

SUPPLEMENTAL INFORMATION

Early Learning Coalition of the Big Bend Region, Inc.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Year Ended June 30, 2025

Federal Grantor/State Grantor/Pass Through Grantor Program Title	Federal ALN	State CFSA Number	Pass-through Entity Identifying Contract Number	Expenditures
FEDERAL AWARDS				
U.S. Department of Health and Human Services				
Passed through State of Florida Department of Education Division of Early Learning				
Child Care and Development Block Grant	93.575	-	EL045	\$ 14,498,044
Child Care and Development Block Grant	93.575	-	EL046	477,092
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	-	EL045	7,355,868
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	-	EL046	<u>1,536,055</u>
			Total CCDF cluster	23,867,059
Temporary Assistance for Needy Families	93.558	-	EL045	4,206,926
Temporary Assistance for Needy Families	93.558	-	EL046	18,409
Social Services Block Grant	93.667	-	EL045	<u>13,236</u>
Total U.S. Department of Health and Human Services				<u>28,105,630</u>
Total Expenditures of Federal Awards				<u>\$ 28,105,630</u>
STATE FINANCIAL ASSISTANCE				
Florida Department of Education Division of Early Learning				
Voluntary Pre-Kindergarten Education Program	-	48.108	EL045	\$ 6,650,990
Voluntary Pre-Kindergarten Education Program	-	48.108	EL046	81,666
State General Revenue Unrestricted - School Readiness Plus	-	-	2024-25 SGU	<u>10,031</u>
Total Expenditures of State Financial Assistance				<u>\$ 6,742,687</u>
Total Expenditures of Federal Awards and State Financial Assistance				<u>\$ 34,848,317</u>

See independent auditor's report.

EARLY LEARNING COALITION OF THE BIG BEND REGION, INC.
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2025

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the Federal awards and State financial assistance activity of Early Learning Coalition of the Big Bend Region, Inc. under programs of the federal and state government for the year ended June 30, 2025 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*, and Chapter 10.650, *Rules of the State of Florida Auditor General* and the Department of Financial Services' State Projects Compliance Supplement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. No amounts were passed through to subrecipients during the year ended June 30, 2025.

Note 3. De Minimis Indirect Cost Rate Election

Early Learning Coalition of the Big Bend Region, Inc. has elected not to use the 10 percent de minimis indirect cost rate as allowed under Uniform Guidance.



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 of
Early Learning Coalition of the Big Bend Region, Inc.
Tallahassee, 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 the Big Bend Region, Inc. (the "Coalition") (a 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 March 26, 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2025-001, 2025-002, and 2025-003 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Early Learning Coalition of the Big Bend Region, 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 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*.

Coalition's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Coalition's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Coalition's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Partners

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Ric Perez
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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
March 26, 2026



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 the Big Bend Region, Inc.
Tallahassee, 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 the Big Bend Region, 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 Department of Early Learning that could have a direct and material effect on each of the Early Learning Coalition of the Big Bend Region, Inc.'s (the "Coalition") major federal programs and state projects for the year ended June 30, 2025. Early Learning Coalition of the Big Bend Region, Inc.'s major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Early Learning Coalition of the Big Bend Region, Inc.'s 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) and Chapter 10.650, *Rules of the Auditor General*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the 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.

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 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, *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 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.

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Auditor's Responsibilities for the Audit of Compliance (continued)

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, *Rules of the Auditor General*, 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, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

Moss, Krusick & Associates, LLC

Winter Park, Florida
March 26, 2026

EARLY LEARNING COALITION OF THE BIG BEND REGION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2025

Section I – Summary of Auditor’s Results

Financial Statements

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

Federal Awards

- | | |
|---|---------------|
| 1. Type of auditor’s report issued on compliance for major programs: | Unmodified |
| 2. Internal control over major programs: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiencies identified that are not considered to be material weaknesses? | None reported |
| 3. Audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? | No |
| 4. Dollar threshold used to distinguish between Type A and Type B programs | \$843,169 |
| 5. Auditee qualified as low-risk auditee? | No |

Identification of major programs:

<u>Name of Federal Program</u>	<u>ALN</u>
Child Care and Development Block Grant	93.575
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596
Temporary Assistance for Needy Families	93.558

EARLY LEARNING COALITION OF THE BIG BEND REGION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2025

Section I – Summary of Auditor’s Results (continued)

State Financial Assistance

1. Type of auditor’s report issued on compliance for major projects:	Unmodified
2. Internal control over major projects:	
a. Material weakness(es) identified?	No
b. Significant deficiencies identified that are not considered to be material weaknesses?	None reported
3. Audit findings disclosed that are required to be reported in accordance with the Florida Single Audit Act and Chapter 10.650, <i>Rules of the Auditor General</i>	No
4. Dollar threshold used to distinguish between Type A and Type B projects	\$750,000
Identification of major projects:	
<u>Name of State Project</u>	<u>CSFA Number</u>
Voluntary Pre-Kindergarten	48.108

Section II – Enhanced Fields System (EFS) monthly reconciliation

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

EARLY LEARNING COALITION OF THE BIG BEND REGION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2025

Section III – Financial Statement Findings

Finding 2025-001 Repeat of PY 2024-001: Preparation of Financial Statements and Significant Adjustments

Criteria: Management is responsible for the preparation and fair presentation of these financial statements.

Condition: Adjustments were required to be made to the accounting records subsequent to the start of the audit process. Since these cumulative adjustments resulted in a material misstatement of the financial statements, this deficiency is deemed to be a material weakness.

Cause: Management did not have an effective closing process in place resulting in significant year-end adjustments.

Effect: Incorrect recording of accounting records could lead to a material misstatement on the financial statements.

Recommendation: We recommend that the process for identifying accounting transactions be reviewed and updated.

Finding 2025-002 Repeat of PY 2024-002: Expense and Accounts Payable Reconciliations

Criteria: Accounts payable and expenses are to be recognized as incurred. Subsequent clearing of accounts payable should occur upon payment of funds to a vendor or provider. Expenses and accounts payable should be reconciled on a monthly basis to ensure payment of expenses are properly recorded.

Condition: As a result of our audit procedures, we noted incorrect recognition and clearing of accounts payable causing improper account balances related to accounts payable.

Cause: Lack of effective controls surrounding accounts payable and expense.

Effect: Misstatement, errors, and irregularities in the financial statements.

Recommendation: We recommend the Coalition implement procedures to ensure that all accounts payable and expense accounts are reconciled on a monthly basis and the use of the accounting software is correctly utilized for accounts payable reporting.

EARLY LEARNING COALITION OF THE BIG BEND REGION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2025

Section III – Financial Statement Findings (continued)

Finding 2025-003: Revenue and Accounts Receivable Reconciliations

Criteria: Accounts receivable and revenue are to be recognized as incurred. Subsequent clearing of accounts receivable should occur upon receiving payment of funds from DEL. Revenues and accounts receivable should be reconciled on a monthly basis to ensure revenues are properly recorded.

Condition: As a result of our audit procedures, we noted incorrect recognition and clearing of accounts receivable causing improper account balances related to accounts receivable.

Cause: Lack of effective controls surrounding accounts receivable and revenue.

Effect: Misstatement, errors, and irregularities in the financial statements.

Recommendation: We recommend the Coalition implement procedures to ensure that all accounts receivable and revenue accounts are reconciled on a monthly basis and that the use of the accounting software is correctly utilized for accounts receivable reporting.

Section IV – Federal Award and State Projects Findings and Questioned Costs

There were no findings identified that were required to be reported to those charged with governance in accordance with 2 CFR 200.516(a) or State of Florida, Chapter 10.650, *Rules of the Florida Auditor General*, during the year ended June 30, 2025.

Section V – Status of Prior Year Audit Findings

Finding 2024-001: Preparation of Financial Statements and Significant Adjustments

Criteria: Management is responsible for the preparation and fair presentation of these financial statements.

Condition: Adjustments were required to be made to the accounting records subsequent to the start of the audit process. Since these cumulative adjustments resulted in a material misstatement of the financial statements, this deficiency is deemed to be a material weakness.

Cause: Management did not have an effective closing process in place resulting in significant year-end adjustments.

Effect: Incorrect recording of accounting records could lead to a material misstatement on the financial statements.

Recommendation: We recommend that the process for identifying accounting transactions be reviewed and updated.

Resolution: Unresolved, see current year finding 2025-001.

EARLY LEARNING COALITION OF THE BIG BEND REGION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2025

Finding 2024-002 Repeat of PY 2023-001: Expense and Accounts Payable Reconciliations

Criteria: Accounts payable and expenses are to be recognized as incurred. Subsequent clearing of accounts payable should occur upon payment of funds to a vendor or provider. Expenses and accounts payable should be reconciled on a monthly basis to ensure payment of expenses are properly recorded.

Condition: As a result of our audit procedures, we noted incorrect recognition and clearing of accounts payable at the beginning of the engagement causing improper account balances related to accounts payable and cash.

Cause: Lack of effective controls surrounding accounts payable and expense.

Effect: Misstatement, errors, and irregularities in the financial statements.

Recommendation: We recommend the Coalition implement procedures to ensure that all accounts payable, expense, and cash accounts are reconciled on a monthly basis and the use of the accounting software is correctly utilized for accounts payable reporting.

Resolution: Unresolved, see current year finding 2025-002.



MANAGEMENT LETTER

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To the Board of Directors of
Early Learning Coalition of the Big Bend Region, Inc.
Tallahassee, Florida

Report on the Financial Statements

We have audited the financial statements of the Early Learning Coalition of the Big Bend Region, Inc., as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated March 26, 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 *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 March 26, 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 disclosed material weakness findings which are disclosed in Section III of the Schedule of Findings and Questioned Costs.

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
March 26, 2026



Chief Executive Officer
Lizbeth L. Murphy

Executive Committee
Alyssa Beaubien
Board Chair

Millicent Tizol
Vice Chair, Audit Committee Chair

Paul Mitchell
Treasurer, Finance Committee Chair

Sarah Gosselin,
Program, Policy, and Strategy Committee Chair

Darrel James
Advocacy and Development Committee Chair

Board Members

Adrian Cooksey

Maureen O'Neil

Stacey Duggar

Ryan Poole

Byron Wade

Kristin Inserra

David Roberts

Michael Davis

Kesandra Brown

Jackie Pons

Nathalie Hood

Marsha Durden

Brooke Brunner

Cynthia James

Lee Anne Case



MANAGEMENT'S CORRECTIVE ACTION PLAN

Finding 2025-001: Preparation of Financial Statements and Significant Adjustments

Criteria: Management is responsible for the preparation and fair presentation of these financial statements.

Condition: Adjustments were required to be made to the accounting records subsequent to the start of the audit process. Since these cumulative adjustments resulted in a material misstatement of the financial statements, this deficiency is deemed to be a material weakness.

Cause: Management did not have an effective closing process in place resulting in significant year-end adjustments.

Effect: Incorrect recording of accounting records could lead to a material misstatement on the financial statements.

Recommendation: We recommend that the process for identifying accounting transactions be reviewed and updated.

Corrective Action Plan: Management will review the process for identifying accounting transactions and ensure they are updated. Management will identify training opportunities for staff and restructure staff and function as needed.

Responsible Party: Felicia Milton, CFO

Anticipated Completion Date: March 2026

Finding 2025-002: Expense and Accounts Payable Reconciliations

Criteria: Accounts payable and expenses are to be recognized as incurred. Subsequent clearing of accounts payable should occur upon payment of funds to a vendor or provider. Expenses and accounts payable should be reconciled on a monthly basis to ensure payment of expenses are properly recorded.

Condition: As a result of our audit procedures, we noted incorrect recognition and clearing of accounts payable causing improper account balances related to accounts payable.

Cause: Lack of effective controls surrounding accounts payable and expense.

Effect: Misstatement, errors, and irregularities in the financial statements.

Recommendation: We recommend the Coalition implement procedures to ensure that all accounts payable and expense accounts are reconciled on a monthly basis and the use of the accounting software is correctly utilized for accounts payable reporting.

Corrective Action Plan: Management will make sure that accounts payable reconciliations are completed monthly. Reconciliations will be reviewed and approved with supporting documentation for accuracy and timeliness.

Responsible Party: Felicia Milton, CFO

Anticipated Completion Date: March 2026



MANAGEMENT'S CORRECTIVE ACTION PLAN

Finding 2025-003: Revenue and Accounts Receivable Reconciliations

Criteria: Accounts receivable and revenue are to be recognized as incurred. Subsequent clearing of accounts receivable should occur upon receiving payment of funds from DEL. Revenues and accounts receivable should be reconciled on a monthly basis to ensure revenues are properly recorded.

Condition: As a result of our audit procedures, we noted incorrect recognition and clearing of accounts receivable causing improper account balances related to accounts receivable.

Cause: Lack of effective controls surrounding accounts receivable and revenue.

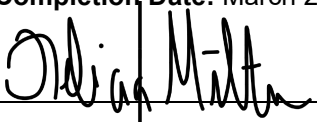
Effect: Misstatement, errors, and irregularities in the financial statements.

Recommendation: We recommend the Coalition implement procedures to ensure that all accounts receivable and revenue accounts are reconciled on a monthly basis and the use of the accounting software is correctly utilized for accounts receivable reporting.

Corrective Action Plan: Management will make sure that accounts receivable reconciliations are completed monthly. Reconciliations will be reviewed and approved with supporting documentation for accuracy and timeliness.

Responsible Party: Felicia Milton, CFO

Anticipated Completion Date: March 2026

Signature: 

Title: Chief Financial Officer

Date: March 26, 2026

Chief Executive Officer

Lizbeth L. Murphy

Executive Committee

Alyssa Beaubien
Board Chair

Millicent Tizol
Vice Chair, Audit Committee Chair

Paul Mitchell
Treasurer, Finance Committee Chair

Sarah Gosselin,
Program, Policy, and Strategy Committee Chair

Darrel James
Advocacy and Development Committee Chair

Board Members

Adrian Cooksey

Maureen O'Neil

Stacey Duggar

Ryan Poole

Byron Wade

Kristin Inserra

David Roberts

Michael Davis

Kesandra Brown

Jackie Pons

Nathalie Hood

Marsha Durden

Brooke Brunner

Cynthia James

Lee Anne Case

