

**BUILDING A SAFER FLORIDA, INC.  
TALLAHASSEE, FLORIDA**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

**BUILDING A SAFER FLORIDA, INC.**  
**Year Ended June 30, 2024**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Executive Management of Building a Safer Florida, Inc.

### ***Opinion***

We have audited the accompanying financial statements of Building a Safer Florida, Inc., (a not-for-profit organization (Organization)), which comprise the statement of financial position as of June 30, 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.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Auditor's Responsibility for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about the Organization’s ability to continue as a going concern for a reasonable period of time.

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance as required by Chapter 10.650, Rules of the State of Florida, Office of the Auditor General, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the 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, schedule of expenditures of state financial assistance is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated, December 6, 2024, on our consideration of the Organization’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization’s internal control over financial reporting and compliance.

*Kaye Kendrick Enterprises, LLC*

Kaye Kendrick Enterprises, LLC  
Tallahassee, Florida  
December 6, 2024

**BUILDING A SAFER FLORIDA, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2024**

Assets	
Restricted cash & cash equivalents	\$ 59,745
Accounts receivable	<u>107,125</u>
Total assets	<u><u>\$ 166,870</u></u>
Liabilities and Net Assets	
Accounts payable	\$ 165,057
Restricted net assets	<u>1,813</u>
Total liabilities and net assets	<u><u>\$ 166,870</u></u>

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

**BUILDING A SAFER FLORIDA, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2024**

	<b>With Restrictions</b>
Revenue and Support	
Contract from state agency	\$ 854,094
Total revenue and support	854,094
 Expenses	
Program services	786,939
Management and general	67,155
Total expenses	854,094
 Change in Net Assets	 -
Net Assets, Beginning of Year	1,813
Net Assets, End of Year	\$ 1,813

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

**BUILDING A SAFER FLORIDA, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2024**

	<i>Program Services</i>	<i>Management and General</i>	<i>Total</i>
Contract services	<u>\$ 786,939</u>	<u>\$ 67,155</u>	<u>\$ 854,094</u>
Total expenses included in the expense section on the statement of activities	<u>\$ 786,939</u>	<u>\$ 67,155</u>	<u>\$ 854,094</u>

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

**BUILDING A SAFER FLORIDA, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

Reconciliation of Change in Net Assets to Net Cash from Operating Activities	
Change in net assets	\$ -
Changes in operating assets and liabilities	
Accounts receivable	(107,125)
Accounts payable	165,057
Net Cash from Operating Activities	<u>57,932</u>
Net Change in Cash and Cash Equivalents	57,932
Restricted Cash and Cash Equivalents, Beginning of Year	1,813
Restricted Cash and Cash Equivalents, End of Year	<u>\$ 59,745</u>

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

**BUILDING A SAFER FLORIDA, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

***Note 1 – Principal Activity and Significant Accounting Policies***

***Organization***

Building a Safer Florida, Inc. is a Florida not-for-profit organization (Organization), located in Tallahassee, Florida. The Organization acts as a clearinghouse for trade associations representing contractors, design professionals, and manufacturers who must comply with the Florida Unified Building Code. The functions of the clearinghouse include, but are not limited to, payment for continuing education courses on the Florida Unified Building Code, contracting for the development of building code studies, and maintenance of the Disaster Contractor Network.

The Organization prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for not-for-profit entities. The significant accounting and reporting policies used by the Organization are described subsequently to enhance the usefulness and understandability of the financial statements.

***Cash and Cash Equivalents***

Cash and cash equivalents are cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes.

***Account Receivables***

Account receivables are primarily unsecured non-interest-bearing amounts due from the Florida Department of Business and Professional Regulation (FDBPR) on a cost reimbursement contract. Management believes that all outstanding accounts receivable are collectible in full; therefore, no allowance for uncollectible receivables has been provided.

***Net Assets***

Net assets, revenues, gains, and losses are classified based on the existence or absence of contract-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets without Restrictions* – Net assets available for use in general operations and not subject to contract restrictions.

*Net Assets with Restrictions* – Net assets subject to contract restrictions.

***Revenue and Revenue Recognition***

The Organization's revenue is derived from a cost-reimbursable state contract, which is conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract provisions. No amounts are received in advance.

The contract is awarded on an annual basis and is dependent upon legislative appropriation. Contract revenue from state agencies is subject to independent audit by the State of Florida, Office of the Auditor General, pursuant to Florida state audit requirements for state awards, and review by the contracting agency. This oversight activity could result in the disallowance of expenditure under the terms of the contract or reductions of future contract funds. Based on prior experience, the Organization's management believes that costs ultimately disallowed, if any, would not materially affect the financial

**BUILDING A SAFER FLORIDA, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

position of the Organization.

***Functional Allocation of Expenses***

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statement of functional expenses presents the detail of natural expense classification by function. In accordance with the program budget, no management and general expenses have been allocated to program expenses.

***Income Taxes***

The Organization has been recognized as exempt from federal income taxation under Section 501(c)(6) of the Internal Revenue Code (IRC). It is required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS.

***Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles may require estimates and assumptions to be made that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

***Financial Instruments, Credit Risk, and Concentration***

Deposit concentration risk is managed by using financial institutions believed to be credit worthy. At times, amounts on deposit may exceed insured limits. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. As of June 30, 2024, there were no accounts in excess of FDIC insurance limits. To date, the Organization have not experienced loss in any of these accounts.

The Organization's annual funding comes from the FDBPR. As such, the Organization's ability to generate resources via its government contract is dependent upon the economic health and budgetary decisions of the State of Florida. Account receivables from FDBPR as of June 30, 2024, were \$107,125. Credit risk associated with account receivables is limited due to high historical collection rates and because the outstanding amounts are all due from a governmental agency.

***Note 2 – Liquidity and Availability***

Financial assets are only available for contracted program expenses.

***Note 3 – Related Party Transaction***

The Organization compensates two of its board members for management services to its program. The rate and amounts for administrative services are approved by the State of Florida. The amount incurred for the management services during the year ended June 30, 2024, was \$67,155, with \$38,940 included in Accounts Payable as of June 30, 2024.

**BUILDING A SAFER FLORIDA, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

***Note 4 – Subsequent Events***

Subsequent events have been evaluated through the date of the audit report, the date the financial statements were available to be issued.

**BUILDING A SAFER FLORIDA, INC.  
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
 FOR THE YEAR ENDED JUNE 30, 2024**

State Project Title	CSFA Number	Order Number	State Expenditures
Florida Building Code Compliance and Mitigation Program Administrator	79.008	C00177	\$ 854,094
Total Expenditures			<u>\$ 854,094</u>

The accompanying notes are an integral part of this schedule.

**BUILDING A SAFER FLORIDA, INC.  
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2024**

**1. Nature of Entity**

Building a Safer Florida, Inc. is a Florida not-for-profit organization (Organization), located in Tallahassee, Florida. The Organization acts as a clearinghouse for trade associations representing contractors, design professionals, and manufacturers who must comply with the Florida Unified Building Code. The functions of the clearinghouse include, but are not limited to, payment for continuing education courses on the Florida Unified Building Code, contracting for the development of building code studies, and maintenance of the Disaster Contractor Network.

**2. Basis of Presentation and Summary of Significant Accounting Policies**

The accompanying schedule of expenditures of state financial assistance provides the state award activity of the Organization and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Chapter 10.650, Rules of the State of Florida, Office of the Auditor General.

The management and general expenses of the Organization are approximately 8% of the total expenses and is the amount approved by the state program budget. None are allocated to the program expenses.

**INDEPENDENT AUDITORS' 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 and Executive Management of Building a Safer Florida, Inc.

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 the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Building a Safer Florida, Inc. (a not-for-profit organization) (Organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon, dated December 6, 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 have not been identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of 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.

*Kaye Kendrick Enterprises, LLC*

Kaye Kendrick Enterprises, LLC

Tallahassee, Florida

December 6, 2024

# **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CHAPTER 10.650, RULES OF THE AUDITOR GENERAL**

To the Board of Directors and Executive Management of Building a Safer Florida, Inc.

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

### ***Opinion on Each State Project***

We have audited Building a Safer Florida, Inc. (a not-for-profit organization) (Organization) compliance with the types of compliance requirements described in the *Florida Department of Financial Services' State Project Compliance Supplement* that could have a direct and material effect on each of the Organization's state projects for the year ended June 30, 2024. The Organization's state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its state projects for the year ended June 30, 2024.

### ***Basis for Opinion on Each 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. Those standards and Chapter 10.650, Rules of the Auditor General. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major 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.

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

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and

express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than 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 the Uniform Guidance, we:

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

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

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

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

control over compliance that might be material weaknesses, or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion of 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 results of that testing based on the requirements of Chapter 10.650, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

*Kaye Kendrick Enterprises, LLC*

Kaye Kendrick Enterprises, LLC  
Tallahassee, Florida  
December 6, 2024

**BUILDING A SAFER FLORIDA, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes \_\_\_\_\_ X No
- Significant deficiency(ies) identified that are not considered to be material weakness \_\_\_\_\_ Yes \_\_\_\_\_ X None Reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes \_\_\_\_\_ X No

State Awards

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes \_\_\_\_\_ X No
- Significant deficiency(ies) identified that are not considered to be material weakness \_\_\_\_\_ Yes \_\_\_\_\_ X None Reported

Type of Auditor's Report Issued on Unmodified

Identification of Major Programs:

CSFA Numbers	Name of Program
79.008	Florida Building Code Compliance and Mitigation Program Administrator

Dollar Threshold Used to Distinguish Between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? \_\_\_\_\_ X \_\_\_\_\_ Yes \_\_\_\_\_ No

II. FINANCIAL STATEMENT FINDINGS

No Matters Reported

III. STATE ASSISTANCE FINDINGS AND QUESTIONED COSTS

No Matters Reported, and No Prior Findings for these Programs

IV. OTHER MATTERS

No Matters Requiring Management Letter