

**NORTHEAST FLORIDA HEALTHY  
START COALITION, INC.**

**FINANCIAL STATEMENTS**

For Years Ended June 30, 2024 and 2023



**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Northeast Florida Healthy Start Coalition, Inc.

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of Northeast Florida Healthy Start Coalition, Inc. (a nonprofit organization) which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 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 audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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.

#### ***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 within one year after the date that the financial statements are available to be issued.

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

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

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

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.650, Rules of the Auditor General (Chapter 10.650), is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 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 Northeast Florida Healthy Start Coalition, Inc.'s internal control over financial reporting and compliance.

*Magery & Associates, LLC*

Magery & Associates, LLC

Orange Park, FL

March 19, 2025

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**STATEMENTS OF FINANCIAL POSITION**

As of June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 3,338,001	\$ 3,167,816
Grants receivable	2,530,566	1,708,432
Other receivables	18,190	118,847
Other current assets	<u>119,659</u>	<u>18,091</u>
TOTAL CURRENT ASSETS	<u>6,006,416</u>	<u>5,013,186</u>
PROPERTY AND EQUIPMENT, NET	54,923	75,899
OTHER ASSETS		
Right-of-use asset	314,974	470,278
HSMN medicaid holdback	<u>508,838</u>	<u>540,345</u>
TOTAL ASSETS	<u>\$ 6,885,151</u>	<u>\$ 6,099,708</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 2,030,066	\$ 1,239,255
Lease liability - short term	223,825	267,437
Other current liabilities	<u>333,182</u>	<u>193,043</u>
TOTAL CURRENT LIABILITIES	<u>2,587,073</u>	<u>1,699,735</u>
LONG TERM LIABILITIES		
Lease liability - long term	<u>93,882</u>	<u>204,873</u>
TOTAL LIABILITIES	<u>2,680,955</u>	<u>1,904,608</u>
NET ASSETS		
Without donor restrictions	3,535,139	3,521,949
With donor restrictions (Note 6)	<u>669,057</u>	<u>673,151</u>
TOTAL NET ASSETS	<u>4,204,196</u>	<u>4,195,100</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 6,885,151</u>	<u>\$ 6,099,708</u>

See accompanying notes to the financial statements.

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2024

	Net Assets Without Restrictions	Net Assets With Restrictions	Total
<b>REVENUES</b>			
Federal grants	\$ 5,610,290	\$ 28,818	\$ 5,639,108
State grants	825,831	-	825,831
State match on federal grants	3,683,345	-	3,683,345
Kids Hope Alliance	54,239	-	54,239
Grants and donations	299,719	825,280	1,124,999
Interest income	125,406	-	125,406
Gain/(Loss) on disposal of assets	(1,308)	-	(1,308)
Net assets released from restrictions	858,192	(858,192)	-
TOTAL REVENUES	11,455,714	(4,094)	11,451,620
 <b>EXPENSES</b>			
Program services	11,392,693	-	11,392,693
Planning and administrative	49,831	-	49,831
TOTAL EXPENSES	11,442,524	-	11,442,524
CHANGE IN NET ASSETS	13,190	(4,094)	9,096
NET ASSETS, BEGINNING OF YEAR	3,521,949	673,151	4,195,100
NET ASSETS, END OF YEAR	\$ 3,535,139	\$ 669,057	\$ 4,204,196

See accompanying notes to the financial statements.

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2023

	<u>Net Assets Without Restrictions</u>	<u>Net Assets With Restrictions</u>	<u>Total</u>
<b>REVENUES</b>			
Federal grants	\$ 4,263,546	\$ 1,314,790	\$ 5,578,336
State match on federal grants	2,972,438	-	2,972,438
Kids Hope Alliance	243,261	-	243,261
Grants and donations	487,204	754,767	1,241,971
Net assets released from restrictions	<u>2,195,105</u>	<u>(2,195,105)</u>	<u>-</u>
<b>TOTAL REVENUES</b>	<u>10,161,554</u>	<u>(125,548)</u>	<u>10,036,006</u>
<b>EXPENSES</b>			
Program services	10,223,113	-	10,223,113
Planning and administrative	<u>26,131</u>	<u>-</u>	<u>26,131</u>
<b>TOTAL EXPENSES</b>	<u>10,249,244</u>	<u>-</u>	<u>10,249,244</u>
<b>CHANGE IN NET ASSETS</b>	(87,690)	(125,548)	(213,238)
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>3,609,639</u>	<u>798,699</u>	<u>4,408,338</u>
<b>NET ASSETS, END OF YEAR</b>	<u><u>\$ 3,521,949</u></u>	<u><u>\$ 673,151</u></u>	<u><u>\$ 4,195,100</u></u>

See accompanying notes to the financial statements.

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**

**STATEMENTS OF CASH FLOWS**

For the Years Ended June 30, 2024 and June 30, 2023

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 9,096	\$ (213,238)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	19,668	14,637
(Gain)/Loss on disposal of assets	1,308	-
(Increase) decrease in operating assets:		
Grants and contracts receivable	(822,134)	(225,711)
Other receivables	100,657	(118,847)
Other current assets	(101,569)	51,795
Right-of-use asset	155,304	(470,278)
Other assets	31,509	-
Increase (decrease) in operating liabilities:		
Accounts payable	790,811	233,119
Other current liabilities	140,138	10,250
Lease liability	(154,603)	472,310
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>170,185</b>	<b>(245,963)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	-	(51,556)
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<b>-</b>	<b>(51,556)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>170,185</b>	<b>(297,519)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>3,167,816</b>	<b>3,465,335</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 3,338,001</b>	<b>\$ 3,167,816</b>
<b>Supplementary data:</b>		
Cash paid for interest	\$ -	\$ -

See accompanying notes to the financial statements.

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the Year Ended June 30, 2024

	<u>Magnolia</u>	<u>Americorps</u>	<u>Fatherhood</u>	<u>NFP</u>	<u>FIMR/DOH</u>	<u>CAPTA</u>	<u>Kids Hope Alliance</u>	<u>Moran</u>
Salaries	\$ 427,337	\$ 225,998	\$ 403,259	\$ 18,561	\$ 312,222	\$ 163,951	\$ 7,600	\$ -
Fringe benefits	120,880	50,991	89,433	4,156	87,140	38,891	1,982	-
Administrative services	7,079	1,409	10,710	315	4,648	2,201	13	-
Contractual services	190,529	13,902	42,957	832,564	325,921	5,776	16,109	179,006
Equipment rental/maint.	41,096	7,812	50,555	2,521	50,841	9,685	137	-
Incentives	2,884	-	3,054	-	-	9,770	-	-
Insurance	8,678	1,491	7,747	353	5,565	2,271	27	-
Meeting expense	546	2,859	-	-	-	-	17,136	-
Occupancy costs	179,969	26,084	78,194	7,876	74,192	28,573	801	-
Printing & reproduction	2,275	250	4,271	-	2,972	301	66	-
Office supplies	58,730	911	58,583	633	17,858	1,788	-	-
Dues and subscriptions	2,579	64	316	16	8,076	96	5	-
Other	8,789	4,018	35,601	7,135	17,967	4,359	16	-
Telephone	16,089	3,182	6,759	866	9,293	3,509	2	-
Travel	4,167	1,477	28,100	8	1,388	2,989	-	-
Training and education	1,815	448	761	-	64,133	8,656	1,033	-
Depreciation expense	-	-	-	-	-	-	-	-
Indirect costs	90,159	34,090	78,123	5,830	1,971	26,554	2,718	-
	<u>\$ 1,163,601</u>	<u>\$ 374,986</u>	<u>\$ 898,423</u>	<u>\$ 880,834</u>	<u>\$ 984,187</u>	<u>\$ 309,370</u>	<u>\$ 47,645</u>	<u>\$ 179,006</u>

See the accompanying notes to the financial statements.

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the Year Ended June 30, 2024

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	<u>BSR</u>	<u>CAT</u>	<u>Other Programs</u>	<u>DSM Waiver</u>	<u>Direct Services</u>	<u>Total Program Services</u>	<u>Healthy Start Planning and Administrative</u>	<u>Total Program &amp; Supporting</u>
Salaries	\$ 120,131	\$ 201,799	\$ 58,744	\$ 324,833	\$ -	\$ 2,264,435	\$ 132,490	\$ 2,396,925
Fringe benefits	44,918	45,223	14,037	91,190	-	588,841	48,200	637,041
Administrative services	2,442	1,771	1,047	8,017	-	39,652	1,491	41,143
Contractual services	55,607	29,235	144,453	3,508,185	1,373,331	6,717,575	174,141	6,891,716
Equipment rental/maint.	8,943	40,608	7,972	35,716	-	255,886	24,601	280,487
Incentives	-	2,310	42,288	-	-	60,306	-	60,306
Insurance	2,822	1,855	3,633	6,248	-	40,690	1,585	42,275
Meeting expense	-	540	23,254	-	-	44,335	-	44,335
Occupancy costs	20	28,160	4,234	51,823	-	479,926	18,241	498,167
Printing & reproduction	-	407	5,090	65	-	15,697	869	16,566
Office supplies	222	3,289	5,930	2,441	-	150,385	6,618	157,003
Dues and subscriptions	96	88	4,525	12,160	-	28,021	2,368	30,389
Other	60	4,126	16,314	7,463	-	105,848	12,798	118,646
Telephone	1,681	3,066	932	7,646	-	53,025	5,537	58,562
Travel	4,160	8,257	(1,447)	13,492	-	62,591	222	62,813
Training and education	-	272	9,197	167	-	86,482	-	86,482
Depreciation expense	-	-	-	-	-	-	19,668	19,668
Indirect costs	23,692	37,209	21,267	77,385	-	398,998	(398,998)	-
	<u>\$ 264,794</u>	<u>\$ 408,215</u>	<u>\$ 361,470</u>	<u>\$ 4,146,831</u>	<u>\$ 1,373,331</u>	<u>\$ 11,392,693</u>	<u>\$ 49,831</u>	<u>\$ 11,442,524</u>

See the accompanying notes to the financial statements.

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the Year Ended June 30, 2023

	<u>Magnolia</u>	<u>Americorps</u>	<u>Fatherhood</u>	<u>NFP</u>	<u>FIMR/DOH</u>	<u>CAPTA</u>	<u>Kids Hope Alliance</u>	<u>Moran</u>
Salaries	\$ 353,303	\$ 313,787	\$ 146,712	\$ 45,406	\$ 212,857	\$ 116,069	\$ 30,591	\$ -
Fringe benefits	95,095	71,445	29,800	13,087	55,928	23,370	6,911	-
Administrative services	5,335	796	890	2,005	5,093	1,343	200	-
Contractual services	183,283	427	15,043	801,554	210,010	26,375	113,717	157,256
Equipment rental/maint.	32,276	4,807	17,000	3,593	44,376	5,234	1,045	-
Incentives	601	396	6,600	-	-	9,364	-	-
Insurance	6,366	1,051	2,361	675	3,519	1,104	505	-
Meeting expense	-	3,075	255	-	-	-	1,849	-
Occupancy costs	190,795	18,400	19,626	8,238	67,156	18,992	5,012	-
Printing & reproduction	1,462	89	5,409	-	13,267	945	-	-
Office supplies	10,507	660	17,598	3,411	5,421	9,771	-	-
Dues and subscriptions	2,515	300	(94)	-	1,169	423	-	-
Other	11,508	10,730	39,445	19,017	14,766	4,885	86	-
Telephone	17,042	1,585	3,274	891	6,124	1,564	190	-
Travel	14,928	5	9,296	-	2,176	6,630	-	-
Training and education	-	395	18,750	-	90,577	2,445	-	-
Depreciation expense	-	-	-	-	-	-	-	-
Indirect costs	96,158	42,795	29,323	16,555	-	22,851	15,656	-
	<u>\$ 1,021,174</u>	<u>\$ 470,743</u>	<u>\$ 361,288</u>	<u>\$ 914,432</u>	<u>\$ 732,439</u>	<u>\$ 251,365</u>	<u>\$ 175,762</u>	<u>\$ 157,256</u>

See the accompanying notes to the financial statements.

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the Year Ended June 30, 2023

[Continued from page 10]

	<u>BSR</u>	<u>CAT</u>	<u>Other Programs</u>	<u>DSM Waiver</u>	<u>Direct Services</u>	<u>Total Program Services</u>	<u>Healthy Start Planning and Administrative</u>	<u>Total Program &amp; Supporting</u>
Salaries	\$ 97,647	\$ 145,236	\$ 175,658	\$ 423,311	\$ -	\$ 2,060,577	\$ 100,946	\$ 2,161,523
Fringe benefits	23,750	29,011	45,828	103,608	-	497,833	16,318	514,151
Administrative services	648	932	1,038	22,725	-	41,005	5,759	46,764
Contractual services	45,975	37,500	218,456	3,282,502	1,022,340	6,114,438	109,994	6,224,432
Equipment rental/maint.	3,752	3,901	9,302	49,558	-	174,844	20,091	194,935
Incentives	-	-	21,956	147	-	39,064	-	39,064
Insurance	1,542	965	1,325	7,744	-	27,157	1,525	28,682
Meeting expense	-	-	10,956	-	-	16,135	-	16,135
Occupancy costs	-	12,885	308	78,157	-	419,569	19,612	439,181
Printing & reproduction	-	544	1,259	899	-	23,874	141	24,015
Office supplies	-	7,282	15,986	13,684	-	84,320	5,397	89,717
Dues and subscriptions	-	1	2,217	10,765	-	17,296	3,061	20,357
Other	1,739	4,210	66,108	17,584	-	190,078	23,871	213,949
Telephone	961	1,427	2,528	9,435	-	45,021	3,440	48,461
Travel	1,782	4,602	6,613	13,039	-	59,071	321	59,392
Training and education	-	-	1,562	120	-	113,849	-	113,849
Depreciation expense	-	-	-	-	-	-	14,637	14,637
Indirect costs	17,780	21,100	36,764	-	-	298,982	(298,982)	-
	<u>\$ 195,576</u>	<u>\$ 269,596</u>	<u>\$ 617,864</u>	<u>\$ 4,033,278</u>	<u>\$ 1,022,340</u>	<u>\$ 10,223,113</u>	<u>\$ 26,131</u>	<u>\$ 10,249,244</u>

See the accompanying notes to the financial statements.

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

For the Years Ended June 30, 2024 and 2023

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Activities

Northeast Florida Healthy Start Coalition, Inc. (the Coalition), was created to provide procedures and policies for fulfilling the requirements of Chapter 383.216, Florida Statutes, Rule 10D-113, Florida Administrative Code, and subsequent laws setting forth requirements for community-based prenatal and infant health care coalitions. The Coalition is a private, non-profit 501(c)(3) corporation located in Jacksonville, Florida. It is exempt from income taxes according to the provisions of Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

The primary mission of the Coalition is to improve the health of mothers and babies in Baker, Clay, Duval, Nassau, and St. Johns counties. The Coalition is funded by the state of Florida to establish and maintain a community-based prenatal and infant health care coalition that is comprised of persons representing public, private sector, state and local governments, providers of community alliances and maternal and child health organizations. It is charged with identifying the needs of its service areas and devising and implementing a service plan to meet the identified needs pursuant to Florida Statutes.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor imposed restrictions based on accounting pronouncement ASU 2016-14. Accordingly, net assets of the Coalition and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets that are available for use in general operations and not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions- Net assets subject to donor-imposed stipulations. Some donor-imposed stipulations are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed stipulations are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed stipulations 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. Generally, the donor of these assets permits the organizations to use all or part of the income earned on related investments for general or specific purposes. At June 30, 2024, net assets with donor restrictions was \$669,057. At 2023, net assets with donor restrictions was \$673,151.

Reclassification

Certain 2023 amounts have been reclassified to conform with the 2024 financial statement presentation.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with original maturities of three months or less to be cash equivalents. The carrying amount reported in the statements of financial positions for cash and cash equivalents approximates its fair value.

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Years Ended June 30, 2024 and 2023

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Receivables

The Coalition recognizes revenue and the related receivable from its grantors as contractual work is performed. There is no receivable valuation allowance required since amounts are considered fully collectible.

Furniture and Equipment

All purchased fixed assets are recorded at cost where historical records are available and at estimated cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. Generally, fixed assets costing more than \$5,000 and having a useful life of more than one year are capitalized and are depreciated using the straight line method. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives, are not capitalized.

Accounts Payable and Accrued Expenses

The carrying amount reported in the statement of financial position for the accounts payable and accrued expenses approximates its fair value.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Coalition is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and therefore has made no provision for federal income taxes in the accompanying financial statements. In addition, the Internal Revenue Service has determined the Coalition is not a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for June 30, 2024 or 2023.

As of June 30, 2024, the tax years that remain subject to examination by taxing authorities begin with 2021.

Revenue Recognition

Contributions that are restricted by the donor are reported as increases in net assets with restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization follows the provisions of FASB's ASC Topic 606, Revenue from Contracts with Customers. Revenue is recognized at a single point in time when ownership, risks, and rewards transfer.

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

For the Years Ended June 30, 2024 and 2023

**NOTE 2 - LINE OF CREDIT**

The organization had a line of credit in the amount of \$200,000 with an outstanding balance of \$0 at June 30, 2024. Interest on the line is 2.600 percentage points over the prime rate index. The loan is secured by all accounts receivable, equipment, and general intangibles. Maturity date of the loan was January 29, 2024.

**NOTE 3 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The Organization is partially supported by restricted contributions and grants. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. The Organization considers all expenditures related to its ongoing activities to support the mission to be general expenditures. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The following reflects the Organization's financial assets as of the statement of financial position date June 30, 2024. There were no contractual or donor-imposed restrictions within one year of the statement of financial position that would reduce amounts available for general use.

	<u>2024</u>
Financial assets at year end	
Cash	\$ 3,338,001
Grants receivable	<u>2,530,566</u>
Financial assets available to meet general expenditures within one year	<u>\$ 5,868,567</u>

**NOTE 4 - GRANTS AND CONTRACTS RECEIVABLE**

Accounts receivable from grants and contracts was composed of:

	<u>2024</u>	<u>2023</u>
Healthy Start MomCare Network, net of holdback	\$ 1,228,473	\$ 692,009
Department of Health & Human Services	245,836	117,578
Florida Association of Healthy Start Coalitions	367,289	272,478
Florida Department of Health	424,775	341,418
Florida Department of Children and Families	219,592	-
Fatherhood Moran	-	150,000
Make a Noise	-	65,976
Other	44,601	68,973
Total	<u>\$ 2,530,566</u>	<u>\$ 1,708,432</u>

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

For the Years Ended June 30, 2024 and 2023

**NOTE 5 - FIXED ASSETS**

Fixed assets consisted of:

	<u>2024</u>	<u>2023</u>
Computer equipment	\$ 47,045	\$ 59,385
Furniture	82,945	82,945
Leasehold improvements	54,668	54,668
Less accumulated depreciation	<u>(129,735)</u>	<u>(121,099)</u>
Property and equipment, net	<u>\$ 54,923</u>	<u>\$ 75,899</u>

Depreciation expense was \$19,668 and \$14,637 for the years ended June 30, 2024 and 2023, respectively.

**NOTE 6 - NET ASSETS**

Net assets with donor restrictions are held to support the following programs:

	<u>2024</u>	<u>2023</u>
United Healthcare Catalyst Model	176,334	243,631
Fatherhood - Moran	154,882	140,414
Donations	141,278	125,887
Baptist Social Responsibility	121,954	86,748
Doula	26,466	-
Florida Blue FIMR	15,268	23,068
Humana Magnolia	24,124	-
Welcome Home	-	39,360
Other Various Programs	8,751	14,043
	<u>\$ 669,057</u>	<u>\$ 673,151</u>

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Years Ended June 30, 2024 and 2023

**NOTE 7 - LEASES**

In February 2016, the FASB established Topic 842, Leases, by issuing Accounting Standards Update (ASU) No. 2016-02, which requires lessees to recognize leases on-balance sheet and disclose key information about leasing arrangements. The new standard establishes a right-of-use model (ROU) that requires a lessee to recognize a ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months. Leases will be classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the income statement.

The Organization has operating leases, primarily for building space, which have an initial non-cancelable lease term in excess of one year.

An additional amount of \$701 was included in operating lease expense at June 30, 2024 in relation to the amortization of lease liabilities.

The following summarizes the line items in the statements of financial position which include amounts for operating leases as of June 30, 2024:

	2024
Non-current assets:	
Right-of-use-asset	\$ 314,974
	<u>                    </u>
Current liabilities:	
Lease Liability	\$ 223,825
	<u>                    </u>
Long Term Liabilities:	
Lease Liability	93,882
Total Lease Liabilities	<u>\$ 317,707</u>
Other Information:	
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	\$ 306,575
ROU assets obtained in exchange for new operating lease liabilities	\$ 125,129

The following summarizes the weighted average remaining lease term and discount rate as of June 30, 2024:

Weighted Average Remaining Lease Term (in years):	1.58
Weighted Average Discount Rate:	2.89%

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

For the Years Ended June 30, 2024 and 2023

**NOTE 7 - LEASES (CONTINUED)**

The maturities of lease liabilities are as follows as of June 30, 2024 are as follows:

<u>Fiscal Year Ended</u>	
2025	\$ 230,144
2026	76,364
2027	<u>19,936</u>
Total lease payments	326,444
Less: present value discount	<u>(8,737)</u>
Present Value of Lease Liabilities	<u>\$ 317,707</u>

**NOTE 8 - CONCENTRATION OF REVENUE SOURCE**

The Coalition receives substantial support under contracts with the Florida Department of Health. These contracts are renegotiated at the end of each contract term. During the fiscal years ended June 30, 2024 and 2023, support recognized under these arrangements amounted to \$2,541,712 and \$1,909,333, respectively. At June 30, 2024 and 2023, \$424,775 and \$341,418 was due from the State related to these contracts, respectively.

The Coalition receives substantial support under contracts with the Florida Association of Healthy Start Coalitions, Inc. These contracts are renegotiated at the end of each contract term. During the fiscal years ended June 30, 2024 and 2023, support recognized under these arrangements amounted to \$1,223,874 and \$1,254,996, respectively. At June 30, 2024 and 2023, \$367,289 and \$272,478 was due from the State related to these contracts, respectively.

The Coalition also receives substantial support under contracts with Healthy Start MomCare Network, Inc. During the fiscal years ended June 30, 2024 and 2023, support recognized under these arrangements amounted to \$4,251,676 and \$3,850,086, respectively. At June 30, 2024 and 2023, \$1,228,473 and \$692,009 was due from the Network related to these contracts, respectively (not including holdback).

The Coalition's contract with Healthy Start MomCare Network, Inc. allows for a 3% holdback, for five years, of amounts earned under the contract for potential Medicaid chargebacks. The Coalition carries the amount management expects to collect on balances outstanding as noncurrent assets under "HSMN Medicaid Holdback". At June 30, 2024 and 2023, the holdback was \$508,838 and \$540,345, respectively.

**NOTE 9 - CONCENTRATION OF CREDIT RISK**

The Coalition occasionally maintains deposits in excess of federally insured limits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of June 30, 2024 and 2023, deposits exceeded federally insured limits by \$466,001 and \$418,078 respectively. However, the Coalition has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on its cash balances.

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Years Ended June 30, 2024 and 2023

**NOTE 10 - 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. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Occupancy costs are allocated based on square footage used in the program, while other costs are allocated based on the number of full time equivalent employees in the program.

**NOTE 11 - EMPLOYEE RETIREMENT PLAN**

Substantially all permanent, full-time employees of the Coalition are eligible to participate in a retirement plan administered by Principal. The Coalition contributes 6% of participating employees' gross salary into their retirement fund each pay period. The retirement plan expense for the fiscal years ended June 30, 2024 and 2023 was \$115,070 and \$102,824, respectively.

**NOTE 12 - CONTINGENCIES**

Several contracts are structured on a cost-reimbursement basis subject to final approval by the grantor. Revenues recognized on such contracts may be reduced by the amount of any disallowed costs.

**NOTE 13 - REVENUE RECOGNITION**

Management has analyzed the provisions of the FASB's ASC Topic 606, *Revenue from Contracts with Customers*, and have concluded that no changes are necessary to conform with the new standard. Revenue is recognized at a single point in time when ownership, risks, and rewards transfer.

The Organization recognizes revenue when the performance obligations of providing the services are met.

The Organization recognizes contributions without conditions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Contracts which fall under the provisions of ASC Topic 606 are as follows:

	<u>2024</u>		<u>2023</u>
Contract revenue	\$4,251,676	\$	3,850,086
Contract receivables	\$1,737,311	\$	1,232,354

**NOTE 14 - MANAGEMENT'S REVIEW**

Subsequent events were evaluated through March 19, 2025, which is the date the financial statements were available to be issued.

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
For the Year Ended June 30, 2024

<u>Pass-Through Entity</u> Federal/State Agency	Assistance Listing Number	Contract Number	Expenditures	Transfer to Subrecipients	
<b>FEDERAL AWARDS</b>					
<u>Direct Programs</u>					
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>					
Federal Healthy Start Initiative	93.926	3H49MC00051-21-01	\$ 1,161,436	\$ -	*
Federal Healthy Start Initiative	93.926	6U1VMC46320-01-00	408,215	-	*
Total Department of Health and Human Services			<u>1,569,651</u>	<u>-</u>	
<u>Indirect Programs</u>					
Passed through State of Florida Department of Health					
Maternal and Child Health Services	93.994	COSHW	274,505	159,399	
Passed through Florida Association of Healthy Start Coalitions, Inc.					
Maternal, Infant, and Early Childhood Home Visiting Program	93.870	1MIECHV-2223NEF	206,261	184,133	
Maternal, Infant, and Early Childhood Home Visiting Program	93.870	1MIECHV-2324NEF	674,573	630,896	
Maternal, Infant, and Early Childhood Home Visiting Program	93.870	1ARP-2324NEF	25,920	-	
Child Abuse and Neglect Grants	93.669	1DCCP-1922NEF	309,371	-	
Early Childhood Comprehensive Systems Program	93.110	1ECCS-2324CONNEC TNEF	7,750	-	
Total Passed Through Florida Association of Healthy Start Coalitions, Inc.			<u>1,223,875</u>	<u>815,029</u>	
Passed through Health Planning Council of Northeast Florida					
Injury Prevention and Control Research and State and Community Based Programs	93.136	DV999	42,180	-	
Passed through Healthy Start MomCare Network, Inc.					
Medical Assistance Program	93.778	FP076	2,528,897	2,036,930	*
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 5,639,108</u>	<u>\$ 3,011,358</u>	

See accompanying note.

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
For the Year Ended June 30, 2024

STATE FINANCIAL ASSISTANCE PROJECTS

Florida Department of Health

Maternal and Child Health Services	64.160	COSHW	\$ 306,641	\$ -
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Florida Department of Children and Families

Prenatal and Postpartum Care	60.245	LJ232	519,190	- *
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TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE

	<u>\$ 825,831</u>		<u>\$ -</u>
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TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

	<u>\$ 6,464,939</u>		<u>\$ 3,011,358</u>
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\* Audited as major program

See accompanying note.

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**

For the Year Ended June 30, 2024

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The schedule of expenditures of federal awards and state financial assistance includes the federal and state award activity of the Organization under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and Chapter 10.650, Rules of the Auditor General (Chapter 10.650). Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting.

Matching Requirements

Match requirements were met with cash donations from individuals, grants other than state and federal awards, and with volunteer hours.

Indirect Cost Rate

The Organization has elected to use the 10-percent de minimis indirect cost rate under the Uniform Guidance.

**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 of  
Northeast Florida Healthy Start Coalition, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Northeast Florida Healthy Start Coalition, Inc. (a nonprofit 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 March 19, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Northeast Florida Healthy Start Coalition, Inc.'s internal control over financial reporting (internal control) to determine the 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 Northeast Florida Healthy Start Coalition, Inc.'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.

To the Board of Directors  
Northeast Florida Healthy Start Coalition, Inc.  
Page Two

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

As part of obtaining reasonable assurance about whether Northeast Florida Healthy Start Coalition, 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Magers & Associates, LLC*  
Magers & Associates, LLC  
Orange Park, Florida  
March 19, 2025

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE PROJECTS REQUIRED BY THE UNIFORM GUIDANCE AND 10.650, RULES OF THE AUDITOR GENERAL**

To the Board of Directors of  
Northeast Florida Healthy Start Coalition, Inc.

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

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

We have audited Northeast Florida Healthy Start Coalition, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement*, and the requirements described in the State of Florida Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of Northeast Florida Healthy Start Coalition, Inc.'s major federal programs and state projects for the year ended June 30, 2024. Northeast Florida Healthy Start Coalition, Inc.'s major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Northeast Florida Healthy Start Coalition, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

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

We are required to be independent of Northeast Florida Healthy Start Coalition, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of Northeast Florida Healthy Start Coalition, Inc.'s compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Northeast Florida Healthy Start Coalition, Inc.'s federal programs and state projects.

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

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Northeast Florida Healthy Start Coalition, 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*, 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 Northeast Florida Healthy Start Coalition, Inc.'s compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, 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 Northeast Florida Healthy Start Coalition, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Northeast Florida Healthy Start Coalition, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, but not for the purpose of expressing an opinion on the effectiveness of the Northeast Florida Healthy Start Coalition, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

### ***Report on Internal Control over Compliance***

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

To the Board of Directors of  
Northeast Florida Healthy Start Coalition, Inc.

Page Four

***Report on Schedule of Expenditure of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.650***

We have audited the financial statements of Northeast Florida Healthy Start Coalition, Inc. as of and for the year ended June 30, 2024, and have issued our report thereon dated March 19, 2025, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and Chapter 10.650 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.

*Magery & Associates, LLC*

Magery & Associates, LLC  
Orange Park, FL  
March 19, 2025

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For the Year Ended June 30, 2024

**Section I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements:**

Type of auditors' report issued on whether the financials statements were prepared in accordance to GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency identified?	None Reported
Noncompliance material to financial statements noted?	No

**Federal Awards and State Projects:**

Internal control over major programs:	
Material weakness identified?	No
Significant deficiency identified?	None Reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CRF 200.516(a) or Chapter 10.656, Rules of the Auditor General?	No

**Identification of major programs and projects:**

<b>Federal Program</b>	<b>Assistance Listing No.</b>
Department of Health and Human Services - Maternal, Infant, and Early Childhood Home Visiting Grant Program	93.926
Healthy Start MomCare Network, Inc. Medical Assistance Program	93.778
Federal Programs Type A and Type B Dollar Threshold:	\$750,000
Auditee qualified as low-risk auditee?	Yes

**NORTHEAST FLORIDA HEALTHY START COALITION, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For the Year Ended June 30, 2024

<b>State Project</b>	<b>CSFA No.</b>
Department of Children and Families Maternal, Infant, and Early Childhood Home Visiting Grant Program	60.245
State Projects Type A and Type B Dollar Threshold:	\$300,000
<b>SECTION II - FINANCIAL STATEMENT FINDINGS</b>	None
<b>SECTION III - FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS</b>	None