

**Hanley Center Foundation, Inc.
d/b/a Hanley Foundation**

Compliance Section
For the Year Ended June 30, 2025

Hanley Center Foundation, Inc.
d/b/a Hanley Foundation

Compliance Section
For the Year Ended June 30, 2025

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

To the Board of Directors
Hanley Center Foundation, Inc. d/b/a Hanley Foundation

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Hanley Center Foundation, Inc. d/b/a Hanley Foundation's (a nonprofit organization) (the "Organization") compliance with the types of compliance requirements identified as subject to the audit in the *OMB Compliance Supplement* and Florida Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of the Organization's major federal program and state project for the year ended June 30, 2025. The Organization's major federal program and state project are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state project 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; 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, Florida Single Audit Act* ("Chapter 10.650"). Our responsibilities under those standards, the Uniform Guidance and Chapter 10.650, are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the Organization'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 controls over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to each of the Organization's major federal programs and state project.

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance (continued)

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.

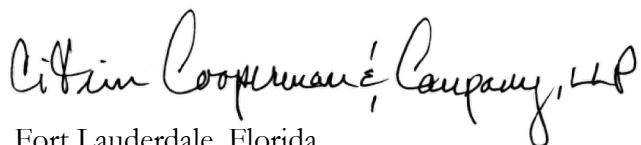
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant 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, and accordingly, no such opinion is expressed.

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

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

We have audited the financial statements (referred to hereafter as “financial statements”) of the Organization as of and for the year ended June 30, 2025, and have issued our report thereon dated November 24, 2025, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Uniform Guidance, and Chapter 10.650, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated in all material respects in relation to the financial statements as a whole.



Fort Lauderdale, Florida
March 13, 2025

Hanley Center Foundation, Inc. d/b/a Hanley Foundation
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended June 30, 2025

<u>Federal Grantor/State Agency/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal Assistance Listing/CSFA Number</u>	<u>Pass-through Entity Identifying Number or Grant Number</u>	<u>Total Federal/State Expenditures</u>	<u>Provided to Subrecipients</u>
Federal Agency Name:				
Indirect Programs:				
U.S. Department of Health and Human Services -				
Passed through the State of Florida, Department of Children and Families -				
Passed through Southeast Florida Behavioral Health Network, Inc. - Block Grants for Prevention and Treatment of Substance Abuse	93.959	PDC19	\$ 494,342	\$ -
Passed through Central Florida Behavioral Health Network, Inc. - Block Grants for Prevention and Treatment of Substance Abuse	93.959	QB087-19	1,098,017	-
Passed through Lutheran Services Florida Health Network, Inc. - Block Grants for Prevention and Treatment of Substance Abuse	93.959	ME040	1,003,230	-
Passed through NWF Health Network, Inc. - Block Grants for Prevention and Treatment of Substance Abuse	93.959	ME040	112,850	-
Passed through United Way of Broward County, Inc. - Block Grants for Prevention and Treatment of Substance Abuse	93.959	65101 & 65102	417,385	-
		Total 93.959	<u>3,125,824</u>	<u>-</u>
Passed through Southeast Florida Behavioral Health Network, Inc. - Opioid STR	93.788	PDC19	49,954	-
Passed through Central Florida Behavioral Health Network, Inc. - Opioid STR	93.788	QB087-19	288,682	-
Passed through United Way of Broward County, Inc. - Opioid STR	93.788	65103	180,000	-
		Total 93.788	<u>518,636</u>	<u>-</u>

See notes to the schedule of expenditures of federal awards and state financial assistance.

Hanley Center Foundation, Inc. d/b/a Hanley Foundation
Schedule of Expenditures of Federal Awards and State Financial Assistance
(continued)
For the Year Ended June 30, 2025

<u>Federal Grantor/State Agency/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal Assistance Listing/CSFA Number</u>	<u>Pass-through Entity Identifying Number or Grant Number</u>	<u>Total Federal/State Expenditures</u>	<u>Provided to Subrecipients</u>
Federal Agency Name (continued):				
Direct Programs:				
U.S. Department of Health and Human Services - Rural Healthcare Services Programs	93.912	HOGOC-I	\$ <u>67,835</u>	\$ <u>-</u>
Total expenditures of federal awards			\$ <u><u>3,712,295</u></u>	\$ <u><u>-</u></u>
State Agency Name:				
Indirect Programs:				
State of Florida, Department of Children and Families - Passed through Southeast Florida Behavioral Health Network, Inc. - St. Augustine Youth Services New Independent Living Village Apartment Units	60.302	PDC19	\$ 54,313	\$ -
Passed through Central Florida Behavioral Health Network, Inc. - St. Augustine Youth Services New Independent Living Village Apartment Units	60.302	QB087-19	356,786	-
Passed through Lutheran Services Florida Health Network, Inc. - St. Augustine Youth Services New Independent Living Village Apartment Units	60.302	ME040	<u>321,330</u>	<u>-</u>
		Total 60.302	732,429	-
Direct Programs:				
State of Florida, Department of Children and Families - Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program	60.115	LH840, LH841	1,013,873	-
Hanley Foundation Community Recovery Ctr - FCO	60.235	Unknown	697,641	-
State Opioid Settlement Trust Fund Services	60.355	LD227	<u>30,839</u>	<u>-</u>
Total expenditures of state financial assistance			\$ <u><u>2,474,782</u></u>	\$ <u><u>-</u></u>

See notes to the schedule of expenditures of federal awards and state financial assistance.

Hanley Center Foundation, Inc. d/b/a Hanley Foundation
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance
For the 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 award activity of all federal awards and state financial assistance of Hanley Center Foundation, Inc. d/b/a Hanley Foundation and Origins Behavioral Health Care, LLC (collectively, the "Organization") for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, *Rules of the Auditor General of Florida, Florida Single Audit Act* (Chapter 10.650). Therefore, some amounts presented in the Schedule may differ from amounts presented in or used in the preparation of the financial statements. Because the Schedule presents only a selected portion of the operations, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

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 Uniform Guidance and Chapter 10.650, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Indirect Cost Rate

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

**Hanley Center Foundation, Inc. d/b/a Hanley Foundation
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2025**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

 yes X no

Significant deficiency(ies) identified?

 yes X none reported

Noncompliance material to financial statements noted?

 yes X no

Federal Programs and State Projects

Internal control over major federal programs and state projects:

Material weakness(es) identified?

 yes X no

Significant deficiency(ies) identified?

 yes X none reported

Type of auditor's report issued on compliance for major federal programs and state projects:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and Chapter 10.650, *Rules of the Auditor General, Florida Single Audit Act*?

 yes X no

Identification of major federal program and state projects:

Assistance

Listing

Number

Federal Program(s)

93.959 Block Grants for Prevention and Treatment of Substance Abuse

CFSA NO.

State Project(s)

60.115 Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program

60.235 Hanley Foundation Community Recovery Ctr - FCO

Dollar threshold used to distinguish between Type A and Type B programs/projects:

\$750,000 for federal programs and and state projects

Auditee qualified as low-risk auditee?

 X yes no

SECTION II - FINANCIAL STATEMENTS FINDINGS

None Reported.

SECTION III - FEDERAL PROGRAMS AND STATE PROJECTS FINDINGS AND QUESTIONED COSTS

None Reported.

SECTION IV - PRIOR YEAR AUDIT FINDINGS

None Reported.