

CAPITAL CITY YOUTH SERVICES, INC.

FINANCIAL STATEMENTS

**JUNE 30, 2024 WITH SUMMARIZED
INFORMATION AS OF JUNE 30, 2023**

CAPITAL CITY YOUTH SERVICES, INC.
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors,
Capital City Youth Services, Inc.:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Capital City Youth Services, Inc. (the 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 accompanying financial statements referred to above 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 (GAAS) 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 opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the financial statements are issued.

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Report on Summarized Comparative Information

We have previously audited the Organization's June 30, 2023, financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 18, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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 Federal Awards and State Financial Assistance is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Section 215.97, Florida Statutes, *Florida Single Audit Act*; and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and State Financial Assistance is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 11, 2025, 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.

James Moore & Co., P.L.

Tallahassee, Florida
November 11, 2025

CAPITAL CITY YOUTH SERVICES, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024 WITH SUMMARIZED
INFORMATION AS OF JUNE 30, 2023

	2024	2023
<u>ASSETS</u>		
Current assets		
Cash and cash equivalents	\$ 269,413	\$ 669,622
Grants and contracts receivable	573,763	390,153
Investments	478,941	233,225
Prepaid expenses	12,779	17,179
Total current assets	1,334,896	1,310,179
Property and equipment, net	1,459,298	1,600,495
Other Assets		
Investment in annuities	-	113,241
Other assets	5,132	-
Total other assets	5,132	113,241
Total Assets	\$ 2,799,326	\$ 3,023,915
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities		
Accounts payable	\$ 35,637	\$ 20,151
Accrued expenses	114,318	85,622
Current portion of long-term debt	54,455	52,045
Total current liabilities	204,410	157,818
Long-term liabilities		
Long-term debt, net	96,539	207,478
Total Liabilities	300,949	365,296
Net assets		
Without donor restrictions		
Net investment in property and equipment	1,308,304	1,340,972
Board-designated reserve	400,949	256,226
Undesignated	707,749	980,046
Total without donor restrictions	2,417,002	2,577,244
With donor restrictions	81,375	81,375
Total net assets	2,498,377	2,658,619
Total Liabilities and Net Assets	\$ 2,799,326	\$ 3,023,915

The accompanying notes to the financial statements
are an integral part of this statement.

CAPITAL CITY YOUTH SERVICES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024 WITH SUMMARIZED
INFORMATION FOR THE YEAR ENDED JUNE 30, 2023

	2024		2023	
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and revenue				
Federal grants	\$ 1,199,704	\$ -	\$ 1,199,704	\$ 1,085,599
State grants	1,399,081	-	1,399,081	1,097,123
Other grants and contracts	512,132	-	512,132	488,656
Contributions	55,306	-	55,306	77,161
In-kind contributions	37,099	-	37,099	25,377
Investment income, net	31,828	-	31,828	26,673
Other income	-	-	-	56
Total support and revenue	<u>3,235,150</u>	<u>-</u>	<u>3,235,150</u>	<u>2,800,645</u>
Expenses				
Program services - residential and non-residential	3,195,342	-	3,195,342	2,718,992
Supporting services - general and administrative	200,050	-	200,050	157,278
Total expenses	<u>3,395,392</u>	<u>-</u>	<u>3,395,392</u>	<u>2,876,270</u>
Change in net assets	(160,242)	-	(160,242)	(75,625)
Net assets, beginning of year	2,577,244	81,375	2,658,619	2,734,244
Net assets, end of year	<u>\$ 2,417,002</u>	<u>\$ 81,375</u>	<u>\$ 2,498,377</u>	<u>\$ 2,658,619</u>

The accompanying notes to the financial statements
are an integral part of this statement.

CAPITAL CITY YOUTH SERVICES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024 WITH SUMMARIZED
INFORMATION FOR THE YEAR ENDED JUNE 30, 2023

	<u>2024</u>			<u>2023</u>
	<u>Program Services - Residential and Non-residential</u>	<u>Supporting Services - General and Administrative</u>	<u>Total</u>	<u>Total</u>
Salaries and benefits	\$ 2,149,597	\$ 89,567	\$ 2,239,164	\$ 1,901,632
Advertising	-	1,119	1,119	1,035
Bank charges	-	792	792	4,015
Professional fees	38,213	79,709	117,922	152,665
Dues and subscriptions	42,114	1,755	43,869	43,530
Office and postage	97,735	4,072	101,807	66,570
Short-term lease	87,035	-	87,035	21,873
In-kind services and supplies	37,099	-	37,099	25,377
Interest	10,542	439	10,981	9,152
Insurance	74,085	3,087	77,172	76,766
Licenses	12,240	510	12,750	616
Client charges	190,684	-	190,684	216,058
Utilities and telephone	110,847	4,619	115,466	92,337
Auto and travel	39,738	1,656	41,394	37,437
Conferences and meetings	15,834	660	16,494	9,008
Training	4,369	182	4,551	3,412
Maintenance and repairs	116,190	4,841	121,031	78,377
Depreciation and amortization	169,020	7,042	176,062	136,410
	<u>\$ 3,195,342</u>	<u>\$ 200,050</u>	<u>\$ 3,395,392</u>	<u>\$ 2,876,270</u>

The accompanying notes to financial statements
are an integral part of this statement.

CAPITAL CITY YOUTH SERVICES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024 WITH SUMMARIZED
INFORMATION FOR THE YEAR ENDED JUNE 30, 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Cash received from grantors, contractors, and contributors	\$ 3,014,580	\$ 2,721,388
Cash paid to employees and vendors	(3,159,767)	(2,773,357)
Interest paid	(10,981)	(9,152)
Investment income received	16,731	17,133
Net cash used in operating activities	<u>(139,437)</u>	<u>(43,988)</u>
Cash flows from investing activities		
Purchases of property and equipment	(34,865)	(170,228)
Purchases of investments	(234,002)	(17,538)
Purchases of annuities	-	(2,229)
Proceeds from sale of annuities	113,241	-
Proceeds from sale of investments	3,383	104,376
Net cash used in investing activities	<u>(152,243)</u>	<u>(85,619)</u>
Cash flows from financing activities		
Payments on long-term debt	(108,529)	(110,182)
Net cash used in financing activities	<u>(108,529)</u>	<u>(110,182)</u>
Net decrease in cash and cash equivalents	<u>(400,209)</u>	<u>(239,789)</u>
Cash and cash equivalents, beginning of year	669,622	909,411
Cash and cash equivalents, end of year	<u>\$ 269,413</u>	<u>\$ 669,622</u>
Reconciliation of change in net assets to net cash used in operating activities		
Change in net assets	\$ (160,242)	\$ (75,625)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	176,062	136,410
Unrealized (gain) loss on investments	(15,097)	(9,540)
Loss on disposal of fixed assets	-	561
(Increase) decrease in grants and contracts receivable	(183,610)	(52,584)
(Increase) decrease in prepaid expenses	4,400	7,707
(Increase) decrease in other assets	(5,132)	-
(Decrease) increase in accounts payable	15,486	(20,537)
(Decrease) increase in accrued expenses	28,696	(30,380)
Total adjustments	<u>20,805</u>	<u>31,637</u>
Net cash used in operating activities	<u>\$ (139,437)</u>	<u>\$ (43,988)</u>
Supplemental schedule of non-cash operating activities:		
Donation of supplies	<u>\$ 37,099</u>	<u>\$ 25,377</u>

The accompanying notes to financial statements
are an integral part of this statement.

CAPITAL CITY YOUTH SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

(1) Summary of Significant Accounting Policies:

The following is a summary of the more significant accounting policies and practices of Capital City Youth Services, Inc. (the Organization) which affect significant elements of the accompanying financial statements:

(a) **Organization and purpose**—The Organization is a not-for-profit Florida corporation and exists to provide short-term residential services to runaway and homeless youth, 10-17 years of age. Residential services include food, shelter, clothing, counseling for individuals, groups and families, employment assistance and assistance locating alternative living arrangements when necessary. In addition, the Organization provides non-residential services, which include counseling, mediation, arbitration, and referral services for families. Prevention outreach services are provided to the community to increase public awareness of the needs of troubled youth.

(b) **Property and equipment**—Property and equipment acquired by the Organization is considered to be owned by the Organization. However, funding sources may maintain an equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. The state of Florida has a reversionary interest in those assets purchased with its funds which have a cost of \$1,000 or more and an estimated useful life of at least one year. The federal government has a reversionary interest in those assets purchased with its funds which have cost of \$5,000 or more and an estimated useful life of at least one year.

Property and equipment with a value greater than \$1,000 and an estimated useful life of at least one year are recorded at cost when purchased or at estimated fair value when contributed. Depreciation is computed using the straight-line method over the estimated useful life of the assets, ranging from 5 to 39 years.

(c) **Income taxes**—The Organization is generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for federal income taxes has been made in the accompanying financial statements.

The Organization files income tax returns in the U.S. federal jurisdiction. The Organization's income tax returns for the past three years are subject to examination by taxing authorities and may change upon examination.

The Organization has reviewed and evaluated the relevant technical merits of each of their tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the Organization.

(d) **Cash and cash equivalents**—For the purpose of reporting cash flows, cash and cash equivalents include cash on hand, demand deposits held with banks, and short-term investments with original maturities of 90 days or less.

(e) **Use of estimates**—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CAPITAL CITY YOUTH SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

(1) **Summary of Significant Accounting Policies:** (Continued)

(f) **Basis of accounting**—The financial statements have been prepared on the accrual basis of accounting, and accordingly, reflect all significant receivables, payables and other liabilities.

(g) **Basis of presentation**—The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions— Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net assets with donor restrictions—Net assets subject to donor-imposed stipulations. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

(h) **Functional allocation of expenses**—The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. The statement of functional expenses presents the natural classification detail of expenses by function and contains certain categories of expenses that are attributable to the program or supporting functions of the Organization. Other expenses that benefit all functions are allocated based on the percentage share of total revenue.

(i) **Contributions**—The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. 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 and reported in the statement of activities as net assets released from restrictions.

Contributed property and equipment is recorded at fair value at the date of donation. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restrictions when the assets are placed in service.

The value of donated professional services, if any, is included as in-kind contributions and related expense in the financial statements. The value of these donations is based upon current rates for similar services. In addition, the Organization receives a significant amount of donated services from unpaid volunteers who assist the Organization. No amounts from unpaid volunteers have been recognized in the statement of activities because the criteria for recognition has not been satisfied.

Contributed materials and supplies are valued using estimated U.S. wholesale prices (principal market) of identical or similar products using pricing data under a “like-kind” methodology considering the goods’ condition and utility for use at the time of the contribution.

CAPITAL CITY YOUTH SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

(1) **Summary of Significant Accounting Policies:** (Continued)

(j) **Accrued leave**—The Organization compensates its employees for unused vacation leave upon termination of employment. The amount of the change in accrued leave for all employees from one year to the next is reported as an expense during the current year.

(k) **Grants and contracts receivable**—Grants and contracts receivables are stated at the amount management expects to collect from balances outstanding at year-end. Based on management’s assessment of the credit history with customers, grantors, and contractors having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial.

(l) **Revenue recognition**—With the exception of contributions, substantially all of the Organization’s revenue is grant and contract revenue from federal, state, and local agencies. The Organization recognizes contract revenue (up to the contract ceiling) from its contracts over a period which represents the service period for certain contracts, or to the extent of expenses. Revenue recognition depends on the contract. A substantial portion of the revenue is derived from cost-reimbursable federal, state, and local contracts and grants, which are 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 or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. At June 30, 2024, no amount had been received in advance.

(m) **Investments**—Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment income is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

(2) **Property and Equipment:**

The following is a summary of property and equipment at June 30, 2024:

Furniture and equipment	\$ 132,453
Vehicles	88,929
Buildings and improvements	2,409,800
Land	207,700
	<hr/>
	2,838,882
Less: accumulated depreciation	1,379,584
Total	<hr/> <u>\$ 1,459,298</u>

CAPITAL CITY YOUTH SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

(3) **Significant Funding Sources:**

The Organization receives approximately 43%, 23%, and 14% of its funding from the Florida Department of Juvenile Justice, U.S. Department of Health and Human Services, and Florida Department of Children and Families, respectively. A significant reduction in the level of this funding, if it were to occur, could have an adverse effect on the Organization's programs and activities.

(4) **Concentrations of Credit Risk:**

The more significant concentrations of credit risk are as follows:

- (a) **Demand deposits**—The Organization maintains demand deposits with several financial institutions. The Organization has no policy requiring collateral or other security to support its deposits, although all demand deposits with these institutions are federally insured up to FDIC limits.
- (b) **Grants and contracts receivable**—The Organization's receivables are for amounts due under contracts with local, state, and Federal government agencies. The Organization has no policy requiring collateral or other security to support its receivables.
- (c) **Financial instruments**—Financial instruments are exposed to various risks such as significant world events, interest rate, credit, and overall market volatility risks. Credit risk is a consequence of carrying investment positions. To manage credit risk, the Organization holds investments with a broker that is covered by SIPC (Securities Investor Protection Corporation); however, this does not protect against loss due to market fluctuation. Due to the level of risk associated with certain financial instruments, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the Statement of Financial Position.

(5) **Subsequent Events:**

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through November 11, 2025, the date which the financial statements were available to be issued.

(6) **2023 Presentation:**

The accompanying financial statements include certain prior year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

CAPITAL CITY YOUTH SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

(7) **Net Assets with Donor Restrictions:**

During fiscal year 2024, no funds were released from restriction. Net assets with donor restrictions June 30, 2024, consisted of the following:

Restricted for building improvements	<u>\$ 81,375</u>
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(8) **Contingent Liabilities:**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government and the state of Florida. Any disallowed claims, including amounts already collected, may constitute a liability of the Organization. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Organization expects such amounts, if any, to be immaterial.

(9) **Board Designated Reserve:**

At June 30, 2024, the Board designated \$400,949 of net assets for future endowment.

(10) **Long-Term Debt:**

Long-term debt consisted of the following at June 30, 2024:

3.95% note payable to a financial institution, payable in monthly installments of \$4,921, including interest, through November 2025 with a balloon payment of the remaining principle in December 2025, collateralized by real estate.	\$ 131,437
8.04% note payable to a financial institution, payable in monthly installments of \$792, including interest, through March 2027, collateralized by a vehicle.	21,149
Long-term debt	152,586
Less: current portion of long-term debt	54,455
Less: unamortized debt issuance costs	1,592
Long-term debt, net	\$ 96,539

Maturities on long-term debt are as follows:

Year Ending June 30,	Amount
2025	\$ 54,455
2026	89,830
2027	6,709
Total	\$ 150,994

CAPITAL CITY YOUTH SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

(11) **In-kind Support:**

The Organization received the following in-kind donations included with program expenses on the Statement of Functional Expenses during the year ended June 30, 2024:

Materials and supplies	\$ 32,099
Professional services	5,000
Total	<u>\$ 37,099</u>

(12) **Retirement Plan:**

The Organization funds a non-contributory, defined contribution retirement plan. Employees begin participating in the plan after completing one year of service, if they attained age 21 and worked 1,000 hours in that one-year period. Employees may allocate their portion of the retirement plan in a variety of investment accounts and are vested in the retirement plan according to the following schedule:

<u>Years of Service</u>	<u>Vesting</u>
1	25%
2	50%
3	75%
4	100%

Contributions to this plan are made at the discretion of the board of directors for all eligible employees. Capital City Youth Services, Inc.'s contribution to the plan during the year ended June 30, 2024 was \$13,105.

(13) **Investments and Fair Value Measurements:**

The Organization adopted the provisions of FASB ASC 820-10 which provides a framework for measuring fair value under generally accepted accounting principles. These standards define fair value, provide guidance for measuring fair value and require certain disclosures. These standards do not require any new fair value measurements, but rather apply to all other accounting pronouncements that require or permit fair value measurements. 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 the measurement date. The following is a brief description of the three levels within the fair value hierarchy that prioritize the inputs to valuation techniques:

- **Level 1:** Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.

CAPITAL CITY YOUTH SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

(13) **Investments and Fair Value Measurements:** (Continued)

- **Level 2:** Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities that are not active. Such inputs may include interest rates and yield curves, volatilities, prepayment speeds, credit risks, and default rates.
- **Level 3:** Unobservable inputs to measure fair value of assets and liabilities for which there is little, if any market activity at the measurement date, using reasonable inputs and assumptions based upon the best information at the time, to the extent that inputs are available without undue cost and effort.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds – Valued at quoted market prices.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following is a summary of the valuation as of June 30, for the Organization's investments based upon the three levels defined above

	2024		
Fair Value	Quoted Prices (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments:			
Mutual funds	\$ 478,941	\$ 478,941	\$ -

The following schedule summarizes the investment return in the Statement of Activities for the year ended June 30, 2024:

Interest, dividend, and capital income	\$ 21,713
Unrealized gain	15,097
Investment fees	(4,982)
Total	\$ 31,828

Investments in marketable securities with readily determinable fair values are reported at fair values in the Statement of Financial Position. Unrealized gains and losses are included in net assets.

CAPITAL CITY YOUTH SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

(14) **Liquidity and Availability:**

Financial assets available for general expenditure, that is, without donor restrictions or internal board designations limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and cash equivalents	\$ 269,413
Grants and contracts receivable	573,763
Investments	<u>478,941</u>
	1,322,117
Less:	
Net assets with donor restrictions	81,375
Financial assets available to meet cash needs for general expenditures	<u>\$ 1,240,742</u>

The Organization receives significant grant funds each year, which are available to meet annual cash needs for general and program expenditures. In the event of an unanticipated liquidity need, the Organization has sufficient reserves to cover most expenses.

CAPITAL CITY YOUTH SERVICES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

<u>Federal Grantor/State Grantor/Pass-Through Entity/ Federal Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>CSFA Number</u>	<u>Contract Number</u>	<u>Expenditures</u>
<u>FEDERAL AWARDS</u>				
Department of the Treasury				
Passed through Leon County FL: COVID-19-Coronavirus Relief Fund	21.019	-	-	\$ 218,330
Passed through the City of Tallahassee, FL: COVID-19-Coronavirus State and Local Fiscal Recovery Funds	21.027	-	-	23,922
Total U.S. Department of the Treasury				<u>242,252</u>
Department of Health and Human Services				
Direct:				
Going Places	93.557	-	90YO2507-01-00	<u>150,000</u>
Transitional Living for Homeless Youth	93.550	-	90CX7488-01-00	62,323
Transitional Living for Homeless Youth	93.550	-	90CX7488-02-01	<u>186,970</u>
				<u>249,293</u>
Basic Center	93.623	-	90CY7560-01-00	187,500
Basic Center	93.623	-	90CY7560-01-00	<u>50,000</u>
				<u>237,500</u>
Passed through NWF Health Network: Foster Care Title IV-E	93.658	-	0300	19,468
Total U.S. Department of Health and Human Services				<u>656,261</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>\$ 898,513</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.

**CAPITAL CITY YOUTH SERVICES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

<u>Federal Grantor/State Grantor/Pass Through Grantor/ Program Title</u>	<u>Assistance Listing Number</u>	<u>CSFA Number</u>	<u>Contract Number</u>	<u>Expenditures</u>
<u>STATE FINANCIAL ASSISTANCE</u>				
State of Florida, Department of Children and Families Passed through NWF Health Network: Out-Of-Home Supports	-	60.074	0300	\$ 380,272
State of Florida, Department of Juvenile Justice Passed through Florida Network of Youth and Family Services: Children and Families in Need of Services (CINS/FINS)	-	80.005	NA	1,348,708
TOTAL EXPENDITURES OF STATE AWARDS				<u>1,728,980</u>
TOTAL EXPENDITURES OF STATE AND FEDERAL AWARDS				<u>\$ 2,627,493</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.

CAPITAL CITY YOUTH SERVICES, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2024

(1) **Basis of Presentation:**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state award activity of Capital City Youth Services, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Section 215.97, Florida Statutes, *Florida Single Audit Act*, and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the consolidated financial statements.

(2) **Summary of Significant Accounting Policies:**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, and Section 215.97, Florida Statutes, *Florida Single Audit Act*, and Chapter 10.650, Rules of the State of Florida, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

(3) **De Minimis Indirect Cost Rate Election:**

Capital City Youth Services, Inc. has elected not to use the 10 percent de minimis indirect cost rate as allowed under Uniform Guidance.

(4) **Subrecipients:**

For the year ended June 30, 2024, there were no amounts passed through to subrecipients.



**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,
Capital City Youth Services, 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 *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Capital City Youth Services, Inc. (the 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, and have issued our report thereon dated November 11, 2025.

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.

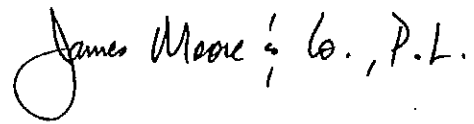
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not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

James Moore & Co., P.L.

Tallahassee, Florida
November 11, 2025



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.650, RULES OF THE STATE OF FLORIDA, OFFICE OF THE AUDITOR GENERAL

To the Board of Directors,
Capital City Youth Services, Inc.:

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Capital City Youth Services, Inc.'s (the Organization's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement*, and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs and state projects for the year ended June 30, 2024. The Organization's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program and State Project

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

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

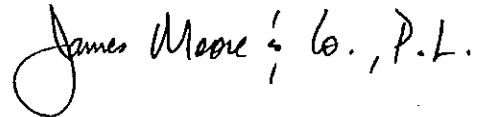
Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.650. Accordingly, this report is not suitable for any other purpose.

James Moore & Co., P.L.

Tallahassee, Florida
November 11, 2025

CAPITAL CITY YOUTH SERVICES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024

I. Summary of Auditors' Results:

Financial Statements

Type of audit report issued on the financial statements: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards:

Internal control over major Federal programs:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Types of auditors' report issued on compliance for major Federal programs: *Unmodified.*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes no

Identification of major Federal programs:

Federal Programs	Federal Assistance Listing Number
Transitional Living for Homeless Youth	93.550
Basic Center	93.623

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

Auditee qualified as low risk auditee? yes no



GUIDANCE | SHELTER | SUPPORT

**Our mission is to promote
the healthy development of
youth and families.**

GWYNN COCHRAN VIROSTEK
PRESIDENT/CEO

BOARD OF DIRECTORS

ETIENNE MAZIMPAKA
BOARD CHAIR

JASON FRIMMEL
IMMEDIATE PAST CHAIR

ELAINE BRYANT
SAM CARTER

AMBER FREEMAN
DET. RAY GARCIA

SCOTT HARRELL, EMERITUS
LOUIS POSKEY, TREEHOUSE

2407 Roberts Avenue
Tallahassee, FL 32310
850-576-6000
ccys.org

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

JUNE 30, 2024

Finding 2023-001: Significant Adjustments – Corrective action taken.