

*Financial Statements and
Other Financial Information*

EASTER SEALS FLORIDA, INC.

June 30, 2025

EASTER SEALS FLORIDA, INC.

Financial Statements and Other Financial Information

June 30, 2025

(With Independent Auditor's Report Thereon)

EASTER SEALS FLORIDA, INC.

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SCHAFFER, TSCHOPP, WHITCOMB, MITCHELL & SHERIDAN, LLP

Certified Public Accountants

Michael R. Schafer, CPA
Thomas R. Tschopp, CPA
Tom V. Whitcomb, CPA

541 S. Orlando Avenue, Suite 312
Maitland, Florida 32751
(407) 875-2760

Joseph P. Mitchell, CPA
Stephen J. Sheridan, CPA
Daniel M. Hinson, CPA

Independent Auditor's Report

The Board of Directors
Easter Seals Florida, Inc.

Opinion

We have audited the accompanying financial statements of Easter Seals Florida, Inc. (a nonprofit corporation), which comprise the statement of financial position as of June 30, 2025, and the related statements of statements of activities, functional expenses and cash flows for the ten months then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Easter Seals Florida, Inc. as of June 30, 2025, and the changes in its net assets and its cash flows for the ten months 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. 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 Easter Seals Florida, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for 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 Easter Seals Florida, Inc.'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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Easter Seals Florida, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Easter Seals Florida, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited Easter Seals Florida, Inc.'s 2024 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 15, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Our audit was performed for the purpose of forming an opinion on the financial statements of Easter Seals Florida, Inc. taken as a whole. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance, is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Section 215.97 of the Florida Statutes of the Florida Single Audit Act 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 information 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 a report dated November 25, 2025 on our consideration of the Easter Seals Florida, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants and other matters. The purpose of that report is 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 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 Easter Seals Florida, Inc.'s internal control over financial reporting and compliance.

Schaefer, Tschoy, Whitcomb, Mitchell & Shuiken, LLP

November 25, 2025
Maitland, Florida

EASTER SEALS FLORIDA, INC.

Statements of Financial Position

June 30, 2025 and August 31, 2024

	June 30, 2025	August 31, 2024
<u>Assets</u>		
Current assets:		
Cash	\$ 870,144	619,771
Investments (note 3)	4,339,062	5,499,419
Accounts receivable, net of allowances of \$65,871 and \$69,128 in 2025 and 2024, respectively	2,505,212	3,089,700
Pledges and planned giving receivable, current portion (note 4)	6,000	17,000
Prepaid expenses	132,759	159,901
Total current assets	<u>7,853,177</u>	<u>9,385,791</u>
Property and equipment:		
Land and improvements	656,338	662,987
Building and leasehold improvements	5,920,185	4,898,584
Equipment	967,381	983,360
Work in process	4,819	349,313
Accumulated depreciation	(4,221,342)	(3,991,541)
Total property and equipment	<u>3,327,381</u>	<u>2,902,703</u>
Beneficial interest in assets held by Community Foundation	60,384	26,468
Pledges and planned giving receivable, less current portion and allowances of \$953 and \$2,399 (note 4)	2,852	8,075
Right of use asset (note 5):		
Operating lease	3,400,593	3,294,884
Total assets	<u>\$ 14,644,387</u>	<u>15,617,921</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Line of credit (note 6)	\$ 780,000	850,000
Accounts payable	1,153,127	911,710
Accrued expenses	947,695	1,057,503
Deferred revenue	166,672	99,994
Lease liabilities (note 5):		
Operating leases	396,757	371,367
Total current liabilities	<u>3,444,251</u>	<u>3,290,574</u>
Lease liabilities (note 5):		
Operating leases	3,090,750	2,958,928
Total liabilities	<u>6,535,001</u>	<u>6,249,502</u>
Commitments		
Net assets:		
Without donor restrictions:		
Undesignated	4,396,827	5,704,037
Board designated	3,235,628	3,235,628
Total net assets without donor restrictions	<u>7,632,455</u>	<u>8,939,665</u>
With donor restrictions (note 7)	476,931	428,754
Total net assets	<u>8,109,386</u>	<u>9,368,419</u>
Total liabilities and net assets	<u>\$ 14,644,387</u>	<u>15,617,921</u>

See accompanying notes to financial statements.

EASTER SEALS FLORIDA, INC.

Statement of Activities

Ten months ended June 30, 2025
(with summarized totals for the year ended August 31, 2024)

	Without Donor Restrictions	With Donor Restrictions	June 30, 2025 Total	August 31, 2024 Total
Public support and revenue:				
Public support:				
Contributions	\$ 826,302	410,217	1,236,519	1,458,278
Special events	409,680	-	409,680	497,474
Less benefit to donors	(104,302)	-	(104,302)	(97,450)
Bequests	-	-	-	155,194
Total public support	<u>1,131,680</u>	<u>410,217</u>	<u>1,541,897</u>	<u>2,013,496</u>
Revenue:				
Program service fees and grants	19,847,159	-	19,847,159	22,625,974
Gain (loss) on disposal of assets	(5,600)	-	(5,600)	-
Investment income	338,771	-	338,771	833,438
Miscellaneous income	100,854	-	100,854	75,978
Total revenue	<u>20,281,184</u>	<u>-</u>	<u>20,281,184</u>	<u>23,535,390</u>
Total public support and revenue	21,412,864	410,217	21,823,081	25,548,886
Net assets released from restrictions	<u>362,040</u>	<u>(362,040)</u>	<u>-</u>	<u>-</u>
Total public support and revenue	21,774,904	48,177	21,823,081	25,548,886
Expenses and losses:				
Program services:				
Adult services	3,644,834	-	3,644,834	3,876,172
Camp Challenge	527,380	-	527,380	713,920
Children's services	17,439,674	-	17,439,674	19,392,771
Public health and professional education	338,009	-	338,009	393,110
Total program services	<u>21,949,897</u>	<u>-</u>	<u>21,949,897</u>	<u>24,375,973</u>
Supporting services;				
Fund raising	338,563	-	338,563	389,411
Management and general	722,363	-	722,363	817,151
Total expenses	<u>23,010,823</u>	<u>-</u>	<u>23,010,823</u>	<u>25,582,535</u>
Support for Easter Seals				
National Programs	71,291	-	71,291	77,960
Total expenses	<u>23,082,114</u>	<u>-</u>	<u>23,082,114</u>	<u>25,660,495</u>
Change in net assets	(1,307,210)	48,177	(1,259,033)	(111,609)
Net assets at beginning of year	<u>8,939,665</u>	<u>428,754</u>	<u>9,368,419</u>	<u>9,480,028</u>
Net assets at end of year	<u>\$ 7,632,455</u>	<u>\$ 476,931</u>	<u>8,109,386</u>	<u>9,368,419</u>

See accompanying notes to financial statements.

EASTER SEALS FLORIDA, INC.

Statement of Functional Expenses

Ten months ended June 30, 2025
(with summarized totals for the year ended August 31, 2024)

	Program Services				Supporting Services				Total Ten Months Ended June 30, 2025	Total Year Ended August 31, 2024	
	Adult Services	Camp Challenge	Children's Services	Public Health and Professional Education	Total Program Services	Fund Raising	Management and General	Direct Benefits to Donors			Total Supporting Service
Salaries	\$ 2,100,409	207,567	8,654,638	198,777	11,161,391	198,777	438,112	-	636,889	11,798,280	13,501,278
Employee health benefits	251,262	21,537	1,137,262	23,086	1,433,147	23,086	43,465	-	66,551	1,499,698	1,609,533
Payroll taxes	175,069	17,478	705,187	15,913	913,647	15,913	34,746	-	50,659	964,306	1,080,797
Total	2,526,740	246,582	10,497,087	237,776	13,508,185	237,776	516,323	-	754,099	14,262,284	16,191,608
Professional Fees	79,034	7,724	5,735,726	57,571	5,880,055	57,571	151,858	-	209,429	6,089,484	6,574,154
Benefit to donors	-	-	-	-	-	-	-	104,302	104,302	104,302	97,450
Supplies	134,934	30,020	73,256	1,673	239,883	1,673	270	-	1,943	241,826	379,392
Marketing	4,478	545	11,904	269	17,196	269	897	-	1,166	18,362	33,479
Telephone	26,249	6,977	92,068	3,166	128,460	3,166	1,669	-	4,835	133,295	169,847
Postage	2,119	205	5,730	1,717	9,771	1,717	168	-	1,885	11,656	12,257
Occupancy	540,021	100,398	514,808	22,688	1,177,915	22,688	9,750	-	32,438	1,210,353	1,009,745
Printing/Publications	288	19	3,581	1,421	5,309	1,421	426	-	1,847	7,156	3,600
Travel/Vehicle	74,149	556	73,977	1,165	149,847	1,165	4,095	-	5,260	155,107	196,229
Meeting/Conference	285	216	2,210	1,891	4,602	1,891	378	-	2,269	6,871	10,347
Dues to Other Associations	531	3,229	1,832	358	5,950	358	498	-	856	6,806	9,173
Minor Equipment	22,875	3,438	61,113	676	88,102	676	2,299	-	2,975	91,077	262,808
Insurance	79,096	20,942	101,666	3,914	205,618	3,914	8,089	-	12,003	217,621	262,537
Miscellaneous	53,296	7,995	61,896	1,715	124,902	1,715	12,678	-	14,393	139,295	151,016
Support of individual clients	19,219	23,425	55,921	-	98,565	-	-	-	-	98,565	63,727
Total before depreciation, bad debt, interest, losses & other	3,563,314	452,271	17,292,775	336,000	21,644,360	336,000	709,398	104,302	1,149,700	22,794,060	25,427,369
Depreciation	66,802	76,584	110,834	1,734	255,954	1,734	296	-	2,030	257,984	233,485
Bad debt	9,210	(2,026)	261	-	7,445	554	-	-	554	7,999	(5,661)
Interest expense	5,508	551	35,804	275	42,138	275	12,669	-	12,944	55,082	24,792
Total expenses	3,644,834	527,380	17,439,674	338,009	21,949,897	338,563	722,363	104,302	1,165,228	23,115,125	25,679,985
Less expenses included with revenues on the statement of activities	-	-	-	-	-	-	-	(104,302)	(104,302)	(104,302)	(97,450)
Total	\$ 3,644,834	527,380	17,439,674	338,009	21,949,897	338,563	722,363	-	1,060,926	23,010,823	25,582,535

See accompanying notes to financial statements.

EASTER SEALS FLORIDA, INC.

Statements of Cash Flows

Ten months ended June 30, 2025 and the year ended August 31, 2024

	June 30, 2025	August 31, 2024
	<u> </u>	<u> </u>
Cash flows from operating activities:		
Change in net assets	\$ (1,259,033)	(111,609)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	257,984	233,485
Net change in FASB ASC 842	51,503	27,213
Unrealized (gain) loss	87,151	(658,830)
Loss on disposal of assets	5,599	-
Change in operating assets and liabilities:		
Accounts receivable	584,488	530,554
Pledges receivable	16,223	25,790
Prepaid expenses and other	27,142	62,546
Other assets	-	1,927
Accounts payable	241,417	63,464
Accrued expenses	(109,808)	162,129
Deferred revenue	66,678	(119,941)
Net cash provided by (used in) operating activities	<u>(30,656)</u>	<u>216,728</u>
Cash flows from investing activities:		
Proceeds from sale of investments	1,752,124	1,429,739
Purchase of investments	(678,918)	(1,098,918)
Investment in beneficial interest in assets held by Community Foundation	(33,916)	(26,468)
Acquisition of property and equipment	<u>(688,261)</u>	<u>(546,998)</u>
Net cash provided by (used in) investing activities	<u>351,029</u>	<u>(242,645)</u>
Cash flows from financing activities:		
Net proceeds (payments) from line of credit	(70,000)	350,000
Payment of principal on long-term debt	<u>-</u>	<u>(113,482)</u>
Net cash provided by (used in) financing activities	<u>(70,000)</u>	<u>236,518</u>
Change in cash and cash equivalents	250,373	210,601
Cash and cash equivalents at beginning of year	<u>619,771</u>	<u>409,170</u>
Cash and cash equivalents at end of year	<u><u>\$ 870,144</u></u>	<u><u>619,771</u></u>
Supplemental disclosures:		
Interest paid	<u><u>\$ 55,082</u></u>	<u><u>24,792</u></u>

See accompanying notes to financial statements.

EASTER SEALS FLORIDA, INC.

Notes to Financial Statements

June 30, 2025

(1) Summary of Significant Accounting Policies

(a) General

Easter Seals Florida, Inc. (the Organization) is affiliated with Easter Seals, Inc. The Organization operates Camp Challenge, a year-round recreation and rehabilitation facility located in Central Florida; Early Steps IDEA Part C early intervention services for special needs children from birth to age 3 in Dade, Monroe, Palm Beach, Martin, Indian River, Okeechobee, and St. Lucie Counties; early intervention assessment through healthy beginnings for children birth to 3 in Palm Beach County, outpatient rehabilitation services in Monroe County; adult day health care and recreation services in Gainesville and Winter Park; and vocational services in Brevard, Palm Beach, Duval, Hillsborough, Collier, Orange and Lake Counties, Autism services, medical and behavioral therapies in Hillsborough and Orange County, Behavioral Services and Navigating Disability Services for Families in Orange County and Lake County. In addition, the Organization conducts advocacy projects and provides management and fundraising advisory services, program planning and evaluation, and technical publications. The Organization is authorized to serve 40 counties in the state of Florida.

During the period ended June 30, 2025, the Organization built a new, state-of-the-art facility in Valrico, Florida called the School for Limitless Learning. This new facility is a private school for children who are neurodiverse or have other related disabilities. The school, which opened for the 2025-2026 school year provides an early learning program, a VPK program and a lower elementary program. The Organization has incurred pre-opening expenses of approximately \$200,000 related to this school.

The Organization has changed its fiscal year end to June 30, 2025, and as of July 1, 2025 has merged with Easter Seals – Northeast Central Florida.

(b) Basis of Presentation

The accompanying financial statements are presented on the accrual basis and represent the financial position and results of operations of the Organization.

The Organization prepares its financial statements on an entity wide basis, focusing on the organization as a whole. Net assets and revenue, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

- Net assets without donor restrictions---Net assets that are not subject to donor-imposed stipulations and, therefore, available for use in general operations.

EASTER SEALS FLORIDA, INC.

Notes to Financial Statements

June 30, 2025

(1) Summary of Significant Accounting Policies - Continued

(b) Basis of Presentation - Continued

- Net assets with donor restrictions---Some donors impose restrictions that are temporary in nature, for example, stipulating that resources be used after a specified date, for particular programs or services, or to acquire buildings or equipment. Other donor-imposed restrictions that are perpetual in nature, for example, stipulating that resources be maintained in perpetuity. Laws may extend those limits to investment returns from those resources and to other enhancements (diminishments) of those resources. Thus, those laws extend donor-imposed restrictions.

Contributions received with donor-imposed restrictions that are met in the same year as they are received are reported as unrestricted support. In addition, absent explicit donor stipulations about how long fixed assets must be maintained, the Organization reports expirations of donor restrictions on cash or cash equivalents that must be used to acquire fixed assets when the fixed assets begin construction and/or are required.

The Organization displays revenue in the following two natural classifications:

Revenue---Fees earned for the performance of Organization services.

Public Support---Unconditional gifts to the Organization of cash or other assets in a voluntary nonreciprocal transfer by another entity.

Revenue and public support are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Contributions, including unconditional promises to give, are recognized as revenue in the period made or received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the date of gift. The Organization records all noncash contributions in excess of \$5,000, or if the Organization would have otherwise purchased the asset. In addition, the Organization receives a significant amount of contributed time related to various program services and fundraising campaigns.

EASTER SEALS FLORIDA, INC.

Notes to Financial Statements

June 30, 2025

(1) Summary of Significant Accounting Policies - Continued

(b) Basis of Presentation - Continued

These contributed services are recorded at their estimated fair value at the date of service if they meet the following criteria: (a) the services would have otherwise been purchased by the Organization, and (b) the services required specialized skills. For the ten months ended June 30, 2025, the Organization received approximately \$247,000 in donated goods, services and the use of facilities.

(c) Revenue and Revenue Recognition

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and right of return - are not recognized until the conditions on which they depend have been met.

The Organization has adopted Accounting Standards Update (ASU) No. 2018-08 *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605)* as management believes the standard improves the usefulness and understandability of the Organization's financial reporting.

A portion of the Organization's revenue is derived from cost-reimbursable contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

For the ten months ended June 30, 2025, the Organization did not have any conditional promises to give.

(d) Investments

Investments are generally recorded at fair value based upon quoted market prices, when available, or estimates of fair value. Donated assets are recorded at fair value at the date of donation, or, if sold immediately after receipt, at the amount of sales proceeds received (which is considered a fair measure of the value at the date of donation).

EASTER SEALS FLORIDA, INC.

Notes to Financial Statements

June 30, 2025

(1) Summary of Significant Accounting Policies - Continued

(e) Land, Buildings and Equipment

Land and improvements, buildings and leasehold improvements, and equipment are stated at cost, or estimated market value at the date of receipt if donated, less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets which range from 3 to 50 years. All property expenditures in excess of \$2,500 are capitalized; maintenance and renewals are charged to expense as incurred.

(f) Public Support and Revenue

All contributions are considered available for the general programs of the Organization, unless specifically restricted by the donor.

In accordance with the terms of an affiliation agreement between the Organization and Easter Seals, Inc., a flat fee is paid annually to the national organization for support of certain programs and other activities.

(g) Long-Lived Assets

The Organization follows the policy of lifting restrictions on contributions of cash and other assets received for the acquisition of long-lived assets when the long-lived assets are acquired.

(h) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

(i) Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, interest, and office and occupancy, which are both allocated on a square footage basis, as well as salaries and benefits, which are allocated on the basis of estimates of time and effort.

EASTER SEALS FLORIDA, INC.

Notes to Financial Statements

June 30, 2025

(1) Summary of Significant Accounting Policies - Continued

(j) Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Included in cash and cash equivalents as of June 30, 2025 and August 31, 2024 is \$416,547 and 402,286 of cash and cash equivalents that is restricted.

(k) Income Taxes

The Organization is exempt from federal income tax under provision of Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. Consequently, no provision for income taxes has been included in the accompanying financial statements.

The Organization has adopted the provisions of the Income Tax Topic of the ASC. These provisions clarify the accounting for uncertainty in tax positions and prescribe guidance related to the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The tax benefit from an uncertain tax position is only recognized in the statement of financial position if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Interest and penalties, if any, are included in expenses in the statement of activities. As of June 30, 2025, the Organization had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

The Organization's income tax returns are subject to review and examination by federal authorities. The Organization is not aware of any activities that would jeopardize its tax-exempt status. The Organization is not aware of any activities that are subject to tax on unrelated business income, excise or other taxes. The tax returns for the fiscal years ended from 2022 to 2024 are open to examination by federal authorities.

(l) Financial Instruments Fair Value and Concentration of Business and Credit Risk

The carrying amount reported in the statement of financial position for cash and cash equivalents, accounts receivable, accounts payable, accrued expenses, deferred revenue approximates fair value because of the immediate or short-term maturity of these financial statements. The carrying amount reported in the accompanying statement of financial position for line of credit and long-term debt approximates fair value because actual interest rates do not significantly differ from current rates offered for instruments with similar characteristics.

EASTER SEALS FLORIDA, INC.

Notes to Financial Statements

June 30, 2025

(1) Summary of Significant Accounting Policies - Continued

(l) Financial Instruments Fair Value and Concentration of Business and Credit Risk - Continued

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist principally of accounts and pledges/bequests receivable which amount to approximately \$2,514,000. The Organization performs prescreening of its patients prior to performing services and generally does not require collateral. Grants and contracts receivable, as applicable, arise as a result of the agreements with third parties to provide specified services. The grants and contracts are monitored on a monthly basis and are not collateralized. The Organization maintains its cash balances at certain financial institutions in which balances are insured by the Federal Deposit Insurance Corporation up to \$250,000.

(m) Prior Year Comparative Data

The financial statements include certain prior year summarized comparative information. This information has been presented in order to provide an understanding of changes in the Organization's financial position and activities. The prior year information in the statement of activities is presented in total but not by net asset class and, as such, does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. In addition, certain amounts have been reclassified in order to conform with the current year's presentation.

(n) Subsequent Events

The Organization has evaluated subsequent events through November 25, 2025. All subsequent events requiring recognition as of November 25, 2025 have been incorporated into the accompanying financial statements.

(2) Liquidity and Availability

As of June 30, 2025, the Organization has \$7,303,871 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure. Financial assets subject to donor or other restrictions that make them unavailable for general expenditure within one year of the balance sheet date were \$419,399 as of June 30, 2025. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

EASTER SEALS FLORIDA, INC.

Notes to Financial Statements

June 30, 2025

(2) Liquidity and Availability - Continued

The following table reflects the Organization's financial assets as of June 30, 2025 reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date.

Cash and cash equivalents	\$ 870,144
Investments	4,339,062
Pledges and accounts receivable	<u>2,514,064</u>
Total financial assets	7,723,270
Restricted cash	(416,547)
Pledges receivable greater than one year	<u>(2,852)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 7,303,871</u>

(3) Fair Value Measurements and Investments

Generally accepted accounting principles defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements which currently applies to all financial assets and liabilities, as well as for any other assets and liabilities that are carried at fair value on a recurring basis.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. These principles also establish a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value using three levels of inputs as follows:

Level 1: quoted prices in active markets for identical assets or liabilities

Level 2: quoted prices for similar assets and liabilities in active markets or inputs that are observable

Level 3: inputs that are unobservable (for example, cash flow modeling based on assumptions)

The Organization did not change its valuation techniques during the year and continues to use Level 1 inputs to measure the fair value of its investments.

EASTER SEALS FLORIDA, INC.

Notes to Financial Statements

June 30, 2025

(3) Fair Value Measurements and Investments - Continued

The following table summarizes the valuation of the Organization's financial assets measured at fair value on a recurring basis as of June 30, 2025 based on the level of input utilized to measure fair value:

	<u>Level</u>	<u>Cost</u>	<u>Fair Value</u>
Mutual funds	1	\$ 3,439,228	4,337,812
Other	3	<u>1,250</u>	<u>1,250</u>
		<u>\$ 3,440,478</u>	<u>4,339,062</u>

The components of total investment return as of June 30, 2025 were as follows:

Investment income	\$ 89,376
Net realized gain on sale of investments	336,546
Net unrealized gain on investments reported at fair value	<u>(87,151)</u>
	<u>\$ 338,771</u>

(4) Pledges and Planned Giving Receivable

Pledges receivable, net of discount to present value (at a rate of 3.0%) and allowance for uncollectible contributions are as follows:

Receivable in less than one year	\$ 6,000
Receivable in one to five years	<u>3,805</u>
	9,805
Less discount to present value	<u>(353)</u>
	9,452
Less: allowance for uncollectible contributions	<u>(600)</u>
Pledges receivable, net	<u>\$ 8,852</u>

The discount will be recognized as contribution income as the discount is amortized using an effective date yield over the duration of the pledge.

EASTER SEALS FLORIDA, INC.

Notes to Financial Statements

June 30, 2025

(5) Leases

The Organization adopted FASB ASC 842, Leases, which establishes a right of use (ROU) model that requires a lessee to record an ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. Leases with a term of less than 12 months will not record a right of use asset and lease liability and the payments will be recognized into profit or loss on a straight-line basis over the lease term.

The Organization elected to adopt FASB ASC 842, Leases, using the optional transition method that allows the Organization to initially apply the new leases standard at the adoption date and recognize a cumulative effect adjustment to the opening balance of retained earnings in the period of adoption. As a result, the Organization reporting for the comparative period presented in the financial statements is in accordance with FASB ASC 840.

The Organization elected to adopt the package of practical expedients available under the transition guidance with the new standard. This package includes the following: relief from determination of lease contracts included in existing or expiring leases at the point of adoption, relief from having to reevaluate the classification of leases in effect at the point of adoption, and relief from reevaluation of existing leases that have initial direct costs associated with the execution of the lease contract. The Organization also elected to adopt the practical expedient to use hindsight to determine the lease term and assess the impairment of the right of use assets.

The Organization has lease arrangements for certain facilities and equipment. These leases typically has an original term not exceeding 5 years and generally contain multiyear renewal options, some of which are reasonably certain of exercise. The Organization's lease arrangements may contain both lease and non-lease components. The Organization has elected to combine and account for lease and non-lease components as a single lease component in the accompanying financial statements.

The following table shows ROU assets and lease liabilities, and the associated financial statement line items as of June 30, 2025:

Lease-Related Assets and Liabilities

Right-of-use assets:	
Operating leases	\$ 3,400,593
Total right-of-use assets	<u>3,400,593</u>
Lease liabilities:	
Operating leases:	
Other current liabilities	396,757
Other non-current liabilities	<u>3,090,750</u>
Total lease liabilities	<u>\$ 3,487,507</u>

EASTER SEALS FLORIDA, INC.

Notes to Financial Statements

June 30, 2025

(5) Leases - Continued

Lease liability maturities as of June 30, 2025, are as follows:

<u>Year ended:</u>	<u>Operating Leases</u>
2026	\$ 396,757
2027	423,105
2028	387,207
2029	398,598
2030	389,466
Thereafter	<u>1,492,374</u>
Total lease liabilities	<u>\$ 3,487,507</u>

(6) Line of Credit

The Organization has a line of credit, secured by substantially all assets, under which it may borrow up to \$1,000,000 at the daily SOFR (Secured Overnight Financing Rate) plus 2.25% (6.57% at June 30, 2025), expiring June 30, 2026. There were \$780,000 of outstanding borrowings on the line of credit agreement at June 30, 2025.

(7) Net Assets

The expenditures for each year are financed principally by program revenue and campaign funds received during each year. Expenditures for programs and operations are budgeted at the beginning of each year along with projected support and revenues from the applicable fund.

Net assets without donor restrictions may be specifically designated by the Board of Directors or generally designated for unfunded commitments, program supplementation, and operating contingencies.

Board designated:	
Dreyfus Family Endowment Campaign	\$ 2,885,628
Ogle Bequest - general endowment	300,000
Tacket	<u>50,000</u>
	<u>\$ 3,235,628</u>

EASTER SEALS FLORIDA, INC.

Notes to Financial Statements

June 30, 2025

(7) Net Assets - Continued

Perpetually restricted net assets at June 30, 2025 consist of the following:

Leon G. Yeuell Camp Challenge Scholarship Fund	\$ 19,447
Weissman Guardian Angel Scholarship Fund	10,010
Ventura Family Staff Appreciation Fund	<u>21,907</u>
	<u>\$ 51,364</u>

Purpose restricted net assets at June 30, 2025 consist of the following:

Baxter Foundation - financial assistance	\$ 2,930
Coyle campership	26,487
Early Intervention Services and Equipment - Visually Impaired - Palm Beach County	49,628
Community provider payments	125,000
3 A/C units	31,000
Campership Lake County residents	14,200
Pool maintenance	18,326
Children services	20,000
Carpet installation	20,000
Community Foundation of Palm Beach & Martin Counties	26,468
Community Foundation for Tampa Bay	33,916
Other	<u>57,612</u>
Total net assets with donor restrictions	<u>\$ 425,567</u>

(8) Net Assets Released from Restrictions

During the year ended June 30, 2025, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes, expiration of certain time restrictions or by occurrence of other events specified by donors.

Purpose and time restrictions accomplished	<u>\$ 362,040</u>
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EASTER SEALS FLORIDA, INC.

Notes to Financial Statements

June 30, 2025

(9) Endowments

The Board of Directors of the Organization has interpreted the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by FUPMIFA. Any amount not appropriated for expenditure will be reclassified, subject to the original endowment restrictions imposed by the donor. In accordance with FUPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the organization
7. The investment policies of the organization

The externally controlled endowment and beneficial interest held by third party are invested according to third party decisions; the Organization has no control over the investment policy.

Return Objectives and Risk Parameters

For the perpetually restricted endowment funds, the Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy the endowment assets are invested in a manner that focuses on long-term capital appreciation while achieving predictable and modest current income requirements.

EASTER SEALS FLORIDA, INC.

Notes to Financial Statements

June 30, 2025

(9) Endowments - Continued

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policies and How the Investment Objectives Relate to Spending Policy

For the perpetually restricted endowment funds, the Organization has a policy of appropriating for distribution each year approximately 4% to 5% of the trailing 36-month average balance of the combined endowment funds. In establishing this policy, the Organization considered the long-term expected return on its endowment. Accordingly, over the long term, the Organization expects the current spending policy to allow its endowment to grow. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return.

OTHER FINANCIAL INFORMATION

EASTER SEALS FLORIDA, INC.

EASTER SEALS FLORIDA, INC.

Schedule of Contract and Grant Activity

Ten months ended June 30, 2025

<u>Grantor/Program Title</u>	<u>Contract Number</u>	<u>Program or Award Amount</u>	<u>Accrued Revenue August 31, 2024</u>	<u>Cash Received</u>	<u>Reimbursable Expenditures</u>	<u>Accrued Revenue at June 30, 2025</u>
Federal and State Contracts and Grants						
A.H.C.A. (Medicaid)	N/A	N/A	-	16,478	16,478	-
Florida D.O.H. Children's Medical Services	COQZL	-	660,649	6,814,931	6,154,282	-
Florida D.O.H. Children's Medical Services	COQCJ	-	419,750	4,428,808	4,675,077	666,019
Florida Department of Transportation	G2K32	80,719	10,329	29,915	19,586	-
Florida Department of Transportation	G3908	200,000	-	36,271	45,484	9,213
Florida Department of Transportation	G3842	80,090	-	12,890	16,113	3,223
U.S.D.A. - Adult Day Care Programs	Y-6074	N/A	8,476	8,476	-	-
U.S.D.A. - Children's Programs WPB	Y-6074	N/A	-	31,137	39,284	8,147
Total Federal and State			<u>\$ 1,099,204</u>	<u>11,378,906</u>	<u>10,966,304</u>	<u>686,602</u>
Local Contracts and Grants						
Children's Services Council - Palm Beach County	09-607	\$ 1,799,697	170,215	1,751,288	1,757,430	176,357
Children's Services Council - Palm Beach County	N/A	N/A	2,297	-	(2,297)	-
Children's Services Council - Palm Beach County	N/A	N/A	52,397	675,920	698,690	75,167
Children's Services Council - Martin County	N/A	64,063	8,714	84,263	92,450	16,901
Children's Services Council - St. Lucie County	N/A	197,000	25,212	186,384	188,144	26,972
Children's Services Council - Lake County	N/A	N/A	16,065	16,065	-	-
Head Start	N/A	N/A	-	-	-	-
State of Florida - Voc Rehabilitation	VR5080	N/A	8,671	43,463	89,994	55,202

EASTER SEALS FLORIDA, INC.

Schedule of Contract and Grant Activity, Continued

Ten months ended June 30, 2025

<u>Grantor/Program Title</u>	<u>Contract Number</u>	<u>Program or Award Amount</u>	<u>Accrued Revenue August 31, 2024</u>	<u>Cash Received</u>	<u>Reimbursable Expenditures</u>	<u>Accrued Revenue at June 30, 2025</u>
Veteran's Administration	N/A	N/A	\$ 28,205	278,398	268,659	18,466
Board of County Commissioners - CAPP	N/A	N/A	-	23,719	37,548	13,829
Altrusa House of Gainesville, Inc.	N/A	N/A	281	14,472	17,943	3,752
Med-Waiver (APD)	N/A	N/A	82,056	628,418	607,293	60,931
Easterseals Northeast Central Florida	N/A	N/A	13,020	65,100	143,220	91,140
Easterseals Southwest Florida	N/A	N/A	-	986,607	1,160,714	174,107
Early Learning Coalition - PBC - Title XX	N/A	N/A	7,826	7,538	(288)	-
Early Learning Coalition of Hillsborough County	N/A	N/A	-	15,697	21,946	6,249
Children's Board of Hillsborough County - ASO Funds	N/A	N/A	78,865	78,865	-	-
Children's Board of Hillsborough County - Incredible Years	N/A	N/A	128,527	672,993	704,737	160,271
Orange County Citizen's Commission	Y19-2046A	500,000	8,850	60,825	60,075	8,100
Orange County Citizen's Commission	Y20-2018	550,000	33,372	325,564	323,933	31,741
Orange County Citizen's Commission	Y20-2053	100,000	-	74,997	99,996	24,999
Orange County Citizen's Commission	Y24-2010	100,000	25,301	126,920	106,253	4,634
Medicaid - Managed Care	N/A	N/A	38,498	1,397,055	1,404,407	45,850
Total local contracts and grants			\$ 728,372	7,514,551	7,780,847	994,668
Other corporate contracts and grants			1,331,252	1,054,580	613,142	889,814
Total			\$ 3,158,828	19,948,037	19,360,293	2,571,084

EASTER SEALS FLORIDA, INC.

Schedule of Expenditures of Federal Awards and State Financial Assistance

Ten months ended June 30, 2025

Federal Grantor/Pass-through Entity Federal Program Title	Period of Award	ALN/CSFA Number	Grantee/ Contract Number	Federal/State Expenditures
U.S. Department of Education				
Pass-through State of Florida Department of Health				
Children's Medical Services Program - Treasure Coast				
Sp. Ed.- Grants for Infants & Families-IDEA Part C	7/1/24 - 6/30/25	84.181	COQZL	\$ 2,147,528
Children's Medical Services Program - Southernmost Coast				
Sp. Ed.- Grants for Infants & Families-IDEA Part C	7/1/24 - 6/30/25	84.181	COQCJ	<u>1,739,697</u>
Subtotal - U.S. Department of Education				<u><u>\$ 3,887,225</u></u>
U.S. Department of Agriculture				
Pass-through State of Florida Department of Health				
Adult Day Care Food Programs	10/1/23 - 9/30/24	10.558	Y6074	8,476
Adult Day Care Food Programs	10/1/24 - 9/30/25	10.558	Y6074	<u>31,137</u>
Subtotal - U.S. Department of Agriculture				<u><u>39,613</u></u>
Total Federal Programs				<u><u>\$ 3,926,838</u></u>

EASTER SEALS FLORIDA, INC.

Schedule of Expenditures of Federal Awards and State Financial Assistance

Ten months ended June 30, 2025

Federal Grantor/Pass-through Entity Federal Program Title	Period of Award	ALN/CSFA Number	Grantee/ Contract Number	Federal/State Expenditures
State Financial Assistance:				
State of Florida Department of Health				
Children's Medical Services Program - Treasure Coast Maintenance of Effort for CFDA 84.181	7/1/24 - 6/30/25	64.022	COQZL	\$ 3,936,768
Children's Medical Services Program - Southernmost Coast Maintenance of Effort for CFDA 84.181	7/1/24 - 6/30/25	64.022	COQCJ	<u>2,935,379</u>
Subtotal - State of Florida Department of Health				<u>6,872,147</u>
State of Florida Department of Transportation				
Enhanced Mobility for Seniors and Individuals with Disabilities	2/23/23 - 2/28/25	20.513	G2K32	29,915
Enhanced Mobility for Seniors and Individuals with Disabilities	1/28/25 - 6/30/26	20.513	G3908	36,271
Enhanced Mobility for Seniors and Individuals with Disabilities	1/7/25 - 12/31/26	20.513	G3842	<u>12,890</u>
Subtotal - State of Florida Department of Transportation				<u>79,076</u>
Total - State Projects				<u>\$ 6,951,223</u>

EASTER SEALS FLORIDA, INC.

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

Ten months ended June 30, 2025

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance presents the activity of all federal and state financial assistance and federal and state cost reimbursement contracts of Easter Seals Florida, Inc. Easter Seals Florida, Inc. generally receives federal and state awards from pass-through entities.

Federal program and state project expenditures included in the accompanying schedule are presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance and Section 215.97 of the Florida Statutes of the Florida Single Audit Act and Chapter 691-5, Rules of the Florida Department of Financial Services, Florida Administrative Code, Schedule of Expenditures of State Financial Assistance.

(2) Major Federal Programs and Major State Projects

Major Federal programs and major state projects are identified in the Summary of Audit Results section of the Schedule of Findings and Questioned Costs.

Michael R. Schafer, CPA
Thomas R. Tschopp, CPA
Tom V. Whitcomb, CPA

541 S. Orlando Avenue, Suite 312
Maitland, Florida 32751
(407) 875-2760

Joseph P. Mitchell, CPA
Stephen J. Sheridan, CPA
Daniel M. Hinson, CPA

**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
Easter Seals Florida, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Easter Seals Florida, Inc., which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, and cash flows for the ten months 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 Easter Seals Florida, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Easter Seals Florida, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Easter Seals Florida, Inc.'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the organization's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Easter Seals Florida, Inc.'s financial statements are free of 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.

Schaefer, Tschoy, Whitcomb, Mitchell & Shuidan, LLP

November 25, 2025
Maitland, Florida

Michael R. Schafer, CPA
Thomas R. Tschopp, CPA
Tom V. Whitcomb, CPA

541 S. Orlando Avenue, Suite 312
Maitland, Florida 32751
(407) 875-2760

Joseph P. Mitchell, CPA
Stephen J. Sheridan, CPA
Daniel M. Hinson, CPA

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 the Florida Single Audit Act

To the Board of Directors
Easter Seals Florida, Inc.

Report on Compliance for Each Major Federal Program and State Project

We have audited the Easter Seals Florida, Inc.'s compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* and in the State of Florida *State Projects Compliance Supplement* that could have a direct and material effect on each of Easter Seals Florida, Inc.'s major federal programs and state projects for the ten months ended June 30, 2025. Easter Seals Florida, Inc.'s major federal programs is identified in the summary of the auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Easter Seals Florida, Inc.'s major federal programs and state projects based on our audit of the types of compliance requirements referred to above. 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 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* and Section 215.97 of the Florida Statutes of the Florida Single Audit Act. Those standards, the Uniform Guidance and the Florida Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on test basis, evidence about Easter Seals Florida, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state project. However, our audit does not provide a legal determination of Easter Seals Florida, Inc.'s compliance.

Opinion on Each Major Federal Program and State Project

In our opinion, Easter Seals Florida, Inc. complied, in all material respects, with the types of requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the ten months ended June 30, 2025.

Report on Schedule of Expenditures of Federal Awards and Florida Single Audit Act Required by the Uniform Guidance

We have audited the financial statements of Easter Seals Florida, Inc. as of and for the ten months ended June 30, 2025, and have issued our report thereon dated November 25, 2025 which contained an unmodified opinion on those financial statements. 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 is presented for purposes of additional analysis as required by the Uniform Guidance 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 is fairly stated in all material respects in relation to the financial statements as a whole.

Report on Internal Control Over Compliance

Management of Easter Seals Florida, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Easter Seals Florida, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and the Florida Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Easter Seals Florida, Inc.'s 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 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 federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or State Project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance 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. We did not identify any deficiencies in internal control over compliance that we consider to be a material weakness. However, material weaknesses 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 the Uniform Guidance and the Florida Single Audit Act. Accordingly, this report is not suitable for any other purpose.

Schaefer, Tschanz, Whitcomb, Mitchell & Shuiken, LLP

November 25, 2025
Maitland, Florida

Easter Seals Florida, Inc.
Schedule of Findings and Questioned Costs
Ten months ended June 30, 2025

i. Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the financial statements of Easter Seals Florida, Inc.
2. No significant deficiencies or material weaknesses were disclosed during the audit of the financial statements and as reported in the 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*.
3. No instances of noncompliance material to the financial statements of Easter Seals Florida, Inc. were disclosed during the audit.
4. No significant deficiencies or material weaknesses in internal control over the major federal award programs and the major state project were disclosed during the audit in the 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 the Florida Single Audit Act.
5. The auditor's report on compliance for the major federal programs and major state projects for Easter Seals Florida, Inc. expresses an unqualified opinion.
6. There are no audit findings relative to major federal award programs and state projects that are required to be reported in accordance with Section 510(a) of the Uniform Guidance and Chapter 10.650, Rules of the Auditor General (See AG Rule 10.654(1)(h)(4)).
7. The programs tested as major federal programs and as the major state project were:
 - a. The Federal program under the U.S. Department of Education - CFDA# 84.181 - Special Education Grants for Infants and Families – IDEA Part C.
 - b. The State of Florida Department of Health State Project - Maintenance of Effort for CFDA# 84.181.
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The Auditee did qualify as a low-risk auditee.

i. Findings - Financial Statements

None

Easter Seals Florida, Inc.
Schedule of Findings and Questioned Costs
Ten months ended June 30, 2025

ii. **Findings and Questioned Costs - Major Federal Programs**

None

iii. **Findings and Questioned Costs - Major State Projects**

None

iv. **Other Issues**

No Summary Schedule of Prior Audit Findings (See AG Rule 10.656(3)(d)(5)) is required because there are no prior audit findings related to Federal programs or State projects; no Corrective Action Plan (See AG Rules 10.656(3)(d)(6)) is required because there are no findings required to be reported under the Federal and Florida Single Audit Acts.