

SUPPLEMENTAL INFORMATION



**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**

Partners

W. Ed Moss, Jr.
Joe M. Krusick
Ric Perez
Cori G. Novinich
Renee C. Varga
Rich J. Cassidy
Justin R. Cabral

Winter Park, FL 32789
501 S. New York Ave.
Phone: 407-644-5811
www.mosskrusick.com

Clearwater, FL 33761
29605 US Hwy 19 North
Phone: 727-785-7460

St. Petersburg, FL 33710
5401 Central Avenue
Phone: 727-327-1999

N. Palm Beach, FL 33408
1201 US Highway One
Phone: 561-848-9300

Miami Lakes, FL 33016
7900 NW 155th Street
Phone: 305-445-7956

Miramar, FL 33025
11450 Interchange Circle
Phone: 954-435-4222

To the Board of Directors of
Early Learning Coalition of Palm Beach County, Inc.
Boynton Beach, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Early Learning Coalition of Palm Beach County, Inc. (the "Coalition", a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and changes in net assets, 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 February 12, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Coalition'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 Coalition's internal control. Accordingly, we do not express an opinion on the effectiveness of the Coalition's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Coalition's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Moss, Krusick & Associates, LLC

Winter Park, Florida

February 12, 2026

Early Learning Coalition of Palm Beach County, Inc.

STATEMENT OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Year Ended June 30, 2025

Grantor/Program Title	ALN/ CSFA	Award Number	Expenditures
Federal Awards:			
U.S. Department of Health and Human Services			
Direct Award			
Head Start	93.600	04HP000549-01	\$ 3,344,933
Head Start	93.600	04HP000549-02	680,099
Total Direct Award			<u>4,025,032</u>
Pass-through from Florida's Division of Early Learning			
Temporary Assistance for Needy Families	93.558	EL395	5,928,245
Temporary Assistance for Needy Families	93.558	EL396	36,487
Social Services Block Grant	93.667	EL395	39,822
Child Care Development Fund (CCDF) Cluster			
Child Care and Development Block Grant	93.575	EL395	63,974,984
Child Care and Development Block Grant	93.575	EL396	9,616,282
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	EL395	18,751,258
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	EL396	467,324
Total Child Care Development Fund (CCDF) Cluster			<u>92,809,848</u>
Total U.S. Department of Health and Human Services			<u>102,839,434</u>
Pass-through from Career Source Palm Beach County			
WIA/WIOA Adult Program	17.258		44,420
WIA/WIOA Youth Activities	17.259		20,725
Total Pass-through from Career Source Palm Beach County			<u>65,145</u>
Total Expenditures of Federal Awards			<u>\$ 102,904,579</u>
State Financial Assistance:			
Florida Department of Education			
Pass-through from Florida's Division of Early Learning			
Voluntary Pre-Kindergarten Education Program	48.108	EL395	\$ 32,148,088
Voluntary Pre-Kindergarten Education Program	48.108	EL396	447,380
School Readiness GR Unrestricted	SGU	EL395	35,634
School Readiness GR Unrestricted	SGU	EL396	4,859
School Readiness GR SR PLUS	SRP	EL395	27,942
Total Pass-through from Florida's Division of Early Learning			<u>32,663,903</u>
Total Florida Department of Education			<u>32,663,903</u>
Total Expenditures of State Financial Assistance			<u>\$ 32,663,903</u>
Total Expenditures of Federal Awards and State Financial Assistance			<u>\$ 135,568,482</u>

Early Learning Coalition of Palm Beach County, Inc.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

June 30, 2025

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the "Schedule") includes the Federal grant and State financial assistance project activity of Early Learning Coalition of Palm Beach County, Inc. (the "Coalition") under programs of the federal government and the State of Florida for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles*, and Audit Requirements for Federal Awards and the State of Florida Chapter 10.650, *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of the Coalition, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Coalition.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and cost principles established by the State of Florida Department of Financial Services, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers (contract or grant number) are presented where available.

NOTE C – MATCHING REQUIREMENTS

Contract EL395 with Florida's Division of Early Learning ("FDEL") includes \$14,106,416 of State funding that is designated as matching funds for certain Federal awards. The FDEL matching funds are not reported as Federal awards in the accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance, nor are the FDEL matching funds subject to the Florida Single Audit Act since they are not considered State Financial Assistance under the Florida Single Audit Act. For audit testing purposes, the funds are included with the Federal award programs for which they are designated as matching. The amounts designated as matching funds for Federal award programs are summarized as follows:

<u>ALN Number</u>	<u>Amount</u>
93.596	\$ 4,618,751
93.558	9,487,665
Total	\$ 14,106,416

The Coalition is required to provide a local match for certain Federal and State funds received through FDEL. For the year ended June 30, 2025, the Coalition's total required local match was \$9,355,752 and the local matching funds provided by the Coalition totaled \$9,355,752.

Early Learning Coalition of Palm Beach County, Inc.

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE**

June 30, 2025

NOTE D – CONTINGENCY

Amounts received or receivable from grantor agencies are subject to audit and adjustment by those agencies, principally the Federal government and the State of Florida. Any disallowed claims, including amounts already received, might constitute a liability of the Coalition for the return of those funds. In the opinion of management, all grant expenditures were in compliance with the terms of the grant agreements and applicable Federal and State laws and regulations.

NOTE E – INDIRECT COST RATES

The Coalition has elected to not use the 10% de minimis indirect cost rate for its federal programs and state projects for the year ended June 30, 2025.



INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND STATE OF FLORIDA CHAPTER 10.650, RULES OF THE AUDITOR GENERAL

To the Board of Directors of
Early Learning Coalition of Palm Beach County, Inc.
Boynton Beach, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Early Learning Coalition of Palm Beach County, Inc.’s (the “Coalition”) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the Department of Financial Services’ *State Projects Compliance Supplement*, and special audit guidance provided by the Division of Early Learning that could have a direct and material effect on each of the Coalition’s major federal programs and state projects for the year ended June 30, 2025. The Coalition’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, the Coalition 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, 2025.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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), State of Florida Chapter 10.650, *Rules of the Auditor General* (Chapter 10.650), and special audit guidance provided by the Division of Early Learning. 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 the Coalition and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the Coalition’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

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Auditor's Responsibilities for the Audit of Compliance

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Coalition'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 Coalition'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 Coalition's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the 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.

Moss, Krusick & Associates, LLC

Winter Park, Florida
February 12, 2026

Early Learning Coalition of Palm Beach County, Inc.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended June 30, 2025

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

- | | |
|---|--------------------|
| 1. Type of auditor’s report issued: | Unmodified Opinion |
| 2. Internal control over financial reporting: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiencies identified that are not considered to be material weaknesses? | None Reported |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards Programs and State Financial Assistance Projects

- | | |
|---|--------------------|
| 1. Internal control over major Federal Award Programs and State Financial Assistance Projects: | |
| Material weakness(es) identified? | No |
| Significant deficiencies identified that are not considered to be material weaknesses? | None Reported |
| 2. Type of auditor’s report issued on compliance for major Federal Award Programs and State Financial Assistance Projects programs: | Unmodified Opinion |
| 3. Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance? | No |
| 4. Any audit findings disclosed that are required to be Reported in accordance with Chapter 10.650, Rules of the Audit General? | No |

Identification of Major Programs

- | <u>Major Federal Award Programs and Clusters</u> | <u>ALN Number</u> |
|--|--------------------------|
| 1. U.S. Department of Health and Human Services
Pass-through from Florida’s Division of Early Learning
Temporary Assistance or Needy Families (TANF)
Child Care Development Fund (CCDF) Cluster | 93.558
93.575, 93.596 |
| 2. Dollar threshold used to distinguish between Type A and Type B programs: | \$ 3,000,000 |
| 3. Auditee qualified as low-risk auditee? | Yes |

Early Learning Coalition of Palm Beach County, Inc.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended June 30, 2025

SECTION I – SUMMARY OF AUDITOR’S RESULTS (continued)

<u>Major State Financial Assistance Project</u>	<u>State CSFA Number</u>
1. Florida Department of Education Pass-through from Florida’s Division of Early Learning Voluntary Pre-Kindergarten Education Program	48.108
2. Dollar threshold used to distinguish between Type A and Type B programs:	\$ 979,917

SECTION II – ENHANCED FIELDS SYSTEM MODERNIZATION (EFS MOD) MONTHLY RECONCILIATION

1. EFS Mod reconciled monthly	Yes
2. Processes in place to identify and correct errors during monthly reconciliations to EFS Mod	Yes
3. Coalition’s financial records reconcile and agree to EFS Mod records as of program year ended June 30, 2025	Yes
4. Audit work papers documenting verification of reconciliations available to DEL staff	Yes

SECTION III – FINANCIAL STATEMENT FINDINGS

No current year findings (no corrective action plan or management letter required)

**SECTION IV – FEDERAL AWARD PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS
FINDINGS AND QUESTIONED COSTS**

There were no current year audit findings.

SECTION V – STATUS OF PRIOR YEAR AUDIT FINDINGS

There were no prior year audit findings.



MANAGEMENT LETTER

Partners

W. Ed Moss, Jr.
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To the Board of Directors of
Early Learning Coalition of Palm Beach County, Inc.
Boynton Beach, Florida

Report on the Financial Statements

We have audited the financial statements of Early Learning Coalition of Palm Beach County, Inc. (the "Coalition") as of and for the fiscal year ended June 30, 2025 and have issued our report thereon February 12, 2026.

Auditor's Responsibility

We conducted our audit 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; 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*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated February 12, 2026, should be considered in conjunction with this management letter.

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 abuse, that have occurred, or are likely to have occurred, that have 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.

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.

Moss, Krusick & Associates, LLC

Winter Park, Florida
February 12, 2026