

**CENTRAL FLORIDA AREA HEALTH  
EDUCATION CENTER, INC.**

**FINANCIAL REPORT**

**For the Fiscal Year Ended June 30, 2025**

**CENTRAL FLORIDA AREA HEALTH  
EDUCATION CENTER, INC.**

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**Powell and Jones CPA**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Central Florida Area Health Education Center, Inc.

### **Opinion**

We have audited the accompanying financial statements of the Central Florida Area Health Education Center, Inc. (the Organization), a Florida nonprofit organization, which comprise the statement of financial position as of June 30, 2025, 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 present fairly, in all material respects, the financial position of the Organization as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the "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 aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Section 215.97, Florida Statutes, *Florida Single Audit Act*; Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, 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 25, 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.

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

We have previously audited the Organization's financial statements, for the fiscal year ending June 30, 2024 and our report dated February 6, 2025, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Powell and Jones CPA  
Lake City, Florida  
November 25, 2025

**CENTRAL FLORIDA AREA HEALTH EDUCATION CENTER, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
June 30, 2025  
(With Comparative Totals for June 30, 2024)

	2025	2024
<b>ASSETS</b>		
Current assets		
Cash	\$ 247,676	\$ 108,344
Investments	374,855	372,985
Grant funds receivable	340,435	453,813
Prepaid expense	3,535	10,348
Total current assets	966,501	945,490
Noncurrent assets		
Operating right of use asset	2,045	28,268
Fixed assets		
Furniture and equipment	52,742	52,742
Less accumulated depreciation	(52,742)	(50,736)
Total fixed assets	-	2,006
Total assets	\$ 968,546	\$ 975,764
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Current liabilities		
Accounts payable	\$ 6,407	\$ 9,624
Accrued liabilities	21,166	17,805
Accrued compensated absences	12,531	12,263
Operating lease liability - current portion	2,372	29,429
Total current liabilities	42,476	69,121
Noncurrent liabilities		
Operating lease liability - noncurrent portion	-	2,372
Total liabilities	42,476	71,493
Net assets		
Without donor restrictions		
Undesignated	926,070	902,265
Investment in fixed assets	-	2,006
Total net assets	926,070	904,271
Total liabilities and net assets	\$ 968,546	\$ 975,764

See notes to financial statements.

**CENTRAL FLORIDA AREA HEALTH EDUCATION CENTER, INC.**  
**STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended June 30, 2025  
(With Comparative Totals for Fiscal Year Ended June 30, 2024)

	2025	2024
<b>SUPPORT AND REVENUES</b>		
<b>WITHOUT DONOR RESTRICTIONS</b>		
Federal awards	\$ 96,441	\$ 75,385
State financial assistance	1,327,906	1,263,861
Center income	55,952	57,537
Contractual and other income	3,980	6,110
<b>Total support and revenues</b>	<b>1,484,279</b>	<b>1,402,893</b>
 <b>EXPENSES</b>		
Program services		
Model AHEC	96,441	75,385
Tobacco	1,323,312	1,263,861
Opioid	8,394	7,743
Supporting services		
Management and general	34,334	21,350
<b>Total expenses</b>	<b>1,462,480</b>	<b>1,368,339</b>
 Change in net assets	 21,799	 34,554
 Net assets without donor restrictions, beginning of year	 904,271	 869,717
Net assets without donor restrictions, ending of year	<b>\$ 926,070</b>	<b>\$ 904,271</b>

See notes to financial statements.

**CENTRAL FLORIDA AREA HEALTH EDUCATION CENTER, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the Fiscal Year Ended June 30, 2025  
(With Comparative Totals for Fiscal Year Ended June 30, 2024)

	Program Services			Total Program Services	Supporting Services Management & General	Totals	
	Model AHEC	Tobacco	Opioid			2025	2024
<b>EXPENSES</b>							
Salaries	\$ 54,859	\$ 590,441	\$ 1,461	\$ 646,761	\$ 17,681	\$ 664,442	\$ 609,568
Payroll taxes	3,397	41,963	109	45,468	1,212	46,679	46,057
Employee benefits	10,682	138,568	347	149,597	3,509	153,106	136,305
	<u>68,937</u>	<u>770,972</u>	<u>1,916</u>	<u>841,826</u>	<u>22,402</u>	<u>864,227</u>	<u>791,930</u>
<b>OPERATING EXPENSES</b>							
Program service agreements	900	254,256	3,800	258,956	1,700	260,656	230,090
Professional services	12,120	35,259	-	47,379	2,207	49,586	27,926
Other services	-	3,200	-	3,200	-	3,200	8,354
Insurance	-	12,357	-	12,357	-	12,357	11,939
Student housing	13,600	-	-	13,600	-	13,600	10,000
Equipment and maintenance	-	2,859	-	2,859	158	3,017	5,929
Supplies	-	144,512	1,115	145,627	139	145,766	169,474
Telephone	-	10,355	-	10,355	612	10,967	10,535
Travel	-	3,444	1,262	4,707	3,366	8,073	3,723
Postage	-	23,501	-	23,501	459	23,960	19,665
Printing	-	10,253	-	10,253	289	10,542	16,488
Rent and leases	-	26,494	-	26,494	-	26,494	28,191
Advertising	-	7,473	300	7,773	-	7,773	8,437
Depreciation	-	-	-	-	2,005	2,005	4,483
Dues and subscriptions	883	3,829	-	4,712	997	5,709	4,867
Utilities	-	11,034	-	11,034	-	11,034	12,045
Miscellaneous	-	3,514	-	3,514	-	3,514	4,263
	<u>27,503</u>	<u>552,340</u>	<u>6,477</u>	<u>586,320</u>	<u>11,932</u>	<u>598,253</u>	<u>576,409</u>
Total expenses	<u>\$ 96,441</u>	<u>\$ 1,323,312</u>	<u>\$ 8,394</u>	<u>\$ 1,428,146</u>	<u>\$ 34,334</u>	<u>\$ 1,462,480</u>	<u>\$ 1,368,339</u>

See notes to financial statements.

**CENTRAL FLORIDA AREA HEALTH EDUCATION CENTER, INC.**  
**STATEMENT OF CASH FLOWS**  
For the Fiscal Year Ended June 30, 2025  
(With Comparative Totals for Fiscal Year Ended June 30, 2024)

	2025	2024
<b>Cash flows from operating activities:</b>		
Cash received from government grants and contracts	\$ 1,595,787	\$ 1,159,578
Cash paid to contractors and vendors	(595,858)	(585,251)
Cash paid for employee services	(860,597)	(778,199)
Net cash provided by (used for) operating activities	139,332	(203,872)
 Net increase (decrease) in cash	 139,332	 (203,872)
 Cash, beginning of year	 108,344	 312,216
Cash, end of year	\$ 247,676	\$ 108,344
 <b>Reconciliation of change in net assets to net cash used in operating activities:</b>		
Change in net assets	\$ 21,799	\$ 34,554
 Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:		
Depreciation expense	2,005	4,483
(Increases) decreases in assets		
Receivables	113,378	(241,046)
Right of use assets	26,223	-
Prepaid expenses	6,813	(6,499)
Investments	(1,870)	(2,269)
Increases (decreases) in liabilities		
Accounts payable	(3,217)	(6,878)
Accrued liabilities	3,361	12,885
Compensated absences	269	898
Lease liability	(29,429)	-
Total adjustments	117,533	(238,426)
 Net cash provided by (used for) operating activities	 \$ 139,332	 \$ (203,872)

See notes to financial statements.

**CENTRAL FLORIDA AREA HEALTH  
EDUCATION CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2025**

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

**A. Organization and Purpose**

The Central Florida Area Health Education Center, Inc. (the Organization) is a nonprofit corporation organized on January 28, 1991, for the purpose of providing education and training programs for health professionals in the Central Florida catchment area, consisting of nine contiguous counties. The Organization is primarily funded by "purchase of services" contracts with Nova Southeastern University, which is a prime recipient of U.S. Public Health Service and Florida Department of Health Area Health Education Centers program funds. Through contractual arrangements, the Organization also provides administrative and programmatic services to health education related organizations. The Organization is governed by a voluntary board of directors selected from the nine-county area.

**B. Basis of Accounting**

The Organization follows standards of accounting and financial reporting prescribed for voluntary health and welfare agencies. It uses the accrual basis of accounting, which recognizes revenues when earned and expenses as incurred. Federal, state and local government, and other public grants are recorded as support when performance occurs under the terms of the grant agreement.

The financial statements are presented in accordance with Financial Accounting Standards Boards (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for Profit Organizations" (the Guide). (ASC) 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Organization had no such net assets at year end.

All assets and all liabilities associated with the operation of the Organization are included on the Statement of Financial Position.

The costs of providing the various programs and other activities have been detailed in the Statement of Functional Expenses and summarized on a functional basis in the Statement of Activities. Salaries and other expenses which are associated with a specific program are charged directly to that program. Salaries and other expenses which benefit more than one program are allocated to the various programs based on the relative benefit provided.

#### **C. Fixed Assets and Depreciation**

The Organization follows the practice of capitalizing all expenditures in excess of \$2,000 at cost, or, if donated, at fair market value at date of acquisition. Proceeds from the sale of fixed assets, if unrestricted, are transferred to operating net asset balances, or if restricted, to amounts restricted for property acquisitions. The Organization utilizes straight line depreciation with useful lives ranging from 3 to 10 years.

#### **D. Revenue Recognition**

The Organization receives substantially all of its revenue in the form of Federal, State and local grants and contracts. The Organization uses the guidance in ASU 2018-08 to determine if a transaction is either an exchange transaction or a non-exchange transaction.

Exchange transactions are reported as revenues from contracts from customers under Topic 606. The Organization records revenue from exchange transactions based on a five-step model for its customers with contracts: identify the contract, identify performance obligations, determine the transaction price, allocate the contract transaction price to the performance obligations, and recognize the revenue when control of goods or services is transferred to the customer.

The Organization entered into a contract with Nova Southeastern University (NSU) to provide training to students and medical professional. This contract is determined to be an exchange transaction and the Organization is considered to be a vendor of NSU. The administration of the opioid training courses constitutes a performance obligation that is satisfied at a point in time when the course is held and is recognized at that time. The revenue under this contract is included in center income in the statement of activities.

Non-exchange transactions include certain grants and contracts, in-kind contributions, and donations and gifts. The Organization recognizes grants and contracts revenue either based on the terms of the contract service period or to the extent that expenses have been incurred and the resulting revenue earned. Unconditional donations and gifts are recognized at the time when a donor makes a cash donation or an unconditional promise to give to the Organization. Conditional promises to give are recognized as revenue when the barrier is overcome or the conditions on which they depend are substantially met. Donor restricted contributions whose restrictions are not yet met are reported as changes in net assets with donor restrictions until the restrictions are met. When a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

#### **E. Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could vary from the estimates that were made.

**F. Cash Equivalents**

Cash equivalents consist of short-term, highly liquid investments which are readily convertible into cash within ninety (90) days of purchase.

**G. Refundable Advances**

As applicable year-to-year, the Organization records refundable advances on its statement of financial position. Refundable advances arise when resources are received by the Organization before it has fully earned them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, or when the Organization has fully earned the revenues, the liability for refundable advances is removed from the statement of financial position and revenue is recognized.

**H. Advertising Costs**

The Organization’s general policy is to expense advertising costs as incurred. Advertising expense for 2025 and 2024 was \$7,773 and \$8,437, respectively.

**I. Expenses by Function**

Expenses by function have been allocated among program and supporting services classifications on the basis of time records and on estimates made by the Organization's management as follows:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and benefits	Time and effort
Staff training, dues, subscription, insurance, travel, communications postage, printing and supplies	Charged directly to the benefitting program or allocated by relative total program expense
Professional services (consultants, accounting, advertising, legal)	Charged directly to the benefitting program or allocated by relative total program expense
Facilities costs and rent	Allocation based upon relative total usable square footage

**J. Income Taxes**

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization follows the guidance of ASC 740, Income Taxes, which establishes a recognition threshold and measurement principles for evaluating tax positions taken or expected to be taken on a tax return. Management has evaluated the Organization’s tax positions and has determined that no uncertain tax positions exist that require recognition or disclosure in the financial statements. The Organization’s information returns remain subject to examination by federal taxing authorities for the past three years.

## **K. Donated Services**

The Organization recognizes donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. No amounts have been recognized in the accompanying Statement of Activities because the criteria for recognition under U.S. generally accepted accounting principles have not been satisfied.

### **NOTE 2. FIXED ASSETS AND DEPRECIATION**

Depreciation of furniture and fixtures, and machinery and equipment are provided over the estimated useful lives of the respective assets on a straight-line basis. In accordance with Board policy, assets costing less than \$2,000 are generally fully expensed in their year of acquisition. A summary of the Organization's fixed assets as of June 30, 2025, follows:

	<u>Cost</u>
Furniture and equipment	\$ 52,742
Less: accumulated depreciation	<u>(52,742)</u>
	<u>\$ -</u>

Depreciation expense for the fiscal years ended June 30, 2025 and 2024 was \$2,005 and \$4,483, respectively.

### **NOTE 3. ACCRUED COMPENSATED ABSENCES**

Employees with at least one full year of service are compensated for their unused annual leave up to a maximum of 40 hours upon separation. The Organization had a liability of \$12,531 and \$12,263 respectively, for accrued compensated absences as of June 30, 2025 and 2024.

### **NOTE 4. CASH**

Cash includes amounts in demand deposits as well as short-term money market investment accounts.

### **NOTE 5. RETIREMENT BENEFITS**

The Organization established a defined contribution 403(b) plan with Mutual of America. This plan is not subject to the requirements of ERISA or Internal Revenue Service regulations relating to qualified pension plans. Under this plan, the Organization makes contributions to the plan on behalf of eligible employees. Contribution levels have been established at 2% of employee compensation for all permanent full-time employees that choose not to contribute themselves. The Organization contributes two times the employee contributions up to a maximum of 10% of their compensation for those who make voluntary contributions. Under this plan, employees become participants upon completing a six-month probationary period and are fully vested after eighteen months of participation in the plan. Contributions by the Organization to the Plan were \$65,716 and \$58,668, respectively for the years ended June 30, 2025 and 2024.

**NOTE 6. CONTINGENCIES**

There is an inestimable contingent liability due to the fact that all possible applicable regulatory audits have not been completed for the fiscal year ended June 30, 2025. Under provisions of the funding agreements, any eventual expenditures determined to be not in compliance with grant regulations would be subject to repayment by the Organization. The Organization's administration believes that all expenditures were significantly in compliance with appropriate grant regulations.

**NOTE 7. LEASE COMMITMENTS – FACILITIES AND EQUIPMENT**

The Organization had the following operating lease agreements for facilities and equipment at June 30, 2025:

The Organization leases office facilities and equipment under noncancelable operating lease agreements. Lease terms generally range from 5 to 8 years. The Organization determines the lease term as the noncancelable period together with any renewal options that it is reasonably certain to exercise. The leases do not include any material residual value guarantees or restrictive covenants.

The Organization rents its administrative facilities in Apopka, Florida under a full-service lease. The lease was signed for their current premises in July 2023 for three years. This lease expires on June 30, 2025. Rent is paid in annual installments beginning at \$25,200 and increasing 5% annually for the subsequent two years of the agreement. Full payment is due on July first of each fiscal year.

The Organization also has an operating lease agreement for a copy machine with CIT Technology Financial Service Corporation. Under the terms of this lease, the Organization is obligated to pay sixty-three monthly payments of \$245.

The Organization recognizes right-of-use (“ROU”) assets and corresponding lease liabilities at the commencement date of each lease, measured at the present value of lease payments to be made over the lease term. The Company uses prime rate to discount lease payments when the implicit rate in the lease is not readily determinable. ROU assets are subsequently amortized on a straight-line basis over the lease term. The Company has elected to apply the short-term lease exemption for leases with initial terms of 12 months or less.

**Lease Expense**

Lease expense for the year ended June 30, 2025 consisted of the following:

Operating lease expense	\$ <u>26,494</u>
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### **Maturity Analysis of Lease Liabilities**

As of June 30, 2025, the undiscounted future lease payments are as follows:

Fiscal Year	Operating Leases
2026	\$ 2,372
Total lease payments	2,372
Less imputed interest	(77)
Present value of lease liabilities	\$ 2,295

### **Right of Use Assets**

At June 30, 2025, right of use assets consisted of:

Category	Net
Operating right of use assets	\$ 2,045

### **Supplemental information:**

Cash paid for operating lease liabilities	\$	26,494
Weighted average remaining lease term in years		
Operating leases		1
Weighted average discount rate		
Operating leases		5.0%

### **NOTE 8. CONCENTRATION OF RISK**

The Organization's largest revenue source is from Nova Southeastern University (NSU). Revenue from NSU for the years ended June 30, 2025, and 2024 was \$1,327,906 and \$1,263,861, respectively, or 95.0% and 90.1% of total revenue. The Organization maintains its cash in bank deposit accounts, which at times may exceed federally insured limits. As of June 30, 2025, the Organization was not in excess of the federally insured limit. The Organization also maintains cash in money market accounts with its investment institution, which are not covered by the FDIC.

### **NOTE 9. INVENTORIES**

It has consistently been the policy of the Organization to record acquisition of goods and supplies as expenditures at the time of purchase. The amount of such inventory on hand at any one time would be a nominal amount and considered to be immaterial.

**NOTE 10. RISK MANAGEMENT**

The Organization is exposed to various risk of loss related to torts; theft, damage, or destruction of assets; errors and omissions; and natural disasters for which the Organization carries insurance. Insurance against losses is provided through various commercial insurers for the following types of risk:

- Workers' Compensation and Employer's Liability
- General and Professional Liability
- Personal Property Damage
- Automobile Physical Damage and Liability
- Directors' and Officers' Liability

The Organization's coverage for workers' compensation is under a retrospectively rated policy. Premiums are accrued based on the ultimate cost-to-date of the Organization's experience for this type of risk.

**NOTE 11. INVESTMENTS – CERTIFICATES OF DEPOSIT**

The Organization's investment in certificates of deposit are measured at amortized cost, which is the original cost plus accrued interest, which approximates fair value. CDs held for investment purposes are not classified as cash equivalents when their original maturity exceeds three months.

A summary of investments, which were held by the Organization as of June 30, 2025 and 2024, follows:

	<u>Cost Basis</u>	<u>Fair Market Value</u>
<b>2025</b>		
Iberia Bank Certificates of Deposit	<u>\$ 374,855</u>	<u>\$ 374,855</u>
<b>2024</b>		
Iberia Bank Certificates of Deposit	<u>\$ 372,985</u>	<u>\$ 372,985</u>

**NOTE 12. LIQUIDITY AND AVAILABILITY**

Financial assets available within one year of the statement of financial position date of June 30, 2025 and 2024 for general expenditures are as follows:

Current Assets	<u>2025</u>	<u>2024</u>
Cash	\$ 247,676	\$ 108,344
Investments	374,855	372,985
Grant funds receivable	340,435	453,813
	<u>\$ 962,966</u>	<u>\$ 935,142</u>

The Organization manages its liquid assets in accordance with regular budgeting processes developed through the coordinated efforts of management and the Board of Directors. Regular reporting by management to those charged with governance ensures the results from operating activities are monitored closely.

**NOTE 13. COMPARATIVE DATA**

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

**NOTE 14. RECLASSIFICATION OF PRIOR YEAR AMOUNTS**

Certain prior year amounts have been reclassified to conform to the current year presentation in the statement of functional expenses. Specifically, amounts related to lease accounting were reclassified to present amortization of right-of-use assets and lease liability interest expense in a combined balance as rent and lease expense. These reclassifications had no effect on total expenses, change in net assets, or net assets.

**NOTE 15. SUBSEQUENT EVENTS**

In preparing these financial statements, the Organization has evaluated events and transactions of potential recognition or disclosure through November 25, 2025, the date the financial statements were available to be issued.

**SINGLE AUDIT AND COMPLIANCE SECTION**

**CENTRAL FLORIDA AREA HEALTH EDUCATION CENTER, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
For the Fiscal Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/ State Grantor Program Title	ALN/CSFA #	Grantor Number	Program Award/Matching Amount	Current Year Expenditures
<b>FEDERAL AWARDS</b>				
Department of Health and Human Services				
Passed through Nova Southeastern University				
Area Health Education Centers Point of Service				
Maintenance and Enhancements Awards:				
Grant year 2024-2025 ( Sept - June 2025)	93.107	U77HP03051-24-00	\$ 111,158	\$ 67,135
Grant year 2024 ( July - Aug )	93.107	U77HP03051-23-00	106,988	29,306
Total federal awards			<u>218,146</u>	<u>96,441</u>
<b>STATE FINANCIAL ASSISTANCE</b>				
State of Florida Department of Health				
Passed through Nova Southeastern University				
Direct Cessation 2024/25**	64.097	COTHH	796,419	796,419
State and Community Interventions 2024/25**	64.112	COTHH	531,487	531,487
Total state financial assistance			<u>1,327,906</u>	<u>1,327,906</u>
Total federal awards and state financial assistance			<u>\$ 1,546,052</u>	<u>\$1,424,347</u>

Major programs are identified with asterisks \*\*

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

**CENTRAL FLORIDA AREA HEALTH EDUCATION CENTER, INC.**

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

For the Fiscal Year Ended June 30, 2025

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

The accompanying policies and presentation of the Single Audit Report of Central Florida Area Health Education Center, Inc. have been designed to conform to generally accepted accounting principles as applicable to voluntary health and welfare agencies, including the reporting and compliance requirements of Chapter 10.650, *Rules of the Auditor General of Florida*.

**I. Reporting Entity**

The reporting entity consists of Central Florida Area Health Education Center, Inc. The Organization includes a Schedule of Expenditures of Federal Awards and State Financial Assistance in the Single Audit and Compliance Section.

**II. Basis of Accounting**

The accrual basis of accounting is followed in the Schedule of Expenditures of Federal Awards and State Financial Assistance. Under the accrual basis, revenues are recognized when they become earned. Expenses generally are recorded when a liability is incurred.

**III. Indirect Cost Rate**

The Organization did not elect to use the 10 percent de minimis indirect cost rate.

**IV. Subrecipients**

The Organization did not pay any subrecipients.



**Powell and Jones CPA**

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

To the Board of Directors,  
Central Florida Area Health Education Center, 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 Central Florida Area Health Education Center, Inc. (the "Organization", a Florida nonprofit organization, which comprise the statement of financial position as of June 30, 2025, 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 25, 2025.

**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, we identified a deficiency in internal control over financial reporting identified in the schedule of findings and questioned costs as item 2025-001 that we consider to be a significant deficiency in internal control over financial reporting.

### **Compliance and Other Matters**

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



Powell and Jones CPA  
Lake City, Florida  
November 25, 2025



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CHAPTER 10.650 RULES OF THE  
AUDITOR GENERAL**

To the Board of Directors,  
Central Florida Area Health Education Center, Inc.

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

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

We have audited Central Florida Area Health Education Center, Inc.'s (the Organization's) compliance with the types of compliance requirements described in the *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on each of Organization's major state projects for the year ended June 30, 2025. The Organization's major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended June 30, 2025.

***Basis of Opinion on Each Major State Financial Assistance Project***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Chapter 10.650, *Rules of the Auditor General*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

### ***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 its state financial assistance projects.

### ***Auditor's Responsibility 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 the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and Chapter 10.650, *Rules of the Auditor General* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major state financial assistance project as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Chapter 10.650, *Rules of the Auditor General*, 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 controls over compliance that we identified during the audit.

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state financial assistance project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state financial assistance project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state financial assistance 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 controls 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 have not been identified.

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



Powell and Jones CPA  
Lake City, Florida  
November 25, 2025



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**MANAGEMENT LETTER**

To the Board of Directors of  
Central Florida Area Health Education Center, Inc.

**Report on the Financial Statements**

We have audited the financial statements of Central Florida Area Health Education Center, Inc (the Organization) as of and for the fiscal year ended June 30, 2025, and have issued our report hereon dated November 25, 2025.

**Auditor’s Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; 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.

**Other Reporting Requirements**

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards, dated November 25, 2025, which should be considered in conjunction with this management letter.

**Prior Audit Findings**

The following table summarizes the current-year status of audit findings reported in prior years. Findings that have been adequately addressed are noted as corrected, and findings that have recurred are cross-referenced to the applicable current-year finding number.

Tabulation of Prior Year Audit Findings		
Current Year	FY 2023-24	FY 2022-23
Finding	FY Finding	FY Finding
Number	No	No
2025-001	2024-001	2023-001

### **Additional Matters**

Section 10.654(1)(e), Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred or is likely to have occurred, that has an effect on the financial statements or State project amounts that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings. Auditors should use professional judgment to determine whether and how to communicate internal control deficiencies that are not material weaknesses or significant deficiencies or instances of fraud, noncompliance with provisions of laws or regulations, noncompliance with provisions of contracts or grant agreements, or abuse that do not warrant the attention of those charged with governance.

### **Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Directors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

### **Conclusion**

We very much enjoyed the challenges and experiences associated with our audit of the Organization. We appreciate the helpful assistance, and courtesy afforded us by all employees and look forward to working with you in the future.



Powell and Jones CPA  
Lake City, Florida  
November 25, 2025



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### COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Board of Directors of  
Central Florida Area Health Education Center, Inc.

We have audited the financial statements of Central Florida Area Health Education Center, Inc. (the Organization) for the year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed in the year ended June 30, 2025. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There are no sensitive estimates affecting the Organization's financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There are no sensitive disclosures affecting the financial statements.

##### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

##### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no such misstatements identified during our audit.

### *Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated November 25, 2025.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors and management of the Organization and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



Powell and Jones CPA  
Lake City, Florida  
November 25, 2025

**CENTRAL FLORIDA AREA HEALTH EDUCATION CENTER, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the Fiscal Year Ended June 30, 2025

**SUMMARY OF AUDITOR'S RESULTS**

**Section 1. Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
Material weakness(es) identified?	No
Significant deficiencies identified not considered to be material weaknesses?	Yes
Noncompliance material to financial statements noted?	No

**State Projects**

Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Rule 10.650, <i>Rules of the Auditor General</i> ?	No

Identification of major programs:

<u>CSFA Number/Grant Number</u>	<u>Name of Program or Cluster</u>
64.097/COTHH	Direct Cessation
64.112/COTHH	State and Community Interventions

Dollar threshold used to distinguish between Type A and Type B programs:	\$398,372
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## **Section 2. Financial Statement Findings**

### **2025-001 Required Disclosures - Financial Statement Preparation**

A system of internal control over financial reporting includes controls over financial statement preparation, including footnote disclosures. While an auditor can assist with the preparation of financial statements and related footnotes, the financial statements are the responsibility of management. A deficiency in internal control exists because the Organization is not capable of drafting the financial statements and all required footnote disclosures in accordance with generally accepted accounting principles. Possessing suitable skill, knowledge, or experience to oversee services an auditor provides in assisting with financial statement presentation requires a lower level of technical knowledge than the competence required to prepare the financial statements and disclosures.

#### **MANAGEMENT'S RESPONSE**

*We have reviewed the required disclosure concerning the question of an onsite CPA and the level of accounting services employed by CFAHEC. We utilize our available resources through the employment of a competent bookkeeper who maintains accurate monthly financial reports which are sent to our affiliated medical school, Nova Southeastern University, concerning our grants received from them. There it is reviewed by our AHEC Program Office, Grants and Contracts, and Finance. In addition, we have complete confidence in our auditing firm who performs onsite field work in advance of the final audit report complete with all required financial statements in the required formats and with all associated note disclosures. The audit is presented to the full CFAHEC Board of Directors by the auditor at which time any members of the Board may question any aspect of the report.*

*Due to the added expense of having another outside CPA and the current level of oversight, we have not employed additional outside accounting services. We accept and acknowledge the required disclosure of the level of employed bookkeeping which we have full confidence in.*

This response was not subject to the auditing procedures applied in the audit and thus we express no opinion on it.

## **Section 3. State Single Audit Findings and Questioned Costs**

There were no findings or questioned costs in the current year.

## **Section 4. Corrective Action Plan**

N/A

## **Section 5. Summary Schedule of Prior Audit Findings**

#### **2024-001 Required Disclosures - Financial Statement Preparation**

A system of internal control over financial reporting includes controls over financial statement preparation, including footnote disclosures. While an auditor can assist with the preparation of financial statements and related footnotes, the financial statements are the responsibility of management. A deficiency in internal control exists because the Organization is not capable of drafting the financial statements and all required footnote disclosures in accordance with generally accepted accounting principles. Possessing suitable skill, knowledge, or experience to oversee services an auditor provides in assisting with financial statement presentation requires a lower level of technical knowledge than the competence required to prepare the financial statements and disclosures.

**Current Year Status:** This finding was repeated as 2025-001 in the current year. See management's response above.