426        |
| Restricted cash                                                                                    | 16,593              | 13,999              |
|                                                                                                    | \$ 3,071,911        | \$ 2,804,425        |
| <b>Non-cash Investing and Financing Activities:</b>                                                |                     |                     |
| Right-of-use assets obtained in exchange for new operating lease liabilities                       | \$ 520,895          | \$ -                |

See accompanying notes to financial statements

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

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**NOTE A - NATURE OF ORGANIZATION**

Big Brothers Big Sisters of Tampa Bay, Inc. (the Organization) is a not-for-profit organization whose mission is to create and support one-to-one mentoring relationships that ignite the power and promise of youth. With a focus on educational success and avoidance of risky behaviors, the Organization provides services in Alachua, Hillsborough, Marion, Pinellas, Polk, Pasco, Hernando, Citrus, and Sumter Counties. The Organization uses a case management approach to service delivery. The primary providers of direct services are volunteers who serve as mentors through match relationships within community or school-based program components. The Organization thoroughly screens volunteers who make a commitment in order to assure a regular, consistent relationship for the child. Professional staff monitors the service delivery and tracks both the progression of the match relationship and each client and volunteer on a case-by-case basis. Professional staff assists participants in developing and maintaining positive and beneficial mentoring relationships.

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

*Net assets without donor restrictions:* Net assets that are not subject to donor-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 the board of directors.

*Net assets with donor restrictions:* Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Revenue is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions.

Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional.

**Measure of Operations**

The statements of activities report all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing services. Nonoperating activities, if any, are limited to other activities considered to be of a more unusual or nonrecurring nature.

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

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**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Use of Estimates**

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts 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. Accordingly, actual results could differ from those estimates. Significant estimates included in the financial statements include the collectability of receivables, allocation of expenses by function and useful lives of depreciable assets.

**Fair Value Measurement**

The financial statements are prepared in accordance with an accounting standard, for all financial assets and liabilities and for nonfinancial assets and liabilities recognized or disclosed at fair value in the financial statements or on a recurring basis (at least annually). Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on a measurement date. The standard also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

**Cash and Restricted Cash**

Cash consists of cash on deposit with financial institutions and petty cash funds. The Organization considers all highly liquid investments with an initial maturity of three months or less as cash. The Organization maintains a separate cash account for the restricted scholarship funds. This restricted cash account totaled \$16,593 and \$13,999 at August 31, 2024 and 2023, respectively.

**Certificate of Deposit**

The Organization invests in certificates of deposit with maturities between 9 months and one year. The certificates of deposit are purchased in such amounts as to maximize federal deposit insurance coverage, and are held to maturity. Accordingly, certificates of deposit are carried at original cost plus accrued interest in the accompanying statements of financial position.

**Financial Instruments**

Deposit concentration risk is managed by placing cash, money market accounts, and certificates of deposit with financial institutions believed by the Organization to be creditworthy. From time to time throughout the years ended August 31, 2024 and 2023, amounts on deposit may have exceeded the federally insured limit. However, the Organization has not experienced and does not expect to incur any losses in such accounts.

**Grants Receivables**

Grants receivable consist of amounts due from various funding agencies. Management estimates the allowance for uncollectible grants and other receivables based on a review of the individual receivables outstanding as of the end of the year. Management writes off receivables as identified against the allowance amount. As of August 31, 2024 and 2023, the Organization considered all receivables to be fully collectible and no allowance was necessary.

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

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**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Unconditional Promises to Give**

Unconditional promises to give that are expected to be collected within one year are recorded as contributions receivable at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated cash flows. Conditional promises to give are not included as support until the conditions are substantially met.

Unconditional promises to give which are due in more than one year are recorded at estimated fair value by discounting future cash flows using current risk-free rates of return based on U.S. Treasury Securities yields with maturity dates similar to the expected contribution collection period. The Organization uses the allowance method to determine uncollectible unconditional promises. The allowance is based on prior years' experience and management's analysis of specific promises made. The Organization recorded an allowance of \$1,000 as of August 31, 2023. Unconditional promises to give are included in other receivables in the accompanying statements of financial position.

**Beneficial Interest in Funds Held by Others**

The Organization has several funds established under the Community Foundation of Tampa Bay and the Pinellas Community Foundation. The funds are held and invested by the community foundations for the Organization's benefit and are reported at fair value in the statements of financial position, with distributions and changes in fair value recognized in statements of activities.

**Property and Equipment**

Property and equipment are recorded at acquisition cost, including costs necessary to prepare the asset for its intended use, or, if donated, at estimated fair value at the date of donation. Depreciation expense is provided on a straight-line basis over the estimated useful lives of the assets ranging from three to forty years.

Maintenance and repairs are charged to expense as incurred, while renewals and betterments in excess of \$1,000 are capitalized.

**Deferred Revenue**

Deferred revenue recorded in the statements of financial position consists of sponsorships and conditional contributions collected prior to period-end that relate to special events and other services scheduled to take place in the subsequent year.

**Impairment of Long-Lived Assets**

The Organization evaluates its long-lived assets for any events or changes in circumstances which indicate that the carrying amount of such assets may not be fully recoverable. The Organization evaluates the recoverability of long-lived assets by measuring the carrying amount of such assets against the estimated undiscounted future cash flows associated with them. At the time such evaluation indicates that the future undiscounted cash flows of certain long-lived assets are not sufficient to recover the carrying value of such assets, the assets are adjusted to their fair values. There were no impairments at August 31, 2024 and 2023, respectively.

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

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**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Revenue Recognition**

Certain grants received by the Organization are considered conditional contributions since the grant agreements require the Organization to perform services, incur expenses or meet contract objectives in order to earn the grant funding. Payments received under these grants is deferred until earned. Revenue is earned and recognized in the financial statements when eligible expenses are incurred, services performed or grant objectives met.

Other grants without conditions and contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence or nature of any donor restrictions. Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Unconditional promises to give are reported at present value at the date the promise is received to the extent estimated to be collected by the Organization. Other conditional promises to give are recognized when the conditions on which they depend are substantially met. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Special events revenue is comprised of an exchange element for the direct benefits the donors receive and a contribution element for the difference. The revenues are recognized at the point in time when control of the goods and services are transferred to the event's participants in an amount that reflects the consideration the Organization expects to be entitled to in exchange for those goods or services. The Organization recognizes the contribution element of special event revenue immediately, unless there is a right of return if the special event does not take place.

**Contributed Nonfinancial Assets**

Donated materials are recorded as support at their fair value at the date of donation. Contributions of services are recorded as support at their estimated fair value if the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. For the years ended August 31, 2024 and 2023, the value of contributed services meeting the requirements for recognition in the financial statements has been recorded as unrestricted support. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services under the financial accounting standards.

**Functional Classification of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities.

Program and supporting expenses, when specifically identifiable, are classified to the function which incurred the expense. Those specifically identifiable include in-kind program, program expenses, bad debt, scholarship awards and social entrepreneurship. All other expenses are allocated among program, management and general, and fundraising based upon the ratio of employee time involved. The percentages applied are as follows for each of the years ended August 31:

|                        | <u>2024</u> | <u>2023</u> |
|------------------------|-------------|-------------|
| Program services       | 83%         | 84%         |
| Management and general | 7%          | 5%          |
| Fundraising            | 10%         | 11%         |
|                        | <u>100%</u> | <u>100%</u> |

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

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**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Income Tax Status**

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

**Uncertain Tax Positions**

The Organization accounts for the effect of any uncertain tax positions based on a “more likely than not” threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a “cumulative probability assessment” that aggregates the estimated tax liability for all uncertain tax positions. The Organization has identified its tax status as a tax-exempt entity as its only significant tax position; however, the Organization has determined that such tax position does not result in an uncertainty requiring recognition. The Organization is not currently under examination by any taxing jurisdiction. The Organization's federal returns are generally open for examination for three years following the date filed.

**Reclassifications**

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements. Net assets have not been impacted as a result of these reclassifications.

**Summarized Comparative Information**

The accompanying financial statements include certain prior year summarized comparative total amounts. Such information does not include sufficient detail to constitute a presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended August 31, 2023 from which summarized information was derived.

**Leases**

The Organization has operating leases for office space. The determination of whether an arrangement is a lease is made at the lease's inception. Under ASC 842, the Financial Accounting Standard's Board's Accounting Standards Update (ASU) No. 2016-02, *Leases* (Topic 842), a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassess its determination if the terms or conditions of the contract are changed.

Operating leases are included in operating lease right-of-use (ROU) assets and lease liabilities in the accompanying statements of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the Organization's obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization uses the implicit rate in the lease when it is readily determinable. To determine the present value of lease payments, management has elected to use a risk free rate at lease commencement. Operating lease ROU assets also includes any lease payments made and excludes any lease incentives. Lease expense is recognized on a straight-line basis over the lease term.

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
AUGUST 31, 2024 AND 2023**

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**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Leases - Continued**

The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise the option. The Organization has determined these extensions are not reasonably certain to be elected and therefore these extensions are not included in the lease calculations.

For leases with an initial term of 12 months or less, an ROU asset and lease liability is not recognized and lease expense is recognized on a straight-line basis over the lease term.

**New Accounting Pronouncement**

Effective September 1, 2023, the Organization adopted FASB ASU 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, as amended, which modified the measurement of expected credit losses on certain financial instruments. The Organization adopted this new guidance utilizing the modified retrospective transition method. The adoption of ASU 2016-13 did not have a material impact on the Organization's financial statements but did change how the allowance for credit losses is determined.

**NOTE C - AVAILABILITY AND LIQUIDITY**

The following represents the Organization's financial assets available to meet general expenditures over the next twelve months on August 31:

|                                                                                        | <u>2024</u>         | <u>2023</u>         |
|----------------------------------------------------------------------------------------|---------------------|---------------------|
| Financial Assets:                                                                      |                     |                     |
| Cash                                                                                   | \$ 3,055,318        | \$ 2,790,426        |
| Grants and other receivables                                                           | 543,189             | 502,874             |
| Certificate of deposit                                                                 | <u>763,970</u>      | <u>258,889</u>      |
| Total financial assets                                                                 | 4,362,477           | 3,552,189           |
| Less Amounts Not Available to be Used<br>Within One Year:                              |                     |                     |
| Net assets with donor restrictions                                                     | <u>69,095</u>       | <u>96,110</u>       |
| Financial assets available to meet general<br>expenditures over the next twelve months | <u>\$ 4,293,382</u> | <u>\$ 3,456,079</u> |

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses. As described in **Note H**, the Organization also has a \$400,000 line-of-credit available. As part of its liquidity plan, excess cash is invested in a separate money market account.



**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
AUGUST 31, 2024 AND 2023**

**NOTE D - BENEFICIAL INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATIONS**

The Organization has beneficial interest in assets held by the Community Foundation of Tampa Bay (the Community Foundation) of \$291,129 and \$273,316 as of August 31, 2024 and 2023, respectively. These beneficial interests include the Charles Edward Manly II Fund, the Scholarship Fund, and the Big Brothers Big Sister of Tampa Bay Fund. In addition, in 2002, the Organization established an account with the Pinellas Community Foundation (PCF) in the amount of \$10,000. It is the intent of the donors and the Organization to accumulate donations and earnings until the fund reaches a balance of \$25,000. The Organization has beneficial interest in assets held by PCF of \$15,545 and \$14,496 as of August 31, 2024 and 2023. The funds are held and invested by the Community Foundations for the Organizations benefit and is reported at fair value in the statements of financial position, with distributions and changes in fair value recognized in the statements of activities.

**NOTE E - BENEFICIAL INTEREST IN A DESIGNATED FUND**

The Organization has a beneficial interest in certain designated funds held by the Community Foundation. These designated funds came from sources other than the Organization that had explicitly granted variance power to the Community Foundation, so they are not recorded in the Organization's accompanying statements of financial position as an asset. Earnings on the endowment funds are distributed to the Organization quarterly and are recognized as unrestricted contributions in the statements of activities. The fair value of these designated funds are \$14,819 and \$13,726 as of August 31, 2024 and 2023, respectively.

**NOTE F - FAIR VALUE MEASUREMENT**

The Organization's investments are reported at fair value in the accompanying statements of financial position. Following is a description of valuation methodologies used for investments measured at fair value.

*Beneficial interest in assets held by others* - The assets are managed by a third party which is unrelated to this organization. The trust assets are valued based upon the third-party information without adjustment. The Organization does not develop nor are they provided with the quantitative inputs used to develop the fair market values.

Fair values of assets measured on a recurring basis at August 31, 2024 are as follows:

| Description                             | Fair Value Measurements at Reporting Date Using                             |                                                         |                                                  |                        |
|-----------------------------------------|-----------------------------------------------------------------------------|---------------------------------------------------------|--------------------------------------------------|------------------------|
|                                         | Quoted Prices<br>In Active<br>Markets for<br>Identical<br>Assets<br>Level 1 | Significant<br>Other<br>Observable<br>Inputs<br>Level 2 | Significant<br>Unobservable<br>Inputs<br>Level 3 | Total<br>Fair<br>Value |
| Assets:                                 |                                                                             |                                                         |                                                  |                        |
| Beneficial interest in perpetual trusts | -                                                                           | -                                                       | 306,674                                          | 306,674                |
| Total assets at fair value              | \$ -                                                                        | \$ -                                                    | \$ 306,674                                       | \$ 306,674             |

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

**NOTE F - FAIR VALUE MEASUREMENT - CONTINUED**

Fair values of assets measured on a recurring basis at August 31, 2023 are as follows:

| Description                                | Fair Value Measurements at Reporting Date Using                             |                                                         |                                                  |                        |
|--------------------------------------------|-----------------------------------------------------------------------------|---------------------------------------------------------|--------------------------------------------------|------------------------|
|                                            | Quoted Prices<br>In Active<br>Markets for<br>Identical<br>Assets<br>Level 1 | Significant<br>Other<br>Observable<br>Inputs<br>Level 2 | Significant<br>Unobservable<br>Inputs<br>Level 3 | Total<br>Fair<br>Value |
| Assets:                                    |                                                                             |                                                         |                                                  |                        |
| Beneficial interest in<br>perpetual trusts | -                                                                           | -                                                       | 287,812                                          | 287,812                |
| Total assets at fair value                 | \$ -                                                                        | \$ -                                                    | \$ 287,812                                       | \$ 287,812             |

The following is a summary of changes in the fair value of the Organization's Level 3 assets for the years ended August 31:

|                           | 2024       | 2023       |
|---------------------------|------------|------------|
| Balance, September 1      | \$ 287,812 | \$ 268,934 |
| Contributions             | 2,000      | 5,158      |
| Released from restriction | (12,299)   | (11,800)   |
| Investment income (loss)  | 29,161     | 25,520     |
| Balance, August 31        | \$ 306,674 | \$ 287,812 |

**NOTE G - PROPERTY AND EQUIPMENT**

Property and equipment consist of the following on August 31:

|                               | 2024      | 2023       |
|-------------------------------|-----------|------------|
| Building and improvements     | \$ -      | \$ 492,154 |
| Land                          | -         | 44,000     |
| Office equipment              | 342,594   | 392,450    |
| Leasehold improvements        | 2,895     | 17,885     |
|                               | 345,489   | 946,489    |
| Less accumulated depreciation | (273,167) | (633,249)  |
|                               | \$ 72,322 | \$ 313,240 |

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

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**NOTE H - LINE-OF-CREDIT**

The Organization has a \$400,000 revolving line-of-credit available at a financial institution at August 31, 2024 and 2023, with no stated maturity date. The interest rate on this line-of-credit is SOFR plus 2.3% (7.6% at August 31, 2024). The line-of-credit is collateralized by substantially all assets of the Organization. There were no amounts outstanding on the line-of-credit at August 31, 2024 and 2023. The Organization had \$400,000 available for use at August 31, 2024 and 2023.

**NOTE I - LEASES**

The Organization leases office space under operating lease agreements that expire through 2029. During the years ended August 31, 2024 and 2023, the Organization also had short term leases related to office space and equipment. Short term leases, defined as leases with initial terms of 12 months or less, are not reflected on the accompanying statements of financial position. Variable payments are not determinable at the lease commencement and are not included in the measurement of the lease assets and liabilities. The lease agreements do not include any material residual value guarantees or restrictive covenants.

The future payments due under operating lease as of August 31, 2024 is as follows:

| Years Ending August 31,       | Amount     |
|-------------------------------|------------|
| 2025                          | \$ 121,305 |
| 2026                          | 124,229    |
| 2027                          | 115,231    |
| 2028                          | 106,340    |
| 2029                          | 45,172     |
| Total undiscounted cash flows | 512,277    |
| Less: present value discount  | 42,007     |
| Total lease liabilities       | \$ 470,270 |

As of August 31, 2024 and 2023, the weighted-average remaining lease term for the Organization's operating leases is 4.18 and .32 years, respectively. The weighted-average discount rate associated with the operating leases is 4.16% and 3.51%, respectively. Rent expense for the Organization's operating leases for the years ended August 31, 2024 and 2023 was approximately \$109,000 and \$144,000, respectively. Cash paid in connection with the operating leases was approximately \$91,000 and \$132,400 for the years ended August 31, 2024 and 2023, respectively. Rent expense incurred by the Organization for short term leases for the years ended August 31, 2024 and 2023 was approximately \$5,800 and \$4,800, respectively.

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

**NOTE J - CONTRIBUTED NONFINANCIAL ASSETS**

The Organization receives in-kind contributions of time and pro bono services from members of the community and volunteers related to program operations, special events, and fund-raising campaigns. Donated services are recognized as contributions if the services: (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The Organization recognizes contributed nonfinancial asset revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the donation.

For the years ended August 31, 2024 and 2023, the Organization received in-kind contributions estimated as follows:

|                        | Donated<br>Services | Donated Goods     | Total             |                   |
|------------------------|---------------------|-------------------|-------------------|-------------------|
|                        |                     |                   | 2024              | 2023              |
| Special Events         | \$ -                | \$ 197,509        | \$ 197,509        | \$ 205,632        |
| Program Services       | -                   | 122,514           | 122,514           | 114,321           |
| General and Management | 52,675              | 11,987            | 64,662            | 430               |
| Fundraising            | -                   | 8,098             | 8,098             | 1,191             |
|                        | <u>\$ 52,675</u>    | <u>\$ 340,108</u> | <u>\$ 392,783</u> | <u>\$ 321,574</u> |

All donated services and assets were utilized by the Organization's programs and supporting services. There were no donor-imposed restrictions associated with the donated services and assets. Donated services are valued based on current rates for similar professional and event services. Donated goods are valued at the wholesale prices that would be received for selling similar products. Donated goods includes \$5,000 of donated computers that were included in property and equipment at August 31, 2024.

**NOTE K - NET ASSETS WITH DONOR RESTRICTIONS**

Virtually all of the restrictions on net assets for the years ended August 31, 2024 and 2023 are related to funds received from private foundations, corporate donors, grants, and time restricted multi-year pledges. Certain of the use-restricted funds are restricted for the purpose of match events and activities.

At August 31, 2024 and 2023, net assets with donor restrictions consisted of the following:

|                                              | 2024              | 2023              |
|----------------------------------------------|-------------------|-------------------|
| Time-restricted                              | \$ 669            | \$ 2,195          |
| Beneficial interests in funds held by others | 306,674           | 287,812           |
| Scholarship Fund                             | 16,566            | 13,996            |
| Match Activities                             | 39,401            | 87,522            |
| Other                                        | 25,791            | 6,391             |
|                                              | <u>\$ 389,101</u> | <u>\$ 397,916</u> |

Net assets are released from restrictions when spent on a specific purpose during the year or the time restriction is satisfied. Net assets released from restrictions amount to \$191,957 and \$132,008 at August 31, 2024 and 2023.

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

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**NOTE L - RETIREMENT PLAN**

The Organization has a 401k plan to which it may match a portion of eligible employee contributions. Effective January 1, 2022, the Organization updated their match to contribute \$1 for each \$1 the employee contributes up to 3%, and an additional 50% of each \$1 for 4% and 5% of compensation that the employee contributes. Employees must contribute at least 5% to receive the full 4% match. From June 1, 2021 through December 31, 2021, the Organization's policy was to contribute 50% of each \$1 the employee contributes to the plan up to 3% of compensation. Employees must contribute at least 6% to the plan in order to receive the full 3% match. Contributions made during the years ended August 31, 2024 and 2023 were \$95,347 and \$73,307, respectively.

**NOTE M - CERTIFICATE OF DEPOSIT**

At August 31, 2023, the Organization held one \$250,000 certificate of deposit that accrued interest at a rate of 4%. This certificate matured in November 2023. During the year ended August 31, 2024, the Organization invested in three new \$250,000 certificates of deposits at various financial institutions. These certificates accrued interest at 5.12%, 4.4%, and 5.12% and mature in December 2024, March 2025, and June 2025, respectively. The certificates of deposit are expected to be held to maturity and are reported in the accompanying statement of financial position at original cost plus accrued interest.

**NOTE N - CONCENTRATION OF RISK**

The Organization receives a substantial amount of support from various grantor agencies for its programs. During the years ended August 31, 2024 and 2023, 42% and 40%, of revenues were received from two funders, respectively. If support from one or more of these granting agencies were to be reduced or eliminated, it could affect the operation of the supported programs. In addition, the Organization is subject to audit examination by grantor agencies. In the event that reimbursed expenditures were disallowed, repayments would be required.

At August 31, 2024 and 2023, 82% and 88% of the grants receivable balance was due from three funders, respectively.

**NOTE O - RELATED PARTY**

The Organization is charged an annual support service fee by Big Brothers Big Sisters of America (National Office) and Big Brothers Big Sisters Association of Florida (State Office) based on a percentage of annual expenditures. This fee is for organizational and management services provided by the National and State offices. The Organization recognized national and state support expense of approximately \$85,000 for each of the years ended August 31, 2024 and 2023, and is included in professional fees in the accompanying statement of functional expenses. During the year ended August 31, 2024 and 2023, the Organization purchased services totaling approximately \$54,000 and \$14,000, respectively, from a company owned by a member of the Board of Directors.

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

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**NOTE P - EMPLOYEE RETENTION CREDIT**

The Organization has determined it is eligible for the Employee Retention Credit (ERC) under the CARES Act. The Organization has elected to treat amounts claimed under the ERC program as an in-substance government grant and the accounting aligned with conditional contributions. For the calendar year 2020, the ERC provides for refundable tax credits against certain employment taxes up to \$5,000 per employee. For calendar year 2021, the credits are up to \$7,000 per employee per quarter. The ERC program terminated September 30, 2021. Credits are claimed by filing amended employer tax returns. At August 31, 2023, the Organization has recorded other income of \$816,032. These amounts are included in the accompanying statements of activities for the year ended August 31, 2023.

Laws and regulations governing the CARES Act program are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future governmental review and interpretation. The Organization believes it is in compliance with all applicable laws and regulations governing CARES Act programs in which it has participated.

**NOTE Q - SUBSEQUENT EVENTS**

The Organization evaluated subsequent events through November 20, 2024 the date the financial statements were available to be issued. The Organization is not aware of any subsequent events which would require recognition or disclosures in the financial statements.

**SUPPLEMENTARY INFORMATION**

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED AUGUST 31, 2024**

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| <b>Florida State Agency/<br/>Program Title/<br/>Florida State Project Title</b>                                                        | <b>CSFA<br/>Number</b> | <b>Contract<br/>Number</b> | <b>Expenditures</b> |
|----------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|---------------------|
| <b>State of Florida Department of Education</b>                                                                                        |                        |                            |                     |
| Passed through:                                                                                                                        |                        |                            |                     |
| Big Brothers Big Sisters Association of Florida, Inc.<br>Mentoring/Student Assistance Initiatives<br>Bigs Inspiring Scholastic Success | 48.068                 | 4Q001                      | \$ 784,704          |
| <b>State of Florida Department of Juvenile Justice</b>                                                                                 |                        |                            |                     |
| Passed through:                                                                                                                        |                        |                            |                     |
| Big Brothers Big Sisters Association of Florida, Inc.<br>Delinquency Prevention<br>Mentoring Children of Incarcerated Parents          | 80.029                 | 10707 - FY23-24            | 445,039             |
| <b>State of Florida Department of Economic Opportunity</b>                                                                             |                        |                            |                     |
| Passed through:                                                                                                                        |                        |                            |                     |
| Big Brothers Big Sisters Association of Florida, Inc.<br>Workplace Development Projects<br>School to Work                              | 40.037                 | WL069                      | 128,554             |
| <b>State of Florida Department of Legal Affairs and<br/>Office of the Attorney General</b>                                             |                        |                            |                     |
| Passed through:                                                                                                                        |                        |                            |                     |
| Big Brothers Big Sisters Association of Florida, Inc.<br>Big Brothers Big Sisters - Bigs in Blue Mentoring Project<br>Bigs In Blue     | 41.035                 | GR2023BBBSA00017           | 244,066             |
| <b>Total Expenditures of State Financial Assistance</b>                                                                                |                        |                            | <b>\$ 1,602,363</b> |

See accompanying notes to schedule of expenditures of state financial assistance



**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.  
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED AUGUST 31, 2024**

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**BASIS OF PRESENTATION**

The accompanying schedule of expenditures of state financial assistance (Schedule) includes the State of Florida project activity of Big Brothers Big Sisters of Tampa Bay, Inc. and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the accounting principles generally accepted in the United States of America as applicable to not-for-profit organizations and the requirements of Chapter 10.650, *Rules of the Auditor General, State of Florida*. Because the Schedule presents only a selected portion of the operations of Big Brothers Big Sisters of Tampa Bay, Inc. it is not intended to and does not present the financial position, changes in net assets, or cash flows of Big Brothers Big Sisters of Tampa Bay, Inc.

**CONTINGENCIES**

Expenditures incurred by the Organization are subject to audit and possible disallowance by the State of Florida. Management believes that if audited, any adjustments for disallowed expenses would be immaterial in amount.



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

To the Board of Directors  
Big Brothers Big Sisters of Tampa Bay, Inc.  
Tampa, 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 Big Brothers Big Sisters of Tampa Bay, Inc. (the Organization), which comprise the statement of financial position as of August 31, 2024, 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 November 20, 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 material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**CONTINUED**

**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 - CONTINUED**

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Big Brothers Big Sisters of Tampa Bay, 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.

*PDR CPAs + Advisors*

Oldsmar, Florida  
November 20, 2024



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**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, STATE OF FLORIDA**

To the Board of Directors  
Big Brothers Big Sisters of Tampa Bay, Inc.  
Tampa, Florida

***Report on Compliance for Each Major State Project***

***Opinion on Each Major State Project***

We have audited Big Brothers Big Sisters of Tampa Bay, Inc.'s (the Organization) compliance with the types of compliance requirements described in the *Florida Department of Financial Services State Projects Compliance Supplement* that could have a direct and material effect on each of the Organization's major state projects for the year ended August 31, 2024. The Organization'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, Big Brothers Big Sisters of Tampa Bay, 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 August 31, 2024.

***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 Chapter 10.650, Rules of the Auditor General, State of Florida. Our responsibilities under standards 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 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 state projects.

**CONTINUED**

**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, STATE OF FLORIDA –  
CONTINUED**

***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 Big Brothers Big Sisters of Tampa Bay, Inc.'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 Chapter 10.650, Rules of the Auditor General, State of Florida 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 state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Chapter 10.650, Rules of the Auditor General, State of Florida 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 Chapter 10.650, Rules of the Auditor General, State of Florida, 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.

**CONTINUED**

**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, STATE OF FLORIDA –  
CONTINUED**

**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, Rules of the Auditor General, State of Florida. Accordingly, this report is not suitable for any other purpose.

*PDR CPAs + Advisors*

Oldsmar, Florida  
November 20, 2024

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 STATE PROJECTS  
 YEAR ENDED AUGUST 31, 2024**

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

**Financial Statements Section**

Type of auditor's report issued: Unmodified

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Internal control over financial reporting:

Material weaknesses identified?  yes  no

Significant deficiencies identified not considered to be material weaknesses?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

**State Project Section**

Internal control over major state projects:

Material weaknesses identified?  yes  no

Significant deficiencies identified not considered to be material weaknesses?  yes  none reported

Type of auditor's report on compliance for major state projects: Unmodified

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Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650  yes  no

Identification of Major State Project:

| CSFA Number | Name of Project                            |
|-------------|--------------------------------------------|
| 48.068      | Mentoring / Student Assistance Initiatives |
| 80.029      | Delinquency Prevention                     |

Dollar threshold used to determine Type A State Project: \$ 480,709

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
STATE PROJECTS - CONTINUED  
YEAR ENDED AUGUST 31, 2024**

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**Part II - Schedule of Financial Statement Findings**

This section identifies the significant deficiencies, material weakness, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no reportable findings.

**Part III – State Project Findings and Questioned Costs**

This section identifies the significant deficiencies, material weakness, and instances of noncompliance, including questioned costs, related to the audit of major state projects, as required to be reported by Chapter 10.650, Rules of the Auditor General, State of Florida.

There were no reportable findings.

**Part IV - Summary Schedule of Prior Audit Findings**

A Summary Schedule of Prior Audit Findings is not necessary since there were no prior audit findings related to a major state project.