

**HEALTHY START COALITION  
OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION  
OF PALM BEACH COUNTY**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

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## **Independent Auditors' Report**

To the Board of Directors of  
Healthy Start Coalition of Palm Beach County, Inc.  
d/b/a Healthy Beginnings Coalition of Palm Beach County

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of Healthy Start Coalition of Palm Beach County, Inc. d/b/a Healthy Beginnings Coalition of Palm Beach County (the "Coalition"), 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 (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Coalition as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Coalition 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 the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Coalition's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by 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 ("Chapter 10.650"), is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## **Other Matter**

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

The financial statements of the Coalition as of and for the year ended June 30, 2024, were audited by Marcum LLP, whose report dated December 23, 2024, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 14, 2026 on our consideration of the Coalition's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Coalition's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Coalition's internal control over financial reporting and compliance.

***CBIZ CPAs P.C.***

West Palm Beach, FL  
January 14, 2026

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

**STATEMENT OF FINANCIAL POSITION**

**JUNE 30, 2025**

**(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2024)**

|  | 2025                | 2024                |
|--|---------------------|---------------------|
| <b>Assets</b>  |                     |                     |
| Cash   | \$ 354,715          | \$ 741,754          |
| Contracts receivable                                       | 967,501             | 1,014,301           |
| Prepays and other assets                                   | 2,188               | 2,085               |
| <b>Total Assets</b>  | <b>\$ 1,324,404</b> | <b>\$ 1,758,140</b> |
| <br><b>Liabilities and Net Assets</b>                      |                     |                     |
| <b>Liabilities</b>   |                     |                     |
| Due to Children's Services Council of Palm<br>Beach County | \$ 1,274,049        | \$ 1,706,645        |
| Due to State Governmental Agency                           | 50,355              | 51,495              |
| <b>Total Liabilities</b>                                   | 1,324,404           | 1,758,140           |
| <b>Net Assets</b>  |                     |                     |
| Without donor restrictions                                 | --                  | --                  |
| With donor restrictions                                    | --                  | --                  |
| <b>Total Net Assets</b>                                    | --                  | --                  |
| <b>Total Liabilities and Net Assets</b>                    | <b>\$ 1,324,404</b> | <b>\$ 1,758,140</b> |

*The accompanying notes are an integral part of these financial statements.*

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

**STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED JUNE 30, 2025  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)**

|                                       | 2025                          |                            |                  | 2024             |
|---------------------------------------|-------------------------------|----------------------------|------------------|------------------|
|                                       | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total            | Total            |
| <b>Revenues</b>                       |                               |                            |                  |                  |
| Program revenues and support:         |                               |                            |                  |                  |
| Contract revenue                      | \$ 3,876,912                  | \$ --                      | \$ 3,876,912     | \$ 3,465,398     |
| Contributed goods and services        | 345,009                       | --                         | 345,009          | 340,282          |
| Other revenues                        | --                            | --                         | --               | 4,898            |
| Net assets released from restrictions | --                            | --                         | --               | --               |
| <b>Total Revenues</b>                 | <b>4,221,921</b>              | <b>--</b>                  | <b>4,221,921</b> | <b>3,810,578</b> |
| <b>Expenses</b>                       |                               |                            |                  |                  |
| Program services:                     |                               |                            |                  |                  |
| Florida Department of Health          | 1,871,876                     | --                         | 1,871,876        | 1,867,963        |
| Healthy Start MomCare Network         | 2,270,877                     | --                         | 2,270,877        | 1,867,194        |
| Total program services                | 4,142,753                     | --                         | 4,142,753        | 3,735,157        |
| Supporting activities:                |                               |                            |                  |                  |
| General and administrative            | 79,168                        | --                         | 79,168           | 75,421           |
| Total supporting activities           | 79,168                        | --                         | 79,168           | 75,421           |
| <b>Total Expenses</b>                 | <b>4,221,921</b>              | <b>--</b>                  | <b>4,221,921</b> | <b>3,810,578</b> |
| <b>Change in Net Assets</b>           | <b>--</b>                     | <b>--</b>                  | <b>--</b>        | <b>--</b>        |
| <b>Net Assets - Beginning</b>         | <b>--</b>                     | <b>--</b>                  | <b>--</b>        | <b>--</b>        |
| <b>Net Assets - Ending</b>            | <b>\$ --</b>                  | <b>\$ --</b>               | <b>\$ --</b>     | <b>\$ --</b>     |

*The accompanying notes are an integral part of these financial statements.*

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

**STATEMENT OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED JUNE 30, 2025  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)**

|                             | Program Services           |                                  | Total<br>Program<br>Services | Supporting<br>Activities      | 2025<br>Total<br>Expenses | 2024<br>Total<br>Expenses |
|-----------------------------|----------------------------|----------------------------------|------------------------------|-------------------------------|---------------------------|---------------------------|
|                             | Florida Dept.<br>of Health | Healthy Start<br>MomCare Network |                              | General and<br>Administrative |                           |                           |
| Provider expenses           | \$ 1,756,872               | \$ 2,053,839                     | \$ 3,810,711                 | \$ --                         | \$ 3,810,711              | \$ 3,403,643              |
| Professional fees           | 85,737                     | 204,490                          | 290,227                      | 79,168                        | 369,395                   | 364,668                   |
| Membership dues             | 12,999                     | 10,148                           | 23,147                       | --                            | 23,147                    | 24,579                    |
| Well Family System Database | 13,509                     | --                               | 13,509                       | --                            | 13,509                    | 14,318                    |
| Insurance                   | 961                        | 2,400                            | 3,361                        | --                            | 3,361                     | 3,370                     |
| Miscellaneous               | 1,798                      | --                               | 1,798                        | --                            | 1,798                     | --                        |
| <b>Total Expenses</b>       | <u>\$ 1,871,876</u>        | <u>\$ 2,270,877</u>              | <u>\$ 4,142,753</u>          | <u>\$ 79,168</u>              | <u>\$ 4,221,921</u>       | <u>\$ 3,810,578</u>       |

*The accompanying notes are an integral part of these financial statements.*

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED JUNE 30, 2025  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)**

|   | 2025       | 2024       |
|---|------------|------------|
| <b>Cash Flows From Operating Activities</b>   |            |            |
| Change in net assets  | \$ --      | \$ --      |
| Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities: |            |            |
| Change in operating assets and liabilities:   |            |            |
| (Increase) decrease in:   |            |            |
| Contracts receivable  | 46,800     | (102,939)  |
| Prepays and other assets  | (103)      | 1,165      |
| Increase (decrease) in:   |            |            |
| Due to State Governmental Agency  | (1,140)    | (175,036)  |
| Due to Children's Services Council of Palm Beach County   | (432,596)  | 737,240    |
|   | (387,039)  | 460,430    |
| <b>Net Cash Provided by (Used in) Operating Activities</b>  |            |            |
|   | (387,039)  | 460,430    |
| <b>Net Change in Cash</b>   | (387,039)  | 460,430    |
| <b>Cash - Beginning</b>   | 741,754    | 281,324    |
| <b>Cash - Ending</b>  | \$ 354,715 | \$ 741,754 |

*The accompanying notes are an integral part of these financial statements.*

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE 1 – THE COALITION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***THE COALITION***

Healthy Start Coalition of Palm Beach County, Inc., d/b/a Healthy Beginnings Coalition of Palm Beach County (the “Coalition”) was incorporated on June 24, 2004, to implement the provisions of Florida’s Healthy Start legislation in Palm Beach County, Florida. It is the intent of the Healthy Start legislation to establish a system of care guaranteeing that all women have access to prenatal care and that all infants have access to services that promote optimal growth and development. The Coalition has established the following goals as part of fulfilling these intentions:

- To assure that the existing economic, social and geographic barriers to maternal and child health, including prenatal and infant health care, in Palm Beach County are minimized, and that an adequate number of health care providers are available to assist pregnant women and their children.
- To promote and protect the health and well-being of all pregnant women and their children in Palm Beach County through the provision and accessibility of health care programs to fully meet the health requirements of this population.
- To establish a partnership between the private and public sectors, state and local governments, community alliances, and maternal and child health care providers to provide coordinated community-based care for pregnant women and infants.

In order to accomplish these goals, the Coalition receives and administers grants from Federal and State governmental agencies and contracts with service providers. The Coalition has contracted with the Children’s Services Council of Palm Beach County, Inc. (“CSC”) to act as fiscal, administrative and programmatic support agent for the Coalition.

CSC is an independent special district authorized under the Laws of Florida, Statutes Chapter 86-196, whose purpose is to address public policy issues and needs relating to the children in Palm Beach County and to respond to these needs by planning, funding, developing and evaluating community programs that are operated for the benefit of Palm Beach County’s children and families. The staff of CSC is responsible for contracting with local providers, monitoring those contracts, and updating the service delivery plan for maternal and child health services in Palm Beach County. All funds from the Coalition are passed through to CSC which in turn contracts with subrecipients to provide these services.

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE 1 – THE COALITION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION***

The financial statements of the Coalition have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and follow the requirements of the accounting standards for financial statements of not-for-profit organizations as prescribed by the Financial Accounting Standards Board (“FASB”). Under these standards, the Coalition is required to report information regarding its financial position and activities according to two categories of net assets: without donor restrictions and with donor restrictions.

Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions as follows:

***Net Assets Without Donor Restrictions***

Net assets that are free of donor-imposed restrictions: all revenues, expenses, gains, and losses that are not changes in net assets with donor restrictions.

***Net Assets With Donor Restrictions***

Net assets whose use by the Coalition is limited by donor-imposed restrictions that either expire by the passage of time, that can be fulfilled or otherwise removed by actions of the Coalition pursuant to those stipulations or are subject to donor-imposed restrictions that are required to be maintained in perpetuity by the Coalition.

***USE OF ESTIMATES***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Estimates and assumptions are reviewed periodically and effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from those estimates.

***CONCENTRATION OF CREDIT RISK***

Financial instruments that potentially subject the Coalition to concentrations of credit risk consist principally of cash and contracts receivable.

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE 1 – THE COALITION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***CASH***

The Coalition’s cash consists of amounts on deposit in a checking account with a financial institution. At times, the amount on deposit may exceed the Federal Deposit Insurance Corporation (“FDIC”) insurance limits. The Coalition maintains these balances in what it believes to be a high-quality financial institution, which it believes limits its risk. As of June 30, 2025, the Coalition had approximately \$105,000 of balances in excess of insurance limits covered by the Federal Deposit Insurance.

***CONTRACTS RECEIVABLE***

Contracts receivable consist principally of amounts due from grantor agencies pursuant to the terms of the respective grant agreements. Contracts receivable are stated at net realizable value. Allowances are provided for amounts estimated to be uncollectible based on historical experience and any specific collection issues that the Coalition has identified. It is the Coalitions policy to charge uncollectible receivables against the allowance when management determines that the related balance will not be collected. As of June 30, 2025, management determined that an allowance for uncollectible receivables was not deemed necessary.

***DUE TO CHILDREN’S SERVICES COUNCIL OF PALM BEACH COUNTY***

The Coalition contracts with CSC to act as fiscal, administrative and programmatic support agent on its behalf. Due to Children’s Services Council of Palm Beach County represents amounts payable for outstanding invoices due to providers that have been paid by CSC.

***PREPAID AND OTHER ASSETS***

Prepaid expenses and other assets relate primarily to insurance policies paid in advance that are scheduled for future time periods.

***REVENUE AND SUPPORT***

Contributions and gifts received, recorded at fair value, with no restrictions or specified uses identified by the donor are included in revenue without donor restrictions in the accompanying Statement of Activities. Contributions received with donor stipulations that limit the use of donated assets are reported as revenue with donor restrictions in the accompanying Statement of Activities.

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE 1 – THE COALITION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***REVENUE AND SUPPORT (CONTINUED)***

When donor restrictions expire or are fulfilled by actions of the Coalition, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the accompanying Statement of Activities as net assets released from restriction. Donor restricted contributions whose restrictions are met within the same year as received are reflected as revenue without donor restrictions in the accompanying Statement of Activities.

In accordance with ASC 958, Not-for-Profit-Entities, funding from government contracts is generally considered nonreciprocal transactions. A portion of the Coalition's revenue is derived from cost-reimbursable federal and state 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 we have incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the accompanying statement of financial position.

***CONTRIBUTED GOODS AND SERVICES***

The Coalition records contributed goods and certain services as contributions at their estimated fair value at the date of receipt. Contributed services are recognized as contributions at their estimated fair value, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Coalition. Services provided by volunteers throughout the year, if any, are not recognized as contributions in the financial statements since these services are not susceptible to objective measurement or valuation.

***FUNCTIONAL ALLOCATION OF EXPENSES***

The costs of providing the various programs and supporting services have been summarized on a functional basis in the Statement of Activities. The Statement of Functional Expenses presents the natural classification detail of expenses by function. Expenses of the providers and the Coalition which are associated with a specific program are charged directly to that program. Expenses which are not directly identifiable with a specific functional category require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include professional fees calculated on analysis of time spent and effort and allocated based on the percentage of completed initial intakes during the previous fiscal year for Medicaid and Non-Medicaid clients.

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE 1 – THE COALITION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***INCOME TAXES***

The Coalition is a not-for-profit organization, as defined by section 501(c)(3) of the Internal Revenue Code, and as such is subject to federal income taxes only on unrelated business income. There were no significant income taxes resulting from unrelated business income during the year ended June 30, 2025.

GAAP requires management to evaluate tax positions taken and recognize a tax liability (or asset) if the Coalition has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. Management has analyzed the tax positions taken and has concluded that as of June 30, 2025, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. If the Coalition were to incur an income tax liability in the future, interest would be reported as interest expense and penalties would be reported as income taxes. The Coalition is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

***SUMMARIZED COMPARATIVE INFORMATION***

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

***SUBSEQUENT EVENTS***

Management has evaluated subsequent events to determine if events or transactions occurring through January 14, 2026, which was the date the financial statements were available to be issued, require adjustment to or disclosure in the financial statements.

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE 2 – LIQUIDITY AND AVAILABILITY OF RESOURCES**

For purposes of analyzing resources available to meet general and administrative operating expenses within one year of the Statement of Financial Position date, the Coalition considers all expenses related to its ongoing program related activities as well as the conduct of services undertaken to support those activities to be general and administrative operating expenses. Program services expenses are generally paid directly from grant related revenues when received from the grantor, accordingly, any material changes in grant revenues received would result in a corresponding change in grant expenses. In addition to the financial assets available to meet general expenses over the next twelve month period, the Coalition expects to generate sufficient support and revenues to meet general expenses. Refer to the Statement of Cash Flows which identifies the sources and uses of the Coalition’s cash for the year ended June 30, 2025.

The following table summarizes the Coalition’s financial assets as of June 30, 2025 that are available to meet general and administrative operating expenses of the subsequent year:

|   |                                   |
|---|-----------------------------------|
| Cash  | \$ 354,715                        |
| Contracts receivable, less noncurrent holdbacks<br>in the amount of \$243,311 | <u>724,190</u>                    |
| <b>Total Financial Assets</b>   | <b><u><u>\$ 1,078,905</u></u></b> |

**NOTE 3 – CONTRACTS RECEIVABLE**

Contracts receivable consisted of the following as of June 30, 2025:

|   |                                 |
|---|---------------------------------|
| U.S. Department of Health and Human Services:                   |                                 |
| Medical Assistance Program (Medicaid; Title XIX)                | \$ 652,180                      |
| Maternal and Child Health Services Block Grant<br>to the States | <u>315,321</u>                  |
| <b>Total Contracts Receivable</b>                               | <b><u><u>\$ 967,501</u></u></b> |

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE 3 – CONTRACTS RECEIVABLE (CONTINUED)**

In accordance with the Medical Assistance Program grant agreements for the years ended June 30, 2022 through June 30, 2025, the grantor withholds 3% of the amount earned for a period of up to five years for any potential Medicaid repayment or payback situation that may occur. As of June 30, 2025, the outstanding holdback receivable relates to the following years:

| For the Year<br>Ended June 30, | Amount                   |
|--------------------------------|--------------------------|
| 2022                           | \$ 72,852                |
| 2023                           | 57,834                   |
| 2024                           | 50,112                   |
| 2025                           | <u>62,513</u>            |
| <b>Total</b>                   | <u><u>\$ 243,311</u></u> |

**NOTE 4 – PROGRAM REVENUE CONTRACTS CONTINGENCY**

The Coalition receives financial assistance from Federal and State governmental agencies in the form of grants and contracts. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and may be subject to audit by the grantor agencies. As a result of such audits, any disallowed expenses, or, amounts already received, might constitute a liability of the Coalition for return of those funds. Management believes that the Coalition has met all requirements and objectives of the grantor agencies. As of June 30, 2025, the Coalition has not recognized any disallowed expense liability, but has recorded a liability in the accompany Statement of Financial Position as due to state governmental agency, to return funds received but unused.

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE 5 – CONTRIBUTED GOODS AND SERVICES**

The Coalition received the following contributions of nonfinancial assets for the year ending June 30, 2025:

|                                      |                   |
|--------------------------------------|-------------------|
| Programmatic services                | \$ 19,487         |
| Administrative services              | <u>325,522</u>    |
| Total Contributed goods and services | <u>\$ 345,009</u> |

The CSC provides certain fiscal, administrative and programmatic support services to the Coalition at no charge. Contributed administrative and programmatic services are recognized as in-kind revenues at their estimated fair value if they create or enhance nonfinancial assets or they require specialized skills that would need to be purchased if they were not donated. The Coalition recognizes in-kind contribution revenue and corresponding expense in an amount approximating the estimated fair value at the time of the donation in the accompanying Statements of Activities. The value of the administrative services recorded includes the salaries and benefits of the individuals performing these fiscal, administrative and programmatic support functions. The value of programmatic services recorded includes printing and filing fees paid for by the CSC on behalf of the Coalition.

**NOTE 6 – CONCENTRATION OF REVENUE AND SUPPORT**

The Coalition receives substantially all of its support from grants and contracts administered by the U.S. Department of Health and Human Services and the Florida Department of Health. Changes in governmental appropriations at the Federal and/or State level could have a material adverse effect on the Coalition's ability to continue to provide services.

**Independent Auditors' 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  
Healthy Start Coalition of Palm Beach County, Inc.  
d/b/a Healthy Beginnings Coalition of Palm Beach County

We have audited, in accordance with the auditing standards generally accepted in the United States of America (“GAAS”) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (“*Government Auditing Standards*”), the financial statements of Healthy Start Coalition of Palm Beach County, Inc. d/b/a Healthy Beginnings Coalition of Palm Beach County (the “Coalition”), 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 (collectively referred to as the “financial statements”), and have issued our report thereon dated January 14, 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 opinions 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 Coalition’s financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### ***Report on Compliance and Other Matters***

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

### ***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Coalition’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Coalition’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

***CBIZ CPAs P.C.***

West Palm Beach, FL  
January 14, 2026

**Independent Auditors' Report on Compliance for Each Major Federal Program  
and State Project and Report on Internal Control Over Compliance Required by  
the Uniform Guidance and Chapter 10.650, Rules of the Auditor General**

To the Board of Directors of  
**Healthy Start Coalition of Palm Beach County, Inc.**  
**d/b/a Healthy Beginnings Coalition of Palm Beach County**

**Report on Compliance for Each Major Federal Program and State Project**

***Opinion on Each Major Federal Program and State Project***

We have audited Healthy Start Coalition of Palm Beach County, Inc. d/b/a Healthy Beginnings Coalition of Palm Beach County'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 State of Florida Department of Financial Services' State Projects Compliance Supplement, that could have a direct and material effect on the Coalition's major federal program and state project for the year ended June 30, 2025. The Coalition's major federal program and state project are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Coalition complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal program 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 ("Chapter 10.650"). Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.650 are further described in the Auditors' 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.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Coalition's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *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 Coalition's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with GAAS, *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 Coalition's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Coalition's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, but not for the purpose of expressing an opinion on the effectiveness of the Coalition's internal control over compliance. Accordingly, no such opinion is expressed.

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

### ***Report on Internal Control Over Compliance***

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

requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

*CBIZ CPAs P.C.*

West Palm Beach, FL  
January 14, 2026

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

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

**FOR THE YEAR ENDED JUNE 30, 2025**

| Federal/State Agency, Pass-Through Entity<br>Federal Program/State Project     | ALN/<br>CFSA No. | Grant Number/<br>Pass-through<br>Entity<br>Identifying<br>Number | Total<br>Federal/State<br>Expenditures | Passed<br>Through to<br>Subrecipients |
|--|------------------|--|--|---------------------------------------|
| <b>Federal Awards</b>  |                  |  |  |                                       |
| U.S. Department of Health and Human Services                                   |                  |  |  |                                       |
| Pass-through award from:   |                  |  |  |                                       |
| Healthy Start MomCare Network, Inc.  |                  |  |  |                                       |
| Medicaid Cluster   |                  |  |  |                                       |
| Medical Assistance Program (Medicaid; Title XIX)                               | 93.778           | GFA089-28PB  | \$ 2,083,798                           | \$ 2,053,839                          |
| Total Medicaid Cluster   |                  |  | <u>2,083,798</u>                       | <u>2,053,839</u>                      |
| Pass-through award from:   |                  |  |  |                                       |
| State of Florida, Department of Health   |                  |  |  |                                       |
| Maternal and Child Health Services Block Grant<br>to the States                | 93.994           | COSH N   | <u>207,477</u>                         | <u>204,116</u>                        |
| <b>Total U.S. Department of Health and Human Services</b>                      |                  |  | <u>2,291,275</u>                       | <u>2,257,955</u>                      |
| <b>Total Expenditures of Federal Awards</b>                                    |                  |  | <u>2,291,275</u>                       | <u>2,257,955</u>                      |
| <b>State Financial Assistance</b>  |                  |  |  |                                       |
| Florida Department of Health   |                  |  |  |                                       |
| Healthy Start Coalitions   | 64.131           | COSH N   | <u>1,367,105</u>                       | <u>1,344,956</u>                      |
| Perinatal Mental Health  | 64.160           | COSH N   | <u>218,532</u>                         | <u>207,800</u>                        |
| <b>Total Florida Department of Health</b>                                      |                  |  | <u>1,585,637</u>                       | <u>1,552,756</u>                      |
| <b>Total Expenditures of State Financial Assistance</b>                        |                  |  | <u>1,585,637</u>                       | <u>1,552,756</u>                      |
| <b>Total Expenditures of Federal Awards and State<br/>Financial Assistance</b> |                  |  | <u>\$ 3,876,912</u>                    | <u>\$ 3,810,711</u>                   |

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

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

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

**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards and state financial assistance (the “Schedule”) includes the federal award activity and state grant activity of Healthy Start Coalition of Palm Beach County, Inc. d/b/a Healthy Beginnings Coalition of Palm Beach County (the “Coalition”) 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 (“Chapter 10.650”). Because the Schedule presents only a selected portion of the operations of the Coalition, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Coalition.

**NOTE 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 and the Florida Single Audit Act, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3 – MATCHING REQUIREMENTS**

Certain grants funded by the U.S. Department of Health and Human Services (“HHS”) include State matching funds and maintenance of effort funding requirements. The Medical Assistance Program (CFDA 93.778) under Contract GFA089-28PB includes State matching funding from the State of Florida Department of Health (“DOH”). The State matching amounts are considered part of the federal award and therefore are not considered State financial assistance subject to Section 215.97, Florida Statutes, the Florida Single Audit Act. The amounts designated as matching funds for federal award program is summarized as follows:

|                            | ALN    | Amount            |
|----------------------------|--------|-------------------|
| Medical Assistance Program | 93.778 | \$ <u>888,323</u> |

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

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

**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE 4 – INDIRECT COST RATE**

The Coalition has elected not to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

***FINANCIAL STATEMENTS***

Type of auditors’ report issued on whether the financial statements audited were prepared in accordance with GAAP: *Unmodified Opinion*

Internal control over financial reporting:  
 Material weakness(es) identified?  Yes  No  
 Significant deficiency(ies) identified?  Yes  None Reported

Noncompliance material to financial statement noted?  Yes  No

***FEDERAL AWARD AND STATE PROJECT***

Internal control over major federal program and state project:  
 Material weakness(es) identified?  Yes  No  
 Significant deficiency(ies) identified?  Yes  None Reported

Type of auditor’s report issued on compliance for major federal program and state project: *Unmodified Opinion*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) or or Chapter 10.656, Rules of the Auditor General?  Yes  No

***IDENTIFICATION OF MAJOR PROGRAM AND PROJECT***

|   |                 |
|---|-----------------|
| <u>Major Federal Program or Cluster</u>       | <u>ALN</u>      |
| Medicaid Cluster - Medical Assistance Program | 93.778          |
| <u>Major State Project</u>                    | <u>CSFA No.</u> |
| Healthy Start Coalitions                      | 64.131          |

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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Dollar threshold used to distinguish between Type A and  
Type B programs - Federal: \$ 750,000

Dollar threshold used to distinguish between Type A and  
Type B programs - State: \$ 475,691

Auditee qualified as low-risk auditee for federal awards?  X  Yes   No

**HEALTHY START COALITION OF PALM BEACH COUNTY, INC.  
D/B/A HEALTHY BEGINNINGS COALITION OF PALM BEACH COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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**SECTION II - FINANCIAL STATEMENT FINDINGS**

None

**SECTION III – FEDERAL AWARD PROGRAM AND STATE PROJECT FINDINGS AND QUESTIONED COSTS**

None

**SECTION IV - PRIOR YEAR FINDINGS**

Financial Statements - None

Federal Award and State Project Findings and Questioned Costs - None