

**NORTHEAST FLORIDA HEALTHY
START COALITION, INC.**

FINANCIAL STATEMENTS

For Years Ended June 30, 2025 and 2024

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Northeast Florida Healthy Start Coalition, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Northeast Florida Healthy Start Coalition, Inc. (a nonprofit organization) which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 the Organization 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 opinions.

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 Organization'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 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 generally accepted auditing standards 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 Northeast Florida Healthy Start Coalition, 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 Northeast Florida Healthy Start Coalition, 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.

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* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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 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.

The Schedules of Receipts and Expenditures of City of Jacksonville Grant Funds - Budget and Actual for the Opioid Settlement Proceeds Grant and for the Infant Mortality Community Health Workers Grant are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and were derived from and relate 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. These reports are intended solely for the information and use of the board of directors, management, and the City of Jacksonville and are not intended to be and should not be used by anyone other than those specified parties.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2026, on our consideration of the Organization'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.

To the Board of Directors of
Northeast Florida Healthy Start Coalition, Inc.
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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 Organization'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 Northeast Florida Healthy Start Coalition, Inc.'s internal control over financial reporting and compliance.

Magers & Associates, LLC

Orange Park, FL

March 26, 2026

NORTHEAST FLORIDA HEALTHY START COALITION. INC.
STATEMENTS OF FINANCIAL POSITION

As of June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 3,951,883	\$ 3,338,001
Grants receivable	2,320,883	2,530,566
Other receivables	33,631	18,190
Other current assets	<u>104,006</u>	<u>119,659</u>
TOTAL CURRENT ASSETS	<u>6,410,403</u>	<u>6,006,416</u>
PROPERTY AND EQUIPMENT, NET	37,099	54,923
OTHER ASSETS		
Right-of-use asset	402,492	314,974
HSMN medicaid holdback	<u>532,361</u>	<u>508,838</u>
TOTAL ASSETS	<u>\$ 7,382,355</u>	<u>\$ 6,885,151</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 1,796,400	\$ 2,030,066
Lease liability - short term	187,760	223,825
Other current liabilities	<u>542,064</u>	<u>333,182</u>
TOTAL CURRENT LIABILITIES	<u>2,526,224</u>	<u>2,587,073</u>
LONG TERM LIABILITIES		
Lease liability - long term	<u>225,408</u>	<u>93,882</u>
TOTAL LIABILITIES	<u>2,751,632</u>	<u>2,680,955</u>
NET ASSETS		
Without donor restrictions	3,829,553	3,535,139
With donor restrictions (Note 5)	<u>801,170</u>	<u>669,057</u>
TOTAL NET ASSETS	<u>4,630,723</u>	<u>4,204,196</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 7,382,355</u>	<u>\$ 6,885,151</u>

See accompanying notes to the financial statements.

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2025

	<u>Net Assets Without Restrictions</u>	<u>Net Assets With Restrictions</u>	<u>Total</u>
REVENUES			
Federal grants	\$ 6,186,840	\$ 9,250	\$ 6,196,090
State grants	1,102,849	-	1,102,849
State match on federal grants	4,105,892	-	4,105,892
City of Jacksonville	292,506	-	292,506
Grants and donations	346,913	883,688	1,230,601
Interest income	113,304	-	113,304
Net assets released from restrictions	<u>760,825</u>	<u>(760,825)</u>	<u>-</u>
 TOTAL REVENUES	 <u>12,909,129</u>	 <u>132,113</u>	 <u>13,041,242</u>
 EXPENSES			
Program services	12,576,687	-	12,576,687
Planning and administrative	<u>38,028</u>	<u>-</u>	<u>38,028</u>
 TOTAL EXPENSES	 <u>12,614,715</u>	 <u>-</u>	 <u>12,614,715</u>
 CHANGE IN NET ASSETS	 294,414	 132,113	 426,527
 NET ASSETS, BEGINNING OF YEAR	 <u>3,535,139</u>	 <u>669,057</u>	 <u>4,204,196</u>
 NET ASSETS, END OF YEAR	 <u>\$ 3,829,553</u>	 <u>\$ 801,170</u>	 <u>\$ 4,630,723</u>

See accompanying notes to the financial statements.

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2024

	Net Assets Without Restrictions	Net Assets With Restrictions	Total
REVENUES			
Federal grants	\$ 5,610,290	\$ 28,818	\$ 5,639,108
State grants	825,831	-	825,831
State match on federal grants	3,683,345	-	3,683,345
Kids Hope Alliance	54,239	-	54,239
Grants and donations	299,719	825,280	1,124,999
Interest income	125,406	-	125,406
Gain(Loss) on disposal of assets	(1,308)	-	(1,308)
Net assets released from restrictions	858,192	(858,192)	-
TOTAL REVENUES	11,455,714	(4,094)	11,451,620
EXPENSES			
Program services	11,392,693	-	11,392,693
Planning and administrative	49,831	-	49,831
TOTAL EXPENSES	11,442,524	-	11,442,524
CHANGE IN NET ASSETS	13,190	(4,094)	9,096
NET ASSETS, BEGINNING OF YEAR	3,521,949	673,151	4,195,100
NET ASSETS, END OF YEAR	\$ 3,535,139	\$ 669,057	\$ 4,204,196

See accompanying notes to the financial statements.

NORTHEAST FLORIDA HEALTHY START COALITION, INC.

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2025 and June 30, 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 426,527	\$ 9,096
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	17,823	19,668
(Gain)/Loss on disposal of assets	-	1,308
(Increase) decrease in operating assets:		
Grants and contracts receivable	209,683	(822,134)
Other receivables	(15,441)	100,657
Other current assets	15,654	(101,569)
Right-of-use asset	(87,518)	155,304
Other assets	(23,522)	31,509
Increase (decrease) in operating liabilities:		
Accounts payable	(233,666)	790,811
Other current liabilities	208,881	140,138
Lease liability	<u>95,461</u>	<u>(154,603)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>613,882</u>	<u>170,185</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	613,882	170,185
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>3,338,001</u>	<u>3,167,816</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 3,951,883</u>	<u>\$ 3,338,001</u>
Supplementary data:		
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the financial statements.

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2025

	<u>Magnolia</u>	<u>Americorps</u>	<u>Fatherhood</u>	<u>NFP</u>	<u>FIMR/DOH</u>	<u>CAPTA</u>	<u>COJ</u>	<u>Moran</u>
Salaries	\$ 426,115	\$ 154,693	\$ 573,648	\$ 2,011	\$ 303,536	\$ 99,673	\$ 153,858	\$ -
Fringe benefits	131,544	39,403	129,725	525	93,518	22,614	42,239	-
Administrative services	7,112	3,425	10,166	24	4,963	1,162	17,844	-
Contractual services	293,358	2,424	28,972	839,913	288,496	64,164	3	166,228
Equipment rental/maint.	32,163	4,971	45,742	383	42,054	4,507	14,729	-
Incentives	-	-	4,911	-	3,055	1,690	423	-
Insurance	8,967	1,461	11,656	54	6,293	1,117	2,903	-
Meeting expense	659	496	215	-	-	-	-	-
Occupancy costs	184,531	12,549	122,205	705	65,974	21,545	33,638	-
Printing & reproduction	2,082	36	2,930	-	555	85	189	-
Office supplies	30,226	1,756	58,503	111	6,871	525	26,475	-
Dues and subscriptions	5,110	-	385	-	1,350	-	-	-
Other	40,021	1,280	20,670	13,200	33,118	19,292	195	-
Telephone	13,814	1,659	13,270	100	7,712	1,871	3,526	-
Travel	5,222	(1,208)	25,229	-	1,174	1,265	910	-
Training and education	782	731	5,308	-	33,797	1,716	-	-
Depreciation expense	-	-	-	-	-	-	-	-
Indirect costs	119,260	24,893	112,983	4,469	97,320	22,084	12,389	-
	<u>\$ 1,300,966</u>	<u>\$ 248,569</u>	<u>\$ 1,166,518</u>	<u>\$ 861,495</u>	<u>\$ 989,786</u>	<u>\$ 263,310</u>	<u>\$ 309,321</u>	<u>\$ 166,228</u>

See the accompanying notes to the financial statements.

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2025

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	<u>BSR</u>	<u>CAT</u>	<u>Other Programs</u>	<u>DSM Waiver</u>	<u>Direct Services</u>	<u>Total Program Services</u>	<u>Healthy Start Planning and Administrative</u>	<u>Total Program & Supporting</u>
Salaries	\$ 67,316	\$ 250,541	\$ 3,668	\$ 290,408	\$ -	\$ 2,325,467	\$ 164,894	\$ 2,490,361
Fringe benefits	19,769	50,474	2,120	88,386	-	620,317	60,475	680,792
Administrative services	1,291	2,036	1,334	19,784	-	69,141	382,511	451,652
Contractual services	5	156,408	295,498	4,022,500	1,378,631	7,536,600	61,022	7,597,622
Equipment rental/maint.	5,595	11,300	(2,856)	21,321	-	179,909	11,297	191,206
Incentives	-	1,350	8,881	449	-	20,759	-	20,759
Insurance	1,677	2,257	2,889	5,281	-	44,555	2,127	46,682
Meeting expense	-	95	35,820	176	-	37,461	-	37,461
Occupancy costs	6,602	28,530	3,497	57,853	-	537,629	34,392	572,021
Printing & reproduction	32	713	366	362	-	7,350	(75)	7,275
Office supplies	989	14,172	6,750	1,671	-	148,049	2,334	150,383
Dues and subscriptions	20	114	3,084	19,945	-	30,008	3,523	33,531
Other	915	4,629	27,392	883	-	161,595	1,587	163,182
Telephone	982	2,795	46	7,150	-	52,925	3,463	56,388
Travel	1,966	5,999	876	8,641	-	50,074	2,291	52,365
Training and education	-	-	1,824	1,000	-	45,158	54	45,212
Depreciation expense	-	-	-	-	-	-	17,823	17,823
Indirect costs	29,799	40,164	150,520	95,809	-	709,690	(709,690)	-
	<u>\$ 136,958</u>	<u>\$ 571,577</u>	<u>\$ 541,709</u>	<u>\$ 4,641,619</u>	<u>\$ 1,378,631</u>	<u>\$ 12,576,687</u>	<u>\$ 38,028</u>	<u>\$ 12,614,715</u>

See the accompanying notes to the financial statements.

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2024

	<u>Magnolia</u>	<u>Americorps</u>	<u>Fatherhood</u>	<u>NFP</u>	<u>FIMR/DOH</u>	<u>CAPTA</u>	<u>Kids Hope Alliance</u>	<u>Moran</u>
Salaries	\$ 427,337	\$ 225,998	\$ 403,259	\$ 18,561	\$ 312,222	\$ 163,951	\$ 7,600	\$ -
Fringe benefits	120,880	50,991	89,433	4,156	87,140	38,891	1,982	-
Administrative services	7,079	1,409	10,710	315	4,648	2,201	13	-
Contractual services	190,529	13,902	42,957	832,564	325,921	5,776	16,109	179,006
Equipment rental/maint.	41,096	7,812	50,555	2,521	50,841	9,685	137	-
Incentives	2,884	-	3,054	-	-	9,770	-	-
Insurance	8,678	1,491	7,747	353	5,565	2,271	27	-
Meeting expense	546	2,859	-	-	-	-	17,136	-
Occupancy costs	179,969	26,084	78,194	7,876	74,192	28,573	801	-
Printing & reproduction	2,275	250	4,271	-	2,972	301	66	-
Office supplies	58,730	911	58,583	633	17,858	1,788	-	-
Dues and subscriptions	2,579	64	316	16	8,076	96	5	-
Other	8,789	4,018	35,601	7,135	17,967	4,359	16	-
Telephone	16,089	3,182	6,759	866	9,293	3,509	2	-
Travel	4,167	1,477	28,100	8	1,388	2,989	-	-
Training and education	1,815	448	761	-	64,133	8,656	1,033	-
Depreciation expense	-	-	-	-	-	-	-	-
Indirect costs	90,159	34,090	78,123	5,830	1,971	26,554	2,718	-
	<u>\$ 1,163,601</u>	<u>\$ 374,986</u>	<u>\$ 898,423</u>	<u>\$ 880,834</u>	<u>\$ 984,187</u>	<u>\$ 309,370</u>	<u>\$ 47,645</u>	<u>\$ 179,006</u>

See the accompanying notes to the financial statements.

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2024

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	<u>BSR</u>	<u>CAT</u>	<u>Other Programs</u>	<u>DSM Waiver</u>	<u>Direct Services</u>	<u>Total Program Services</u>	<u>Healthy Start Planning and Administrative</u>	<u>Total Program & Supporting</u>
Salaries	\$ 120,131	\$ 201,799	\$ 58,744	\$ 324,833	\$ -	\$ 2,264,435	\$ 132,490	\$ 2,396,925
Fringe benefits	44,918	45,223	14,037	91,190	-	588,841	48,200	637,041
Administrative services	2,442	1,771	1,047	8,017	-	39,652	1,491	41,143
Contractual services	55,607	29,235	144,453	3,508,185	1,373,331	6,717,575	174,141	6,891,716
Equipment rental/maint.	8,943	40,608	7,972	35,716	-	255,886	24,601	280,487
Incentives	-	2,310	42,288	-	-	60,306	-	60,306
Insurance	2,822	1,855	3,633	6,248	-	40,690	1,585	42,275
Meeting expense	-	540	23,254	-	-	44,335	-	44,335
Occupancy costs	20	28,160	4,234	51,823	-	479,926	18,241	498,167
Printing & reproduction	-	407	5,090	65	-	15,697	869	16,566
Office supplies	222	3,289	5,930	2,441	-	150,385	6,618	157,003
Dues and subscriptions	96	88	4,525	12,160	-	28,021	2,368	30,389
Other	60	4,126	16,314	7,463	-	105,848	12,798	118,646
Telephone	1,681	3,066	932	7,646	-	53,025	5,537	58,562
Travel	4,160	8,257	(1,447)	13,492	-	62,591	222	62,813
Training and education	-	272	9,197	167	-	86,482	-	86,482
Depreciation expense	-	-	-	-	-	-	19,668	19,668
Indirect costs	23,692	37,209	21,267	77,385	-	398,998	(398,998)	-
	<u>\$ 264,794</u>	<u>\$ 408,215</u>	<u>\$ 361,470</u>	<u>\$ 4,146,831</u>	<u>\$ 1,373,331</u>	<u>\$ 11,392,693</u>	<u>\$ 49,831</u>	<u>\$ 11,442,524</u>

See the accompanying notes to the financial statements.

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Northeast Florida Healthy Start Coalition, Inc. (the Coalition), was created to provide procedures and policies for fulfilling the requirements of Chapter 383.216, Florida Statutes, Rule 10D-113, Florida Administrative Code, and subsequent laws setting forth requirements for community-based prenatal and infant health care coalitions. The Coalition is a private, non-profit 501(c)(3) corporation located in Jacksonville, Florida. It is exempt from income taxes according to the provisions of Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

The primary mission of the Coalition is to improve the health of mothers and babies in Baker, Clay, Duval, Nassau, and St. Johns counties. The Coalition is funded by the state of Florida to establish and maintain a community-based prenatal and infant health care coalition that is comprised of persons representing public, private sector, state and local governments, providers of community alliances and maternal and child health organizations. It is charged with identifying the needs of its service areas and devising and implementing a service plan to meet the identified needs pursuant to Florida Statutes.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor imposed restrictions based on accounting pronouncement ASU 2016-14. Accordingly, net assets of the Coalition and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets that are available for use in general operations and not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions- Net assets subject to donor-imposed stipulations. Some donor-imposed stipulations are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed stipulations are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed stipulations are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Generally, the donor of these assets permits the organizations to use all or part of the income earned on related investments for general or specific purposes. At June 30, 2025, net assets with donor restrictions was \$801,170. At 2024, net assets with donor restrictions was \$669,057.

Reclassification

Certain 2024 amounts have been reclassified to conform with the 2025 financial statement presentation.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with original maturities of three months or less to be cash equivalents. The carrying amount reported in the statements of financial positions for cash and cash equivalents approximates its fair value.

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables

The Coalition recognizes revenue and the related receivable from its grantors as contractual work is performed. There is no receivable valuation allowance required since amounts are considered fully collectible.

Furniture and Equipment

All purchased fixed assets are recorded at cost where historical records are available and at estimated cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. Generally, fixed assets costing more than \$5,000 and having a useful life of more than one year are capitalized and are depreciated using the straight line method. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives, are not capitalized.

Accounts Payable and Accrued Expenses

The carrying amount reported in the statement of financial position for the accounts payable and accrued expenses approximates its fair value.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Coalition is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and therefore has made no provision for federal income taxes in the accompanying financial statements. In addition, the Internal Revenue Service has determined the Coalition is not a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for June 30, 2025 or 2024.

As of June 30, 2025, the tax years that remain subject to examination by taxing authorities begin with 2022.

Revenue Recognition

Contributions that are restricted by the donor are reported as increases in net assets with restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization follows the provisions of FASB's ASC Topic 606, Revenue from Contracts with Customers. Revenue is recognized at a single point in time when ownership, risks, and rewards transfer.

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

NOTE 2 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization is partially supported by restricted contributions and grants. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. The Organization considers all expenditures related to its ongoing activities to support the mission to be general expenditures. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The following reflects the Organization's financial assets as of the statement of financial position date June 30, 2025. There were no contractual or donor-imposed restrictions within one year of the statement of financial position that would reduce amounts available for general use.

	<u>2025</u>
Financial assets at year end	
Cash	\$ 3,951,883
Grants receivable	<u>2,320,883</u>
Financial assets available to meet general expenditures within one year	<u>\$ 6,272,766</u>

NOTE 3 - GRANTS AND CONTRACTS RECEIVABLE

Accounts receivable from grants and contracts was composed of:

	<u>2025</u>	<u>2024</u>
Healthy Start MomCare Network, net of holdback	\$ 923,793	\$ 1,228,473
Department of Health & Human Services	345,195	245,836
Florida Association of Healthy Start Coalitions	240,307	367,289
Florida Department of Health	436,362	424,775
Florida Department of Children and Families	217,477	219,592
City of Jacksonville	135,307	-
Other	22,442	44,601
Total	<u>\$ 2,320,883</u>	<u>\$ 2,530,566</u>

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

NOTE 4 - FIXED ASSETS

Fixed assets consisted of:

	<u>2025</u>	<u>2024</u>
Computer equipment	\$ 47,045	\$ 47,045
Furniture	82,945	82,945
Leasehold improvements	54,668	54,668
Less accumulated depreciation	<u>(147,559)</u>	<u>(129,735)</u>
Property and equipment, net	<u>\$ 37,099</u>	<u>\$ 54,923</u>

Depreciation expense was \$17,823 and \$19,668 for the years ended June 30, 2025 and 2024, respectively.

NOTE 5 - NET ASSETS

Net assets with donor restrictions are held to support the following programs:

	<u>2025</u>	<u>2024</u>
United Healthcare Catalyst Model	215,630	176,334
Fatherhood - Moran	159,489	154,882
Donations	95,857	141,278
Baptist Social Responsibility	284,996	121,954
Doula	-	26,466
Florida Blue FIMR	10,205	15,268
Humana Magnolia	13,577	24,124
ECCS Connect	9,250	-
Other Various Programs	12,166	8,751
	<u>\$ 801,170</u>	<u>\$ 669,057</u>

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

NOTE 6 - LEASES

In February 2016, the FASB established Topic 842, Leases, by issuing Accounting Standards Update (ASU) No. 2016-02, which requires lessees to recognize leases on-balance sheet and disclose key information about leasing arrangements. The new standard establishes a right-of-use model (ROU) that requires a lessee to recognize a ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months. Leases will be classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the income statement.

The Organization has operating leases, primarily for building space, which have an initial non-cancelable lease term in excess of one year. These leases have remaining terms ranging from approximately one to five years and may include options to renew. Renewal options are included in the lease term when it is reasonably certain that the option will be exercised.

An additional amount of \$7,943 was included in operating lease expense at June 30, 2025 in relation to the amortization of lease liabilities.

The following summarizes the line items in the statements of financial position which include amounts for operating leases as of June 30, 2025:

	<u>2025</u>
Non-current assets:	
Right-of-use-asset	\$ 402,492
Current liabilities:	
Lease Liability	\$ 187,760
Long Term Liabilities:	
Lease Liability	225,408
Total Lease Liabilities	<u>\$ 413,168</u>
Other Information:	
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	\$ 244,242
ROU assets obtained in exchange for new operating lease liabilities	\$ 121,270

The following summarizes the weighted average remaining lease term and discount rate as of June 30, 2025:

Weighted Average Remaining Lease Term (in years):	2.31
Weighted Average Discount Rate:	2.98%

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2025 and 2024

NOTE 6 - LEASES (CONTINUED)

The maturities of lease liabilities are as follows as of June 30, 2025 are as follows:

<u>Fiscal Year Ended</u>	
2026	\$ 196,886
2027	162,133
2028	52,040
2029	<u>16,918</u>
Total lease payments	427,977
Less: present value discount	<u>(14,809)</u>
Present Value of Lease Liabilities	<u><u>\$ 413,168</u></u>

NOTE 7 - CONCENTRATION OF REVENUE SOURCE

The Coalition receives substantial support under contracts with the Florida Department of Health. These contracts are renegotiated at the end of each contract term. During the fiscal years ended June 30, 2025 and 2024, support recognized under these arrangements amounted to \$2,550,068 and \$2,541,712, respectively. At June 30, 2025 and 2024, \$436,362 and \$424,775 was due from the State related to these contracts, respectively.

The Coalition receives substantial support under contracts with the Florida Association of Healthy Start Coalitions, Inc. These contracts are renegotiated at the end of each contract term. During the fiscal years ended June 30, 2025 and 2024, support recognized under these arrangements amounted to \$1,134,051 and \$1,223,874, respectively. At June 30, 2025 and 2024, \$240,307 and \$367,289 was due from the State related to these contracts, respectively.

The Coalition also receives substantial support under contracts with Healthy Start MomCare Network, Inc. During the fiscal years ended June 30, 2025 and 2024, support recognized under these arrangements amounted to \$5,032,433 and \$4,251,676, respectively. At June 30, 2025 and 2024, \$923,793 and \$1,228,473 was due from the Network related to these contracts, respectively (not including holdback).

The Coalition's contract with Healthy Start MomCare Network, Inc. allows for a 3% holdback, for five years, of amounts earned under the contract for potential Medicaid chargebacks. The Coalition carries the amount management expects to collect on balances outstanding as noncurrent assets under "HSMN Medicaid Holdback". At June 30, 2025 and 2024, the holdback was \$532,361 and \$508,838, respectively.

NOTE 8 - CONCENTRATION OF CREDIT RISK

The Coalition occasionally maintains deposits in excess of federally insured limits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of June 30, 2025 and 2024, deposits exceeded federally insured limits by \$967,883 and \$466,001 respectively. However, the Coalition has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on its cash balances.

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

NOTE 9 - FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. All are allocated based on the number of full time equivalent employees in the program. Occupancy costs are specifically allocated by full time equivalent employees in the specific location.

NOTE 10 - EMPLOYEE RETIREMENT PLAN

Substantially all permanent, full-time employees of the Coalition are eligible to participate in a retirement plan administered by Principal. The Coalition contributes 6% of participating employees' gross salary into their retirement fund each pay period. The retirement plan expense for the fiscal years ended June 30, 2025 and 2024 was \$115,070 and \$102,824, respectively.

NOTE 11 - CONTINGENCIES

Several contracts are structured on a cost-reimbursement basis subject to final approval by the grantor. Revenues recognized on such contracts may be reduced by the amount of any disallowed costs.

NOTE 12 - REVENUE RECOGNITION

Management has analyzed the provisions of the FASB's ASC Topic 606, *Revenue from Contracts with Customers*, and have concluded that no changes are necessary to conform with the new standard. Revenue is recognized at a single point in time when ownership, risks, and rewards transfer.

The Organization recognizes revenue when the performance obligations of providing the services are met.

The Organization recognizes contributions without conditions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Contracts which fall under the provisions of ASC Topic 606 are as follows:

	<u>2025</u>		<u>2024</u>
Contract revenue	\$5,032,433	\$	4,251,676
Contract receivables	\$1,456,454	\$	1,737,311

NOTE 14 - MANAGEMENT'S REVIEW

Subsequent events were evaluated through March 26, 2026, which is the date the financial statements were available to be issued.

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL
ASSISTANCE
For the Year Ended June 30, 2025

<u>Pass-Through Entity</u> Federal/State Agency	Assistance Listing Number	Contract Number	Expenditures	Transfer to Subrecipients
FEDERAL AWARDS				
<u>Direct Programs</u>				
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Federal Healthy Start Initiative	93.926	3H49MC0051	\$ 1,304,828	\$ -
Federal Healthy Start Initiative	93.926	6U1VMC46320	<u>571,577</u>	<u>-</u>
Total Department of Health and Human Services			<u>1,876,405</u>	<u>-</u>
<u>Indirect Programs</u>				
Passed through State of Florida Department of Health				
Maternal and Child Health Services	93.994	COSHW	<u>298,527</u>	<u>160,949</u>
Passed through Florida Association of Healthy Start Coalitions, Inc.				
Maternal, Infant, and Early Childhood Home Visiting Program	93.870	1MIECHV-2324NEF	202,912	198,791 *
Maternal, Infant, and Early Childhood Home Visiting Program	93.870	1MIECHV-2425NEF	658,582	638,121 *
Child Abuse and Neglect Grants	93.669	1DCCP-1922NEF	263,307	- *
Early Childhood Comprehensive Systems Program	93.110	1ECCS-2425CONNEC TNEF	<u>9,250</u>	<u>-</u> *
Total Passed Through Florida Association of Healthy Start Coalitions, Inc.			<u>1,134,051</u>	<u>836,912</u>
Passed through Healthy Start MomCare Network, Inc.				
Medical Assistance Program	93.778	GFA089	<u>2,887,107</u>	<u>2,294,088</u> *
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 6,196,090</u>	<u>\$ 3,291,949</u>

See accompanying note.

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2025

STATE FINANCIAL ASSISTANCE PROJECTS

Florida Department of Health

Maternal and Child Health Services	64.160	COSHW	\$ 290,975	\$ -
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Florida Department of Children and Families

Prenatal and Postpartum Care	60.245	LJ232	811,874	- *
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TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE

	<u>\$ 1,102,849</u>	<u>\$ -</u>
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TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

	<u>\$ 7,298,939</u>	<u>\$ 3,291,949</u>
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* Audited as major program

See accompanying note.

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE

For the Year Ended June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The schedule of expenditures of federal awards and state financial assistance includes the federal and state award activity of the Organization under programs of the federal government 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 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 Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting.

Matching Requirements

Match requirements were met with cash donations from individuals, grants other than state and federal awards, and with volunteer hours.

Indirect Cost Rate

The Organization has not formally elected to use the de minimis indirect cost rate under the Uniform Guidance. However, they do use the indirect cost rate in practice.

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
Northeast Florida Healthy Start Coalition, 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 Northeast Florida Healthy Start Coalition, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 26, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Northeast Florida Healthy Start Coalition, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Northeast Florida Healthy Start Coalition, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

To the Board of Directors
Northeast Florida Healthy Start Coalition, Inc.
Page Two

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Northeast Florida Healthy Start Coalition, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Magery & Associates, LLC
Orange Park, Florida
March 26, 2026

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE PROJECTS REQUIRED BY THE UNIFORM GUIDANCE AND 10.650, RULES OF THE AUDITOR GENERAL

To the Board of Directors of
Northeast Florida Healthy Start Coalition, Inc.

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Northeast Florida Healthy Start Coalition, Inc.'s 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 each of Northeast Florida Healthy Start Coalition, Inc.'s major federal programs and state projects for the year ended June 30, 2025. Northeast Florida Healthy Start Coalition, Inc.'s major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, Rules of the Auditor General (Chapter 10.650). Our responsibilities under those standards and the Uniform Guidance and Chapter 10.650 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Northeast Florida Healthy Start Coalition, Inc. 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 Northeast Florida Healthy Start Coalition, Inc.'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 Northeast Florida Healthy Start Coalition, Inc.'s federal programs and state projects.

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 Northeast Florida Healthy Start Coalition, Inc.'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 Northeast Florida Healthy Start Coalition, Inc.'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 Northeast Florida Healthy Start Coalition, Inc.'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 Northeast Florida Healthy Start Coalition, Inc.'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 Northeast Florida Healthy Start Coalition, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

To the Board of Directors of
Northeast Florida Healthy Start Coalition, Inc.
Page Three

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 will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

To the Board of Directors of
Northeast Florida Healthy Start Coalition, Inc.

Page Four

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

We have audited the financial statements of Northeast Florida Healthy Start Coalition, Inc. as of and for the year ended June 30, 2025, and have issued our report thereon dated March 26, 2026, 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 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.

Magery & Associates, LLC

Orange Park, FL

March 26, 2026

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2025

Section I - SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of auditors' report issued on whether the financials statements were prepared in accordance to GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency identified?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards and State Projects:

Internal control over major programs:	
Material weakness identified?	No
Significant deficiency identified?	None Reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CRF 200.516(a) or Chapter 10.656, Rules of the Auditor General?	No

Identification of major programs and projects:

Federal Program	Assistance Listing No.
Department of Health and Human Services Maternal, Infant, and Early Childhood Home Visiting Grant Program	93.870
Healthy Start MomCare Network, Inc. Medical Assistance Program	93.778
Federal Programs Type A and Type B Dollar Threshold:	\$750,000
Auditee qualified as low-risk auditee?	Yes

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2025

State Project	CSFA No.
Department of Children and Families Maternal, Infant, and Early Childhood Home Visiting Grant Program	60.245
State Projects Type A and Type B Dollar Threshold:	\$750,000
SECTION II - FINANCIAL STATEMENT FINDINGS	None
SECTION III - FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS	None

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
SUPPLEMENTARY INFORMATION
SCHEDULE OF RECEIPTS AND EXPENDITURES OF
CITY OF JACKSONVILLE GRANT FUNDS - BUDGET AND ACTUAL
Opioid Settlement Proceeds Grant (OSPG)
For Audit Period 7/1/2024-6/30/2025

	City of Jacksonville OSPG Grant Budget	7/1/2024- 6/30/2025	7/1/2025- 9/30/2025	Variance
Revenues				
City of Jacksonville OSPG Grant Award	\$ 390,820.68	\$ 145,498.75	\$ 70,479.83	\$ 174,842.10
Total Revenues	<u>390,820.68</u>	<u>145,498.75</u>	<u>70,479.83</u>	<u>174,842.10</u>
Expenses				
Salaries & Wages	223,200.00	77,799.32	50,509.18	94,891.50
Fringe Benefits	77,790.48	24,054.84	12,144.41	41,591.23
Employee Screening	620.00	157.12	-	462.88
Software	12,000.00	11,743.14	-	256.86
Furniture & Equipment	7,580.00	5,644.68	18.76	1,916.56
Equipment Rental	2,232.00	1,304.42	-	927.58
IT System Fees	17,670.00	6,203.47	2,475.44	8,991.09
Insurance	4,730.00	1,340.73	520.98	2,868.29
Printing	3,750.00	28.39	50.69	3,670.92
Office Rent	10,800.00	5,897.06	1,645.06	3,257.88
Utilities	3,000.00	3,000.00	-	-
Office Supplies	2,750.00	606.21	345.18	1,798.61
Local Travel	12,375.00	1,226.14	274.99	10,873.87
Telephone	3,763.20	1,775.92	705.08	1,282.20
Other Occupancy	8,560.00	4,717.03	1,790.34	2,052.63
Total Expenses	<u>\$ 390,820.68</u>	<u>\$ 145,498.47</u>	<u>\$ 70,480.11</u>	<u>\$ 174,842.10</u>

NORTHEAST FLORIDA HEALTHY START COALITION, INC.
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF RECEIPTS AND EXPENDITURES OF
 CITY OF JACKSONVILLE GRANT FUNDS - BUDGET AND ACTUAL
 Infant Mortality Community Health Workers Grant (IMC)/ Contract # 71308-24
 For Audit Period 7/1/2024-6/30/2025

	City of Jacksonville IMC Grant Budget	7/1/2024- 6/30/2025	Variance
Revenues			
City of Jacksonville IMC Grant Award	\$ 250,000.00	\$ 147,006.64	\$ 102,993.36
Total Revenues			
Expenses			
Salaries & Wages	105,000.00	63,601.36	41,398.64
Fringe Benefits	39,481.00	15,058.12	24,422.88
Occupancy Cost	21,000.00	19,167.57	1,832.43
Telephone	1,800.00	1,116.80	683.20
Laptops	6,600.00	7,496.51	(896.51)
Employee Screening	360.00	357.60	2.40
Payroll Service Fee	612.00	506.59	105.41
IT System Fees	5,400.00	5,443.80	(43.80)
Cell Phones	1,080.00	642.52	437.48
Office Supplies	750.00	1,002.54	(252.54)
Insurance	2,100.00	1,327.75	772.25
Local Travel	6,750.00	-	6,750.00
Printing Collateral Client Materials	2,340.00	244.25	2,095.75
Participant Assistance	4,000.00	424.00	3,576.00
Training Classes & Certification	6,000.00	-	6,000.00
HR and Accounting	24,000.00	17,246.44	6,753.56
Indirect Expenses	22,727.00	13,370.78	9,356.22
Total Expenses	\$ 250,000.00	\$ 147,006.63	\$ 102,993.37