

**PARTNERSHIP FOR STRONG
FAMILIES, INC.**

FINANCIAL STATEMENTS

June 30, 2025

TABLE OF CONTENTS

Independent Auditor's Report	1-2
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7-12
Supplemental Information	
Schedule of Expenditures of Federal Awards and State Financial Assistance	13
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance	14-15
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	16-17
Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.650, <i>Rules of the Auditor General</i>	18-19
Schedule of Findings and Questioned Costs	20-21



INDEPENDENT AUDITOR'S REPORT

Partners

W. Ed Moss, Jr.
Joe M. Krusick
Ric Perez
Cori G. Novinich
Renee C. Varga
Rich J. Cassidy
Justin R. Cabral

Winter Park, FL 32789
501 S. New York Ave.
Phone: 407-644-5811
www.mosskrusick.com

Clearwater, FL 33761
29605 US Hwy 19 North
Phone: 727-785-7460

St. Petersburg, FL 33710
5401 Central Avenue
Phone: 727-327-1999

N. Palm Beach, FL 33408
1201 US Highway One
Phone: 561-848-9300

Miami Lakes, FL 33016
7900 NW 155th Street
Phone: 305-445-7956

Miramar, FL 33025
11450 Interchange Circle
Phone: 954-435-4222

To the Board of Directors of
Partnership for Strong Families, Inc.
Gainesville, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Partnership for Strong Families, Inc. (the "Organization") (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.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Partnership for Strong Families, Inc. 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 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 Partnership for Strong Families, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 Partnership for Strong Families, 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 Partnership for Strong Families, 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 State of Florida Chapter 10.650, *Rules of the Auditor General*, 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2026, on our consideration of Partnership for Strong Families, Inc.'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 Partnership for Strong Families, Inc.'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 Partnership for Strong Families, Inc.'s internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited Partnership for Strong Families, Inc.'s 2024 financial statements, and expressed an unmodified audit opinion on those audited financial statements in our report dated December 20, 2024. 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.

Moss, Krusick & Associates, LLC

Winter Park, Florida
February 24, 2026

PARTNERSHIP FOR STRONG FAMILIES, INC.

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2025 AND 2024

	2025	2024
ASSETS		
Current Asset		
Cash and Cash Equivalents	\$ 5,966,496	\$ 5,426,030
Grants Receivable	790,536	147,206
Accounts Receivable, Net of Allowance for Credit Losses of \$14,500 for 2025 and 2024	668,427	589,399
Due from Related Entities	-	5,797
Prepaid Expenses and Other Assets	239,416	199,234
Total Current Assets	7,664,875	6,367,666
Property and Equipment, Net	835,634	877,492
Non-Current Assets		
Restricted Cash - Client Trust Funds	283,450	198,468
Deposits	48,065	7,500
Other Assets	-	50,000
Operating Lease Right-of-Use Asset	3,259,469	1,897,545
Total Non-Current Assets	3,590,984	2,153,513
Total Assets	\$ 12,091,493	\$ 9,398,671
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	\$ 4,573,934	\$ 3,843,873
Accrued Payroll and Related Expenses	782,169	693,124
Refundable Advance	189,679	320,712
Short-Term Lease Liability	696,586	763,020
Total Current Liabilities	6,242,368	5,620,729
Long-Term Liabilities		
Client Trust Funds	283,450	198,468
Operating Lease Liabilities	2,590,247	1,155,321
Total Long-Term Liabilities	2,873,697	1,353,789
Total Liabilities	9,116,065	6,974,518
Net Assets		
Without Donor Restrictions:		
Net Investment in Property and Equipment	835,634	877,492
Undesignated	2,139,794	1,546,661
Total Net Assets	2,975,428	2,424,153
Total Liabilities and Net Assets	\$ 12,091,493	\$ 9,398,671

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

PARTNERSHIP FOR STRONG FAMILIES, INC.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2025

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024

	2025	2024
Revenue and Support		
Government Grant - DCF	\$ 53,042,310	\$ 52,227,704
Contract Revenue	1,533,941	1,129,919
Contributions (Non-Financial Assets and Cash)	1,247,309	983,707
Contributions - SMS	30,864	1,307,574
Interest and Other Revenues	63,245	9,958
Total Revenue and Support	55,917,669	55,658,862
Functional Expenses		
Program Services:		
Adoptions	17,874,997	16,835,509
Case Management	15,718,704	17,277,100
Family Preservation	1,264,642	917,610
Independent Living	1,038,350	838,560
Out-of-Home Care	13,468,886	12,904,376
Prevention	1,148,349	1,346,023
Other	2,043,782	1,906,684
Support Services:		
Administrative Services	2,808,684	2,356,582
Total Functional Expenses	55,366,394	54,382,444
Increase in Net Assets Without Donor Restriction	551,275	1,276,418
Net Assets at Beginning of Year	2,424,153	1,147,735
Net Assets at End of Year	\$ 2,975,428	\$ 2,424,153

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

PARTNERSHIP FOR STRONG FAMILIES, INC.

STATEMENT OF FUNCTIONAL EXPENSES

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

	PROGRAM SERVICES						SUPPORT SERVICES	2025 Totals	2024 Totals	
	Adoptions	Case Management	Family Preservation	Independent Living	Out of Home Care	Prevention	Other			Administrative Services
Expenses										
Adoptions	\$15,786,594	\$ 7,558	\$ -	\$ -	\$ -	\$ -	\$ 4,087	\$ 6,031	\$ 15,804,270	\$14,969,842
Out-of-Home Care - Room and Board	-	678,484	-	-	12,824,633	-	-	-	13,503,117	12,939,490
Salaries and Benefits	1,568,272	5,036,017	-	267,256	-	626,438	1,692,715	1,877,552	11,068,250	9,633,069
Case Management	-	8,323,497	-	74,988	-	-	-	-	8,398,485	9,026,473
Purchased Services	227,616	8,382	917,610	-	369,959	362,334	63,947	113,886	2,063,734	2,478,485
Occupancy	70,378	763,047	-	1,667	-	38,449	71,372	63,537	1,008,450	799,310
Support	44,304	490,801	-	7,388	65	60,432	168,680	82,750	854,420	1,949,807
Independent Living	-	-	-	676,247	-	-	-	-	676,247	521,407
Non-Financial Expense	131,796	-	347,032	-	62,861	45,006	-	30,766	617,461	747,743
Telecommunication/ Information Technology	138	247,099	-	1	-	2,716	14,114	147,089	411,157	441,831
Insurance	11,889	39,749	-	1,651	-	9,093	8,131	304,962	375,475	293,086
Out-of-Home Care - Support	1,250	76,059	-	-	208,864	144	12,774	37,012	336,103	353,063
Depreciation	-	-	-	-	-	-	-	116,344	116,344	80,336
Travel, Meals, and Lodging	31,117	33,342	-	9,012	2,504	3,599	7,104	13,134	99,812	122,330
Employee Support	1,643	14,669	-	140	-	138	858	15,621	33,069	26,172
Total Expenses	<u>\$17,874,997</u>	<u>\$ 15,718,704</u>	<u>\$ 1,264,642</u>	<u>\$ 1,038,350</u>	<u>\$13,468,886</u>	<u>\$1,148,349</u>	<u>\$2,043,782</u>	<u>\$ 2,808,684</u>	<u>\$ 55,366,394</u>	<u>\$54,382,444</u>

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

PARTNERSHIP FOR STRONG FAMILIES, INC.

STATEMENTS OF CASH FLOWS

YEAR ENDED JUNE 30, 2025 AND 2024

	2025	2024
Cash Flows from Operating Activities		
Cash Receipts from Grants	\$ 52,120,741	\$ 56,271,281
Cash Receipts from Contracts	1,681,147	1,219,665
Cash Receipts from Contributions	581,684	1,877,409
Other Cash Receipts	63,245	9,958
Cash Receipts from Restricted Client Trust Funds	84,982	20,553
Cash Paid to Employees	(10,979,205)	(9,574,635)
Cash Paid for Program Services and Other Operative Costs	(42,902,660)	(45,438,061)
Net Cash Provided By Operating Activities	649,934	4,386,170
Cash Flows from Investing Activities		
Purchases of Property and Equipment	(74,486)	(661,756)
Proceeds from Sale of Investment	50,000	57,869
Net Cash Used in Investing Activities	(24,486)	(603,887)
Net Increase in Cash, Cash Equivalents, and Restricted Cash	625,448	3,782,283
Cash, Cash Equivalents and Restricted Cash, Beginning of Year (See Note 1)	5,624,498	1,842,215
Cash, Cash Equivalents and Restricted Cash, End of Year (See Note 1)	\$ 6,249,946	\$ 5,624,498
Supplemental Information		
Taxes Paid	\$ 4,360	\$ -
Significant Non-Cash Transactions - Operating Lease		
Operating lease right-of-use asset	\$ 2,293,995	\$ 316,651
Operating lease liability	\$ 2,293,995	\$ 316,651

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

PARTNERSHIP FOR STRONG FAMILIES, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Note 1 - Summary of Significant Accounting Policies

General

Partnership for Strong Families, Inc. (the Organization) has entered into a contract with the State of Florida, Department of Children and Families (DCF) to administer, integrate, coordinate, and assure the delivery of child protection services, emergency shelter, in-home protective services, relative care placements, foster care, intensive residential treatments, independent living, family reunification, and family prevention, adoption, and appropriate related services. Support for these services is provided primarily by DCF. The Organization provides services in Alachua, Baker, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Levy, Madison, Suwannee, Taylor, and Union Counties.

Basis of Financial Reporting

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

■ **Net Assets Without Donor Restriction**

Net assets that are not subject to donor-imposed stipulations. Any restricted net assets that are received and expensed in the same fiscal year are classified as net assets without donor restrictions.

■ **Net Assets With Donor Restrictions**

Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time. The Organization has no net assets with donor restrictions.

Cash and Cash Equivalents

The Organization considers all deposits and highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. For purposes of the statements of cash flows, the Organization considers all deposit accounts, except client trust funds, to be cash and cash equivalents.

Revenues

The Organization follows the FASB issued *Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (ASC 606)*, which outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied.

Revenues are recognized when earned. Revenues consist of fees charged for adoption agency application, accreditation, reaccreditation, monitoring, and oversight fees. Fees charged for accreditation and approval are deferred and recognized over the time of the approval process, which is generally twelve months.

Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions:

Financial Assets	\$ 7,425,459
Financial Assets Available to Meet Cash Needs for General Expenditure Within One Year	<u>\$ 7,425,459</u>

PARTNERSHIP FOR STRONG FAMILIES, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Note 1 - Summary of Significant Accounting Policies (continued)

Liquidity and Availability of Financial Assets (continued)

The Organization has an available line of credit to meet short-term operating needs if required (see Note 4). The Organization's financial assets consist of Cash and Cash Equivalents and Grants and Accounts Receivable. Client Trust Funds are restricted and not available for general expenditures.

Income Tax

The Organization is a non-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income from unrelated business activities.

The Organization files income tax returns in the U.S. federal jurisdiction. The Organization is no longer subject to U.S. federal or state income tax examinations by tax authorities for years before 2022. The Organization has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for uncertainty in income taxes and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the Organization.

Use of Estimates

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

Grants Receivable

Grants receivable are stated at net realizable value. In determining whether or not to record an allowance for doubtful accounts, management makes a judgmental determination based on an evaluation of the facts and circumstances related to each account based on aging and historical trends. The Organization considers all grants receivable to be fully collectable, accordingly, no allowance for doubtful accounts is required.

Accounts Receivable

Accounts receivable include amounts due from individuals for reimbursement of overpayments to foster or adoptive parents. Management reviews the accounts receivable on a monthly basis for uncollectible amounts. At June 30, 2025, the allowance for credit losses totaled \$14,500, based on management's evaluation of outstanding receivables and historical collection experience.

Restricted Cash – Client Trust Funds

Cash restricted and set aside on behalf of clients is not available for operating purposes.

Property and Equipment

Property and equipment is recorded at cost. The Organization's capitalization threshold is \$1,000. Depreciation is calculated by the straight-line method over estimated useful lives of three to fifteen years. Contributed assets are recorded at their estimated fair value at the date of contribution. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Equipment repairs and maintenance are expensed as incurred. Property and equipment purchased with government grants will revert back to the grantor if the Organization ceases to exist. In addition, proceeds from the sale of such assets are to be returned to or expended upon approval by grantor.

Allocation of Supporting Services Expenses

The Organization's policy is to allocate the part of the supporting services expenses associated with programs to the individual programs, based on each program's direct program cost to total program costs.

PARTNERSHIP FOR STRONG FAMILIES, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Note 1 - Summary of Significant Accounting Policies (continued)

Contributions

The Organization follows FASB ASU No. 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (ASC 958-605), which clarifies how transactions should be accounted for as contributions (nonreciprocal transactions) or exchange transactions and whether a contribution is conditional.

Contributions, including unconditional promises to give, are recorded as made. All contributions are reported as an increase in net assets without donor restrictions unless specifically restricted by the donor. All donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction is satisfied or expires, the net assets are released to net assets without donor restriction.

Non-Financial Asset Contributions

Contributed services that qualify as specialized services and donated items are recorded at their estimated fair value at the date of receipt. Donated materials and services are presented in the accompanying statement of activity as contributions of non-financial assets and non-financial expenses.

Professional contributed services are recognized at fair value, except for the work of volunteers for which no monetary value has been assigned. The Organization recognized the following in contributions:

Professional Services (non-financial contributions)	\$ 617,461
Cash	629,848
Total Contributions	<u>\$ 1,247,309</u>

Leases

The Organization determines if an arrangement is or includes a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. Under ASU 2016-02, *Leases* (ASC 842), a contract is or contains a lease when: (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the customer obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Organization also considers whether its service arrangements include the right to control the use of an asset.

Practical expedients and policy elections are available under the guidance, which was effective at adoption. The Organization elected the package of practical expedients permitted under the transition guidance which did not require reassessment of whether contracts entered into prior to adoption are or contain a lease, and allowed carry forward of the historical lease classification for existing leases.

The Organization has elected to apply the short-term lease exception to all leases with a term of one year or less. For all other leases, the Organization recognizes right-of-use (ROU) asset and lease liabilities based on the present value of lease payments over the lease term at the commencement date of the lease (or January 1, 2022 for existing leases upon the adoption of ASC 842). The Organization has also elected to use the risk-free discount rate for its leases. The risk-free discount rates were obtained using U.S. Treasury securities as posted on the Federal Reserve website.

The Organization made an accounting policy election to account for each separate lease component and the non-lease components associated with that lease component as a single lease component. Non-lease components that are variable in nature are recorded in variable lease expense in the period incurred.

PARTNERSHIP FOR STRONG FAMILIES, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Note 1 - Summary of Significant Accounting Policies (continued)

Prior Period Information

The financial statements include certain prior year summarized comparative information in total but not by function. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

Refundable Advances

Refundable advances consist of grants received that contain a right of return. In the year ended June 30, 2025, there were refundable advances of \$189,679.

Statement of Cash Flows

Ending cash and cash equivalents, and restricted cash in the statement of cash flows totaling \$6,249,946 includes cash and cash equivalents of \$5,966,496 and restricted cash of \$283,450. Beginning cash and cash equivalents, and restricted cash in the statement of cash flows totaling \$5,624,498 includes cash and cash equivalents of \$5,426,030 and restricted cash of \$198,468.

Implemented ASU

The FASB issued the following ASU and was adopted by the Organization, effective July 1, 2023. The implementation did not significantly impact the Organization's financial statements:

- **ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326)*** - Effective July 1, 2023, the Organization adopted FASB ASU 2016-13, *Financial Instruments - Credit Losses (ASC 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Organization adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Organization's financial statements

Note 2 - Property and Equipment

Property and equipment at June 30, 2025, consists of the following:

Automobiles	\$	596,841
Land		72,510
Buildings		551,503
Leasehold Improvements		132,729
Office Furniture and Equipment		1,622,988
(Accumulated Depreciation)		<u>(2,140,937)</u>
Total Property and Equipment		<u><u>\$ 835,634</u></u>

Depreciation expense was \$116,344 for the year ended June 30, 2025.

Note 3 - Concentrations

Economic Dependency

The Organization receives a substantial portion of its support from the State of Florida. A significant reduction in the level of this support, if this were to occur, may have an effect on the Organization's programs and activities.

PARTNERSHIP FOR STRONG FAMILIES, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Note 3 – Concentrations (continued)

Cash and Cash Equivalents

The Organization follows the cash management practice of sweeping all excess cash at the end of the day into overnight repurchase agreements. These agreements are uninsured but are collateralized by U.S. Government Agency securities that are held in the bank's name.

Note 4 - Line of Credit

The Organization maintains a \$3,300,000 unsecured line of credit with Ameris Bank. The line of credit has a variable interest rate based on "Prime Rate" defined as a fluctuating rate of interest equal to the highest annual rate of interest, which is published from time to time in the "Money Rates" section of the Wall Street Journal. The line of credit matures on September 10, 2026. The Organization has no amounts outstanding as of June 30, 2025.

Note 5 - Retirement Plan

The Organization provides a 401(k) retirement program for all eligible employees. The plan is funded by both employee deferrals and an employer matching contribution. The employer matching contribution for the year ended June 30, 2025, was \$264,828.

Note 6 - Operating Leases

The Organization leases certain office space under agreements classified as operating leases which were required to be included on the statement of financial position under ASC 842.

As of June 30, 2025, the operating lease right of use (ROU) asset had a balance of \$3,259,469, as shown in noncurrent assets on the statement of financial position; the operating lease liability is included in current liabilities (\$696,586) and long-term liabilities (\$2,590,247). The operating lease asset and liability were calculated utilizing the weighted average discount rate (5.44%), as determined by the Internal Revenue Service. The weighted average remaining term of the operating leases is 7 years.

As of June 30, 2025, there were two leases that were not included in the ROU asset and operating lease liability as their inclusion did not have a material impact on the financial statements. The future payments for these leases are \$1,248, and are not included in the calculation of future minimum lease payments below. There are also variable costs related to the leases for common area maintenance (CAM), which were not included in the calculation of net present value of future payments.

PARTNERSHIP FOR STRONG FAMILIES, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Note 6 - Operating Leases (continued)

Additional information about the Organization's leases are as follows:

Lease Costs:

Operating lease cost	<u>\$1,032,656</u>
Total lease cost	<u>\$1,032,656</u>

Other Information:

Cash paid for amounts included in measuring operating lease liability:

Operating cash flows from operating lease	<u>\$1,026,088</u>
Total cash paid for amounts included in measuring operating lease liability	<u>\$1,026,088</u>

Future minimum lease payments at year end are as follows:

Year ending June 30:

2026	\$ 854,418
2027	599,449
2028	469,211
2029	387,880
2030	306,038
Thereafter	<u>1,372,372</u>
Total lease payments	3,989,368
Less: interest	<u>(702,535)</u>
Present value of lease liability	<u>\$3,286,833</u>

Note 7 - Litigation

At times, the Organization has been a defendant in various lawsuits. The Organization vigorously defends itself and the amount of any material liability would be covered by general liability insurance.

Note 8 - Related Entities

During the fiscal year, the Organization made payments of approximately \$1,133,480 to a company that provides counseling services to clients of the Organization. The company is owned by the spouse of a key employee of the Organization, who refrains from all decision-making responsibilities regarding these services.

Note 9 - Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through February 24, 2026, the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

PARTNERSHIP FOR STRONG FAMILIES, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

YEAR ENDED JUNE 30, 2025

Federal/State Grantor, Pass-Through Grantor, Program, Project, or Cluster Title	ALN/ CSFA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Expenditures
Federal Awards				
U.S. Department of Health and Human Services				
Direct Award:				
Child Abuse and Neglect Discretionary Activities	93.670	N/A	\$ -	\$ 185,798
Passed Through State of Florida, Department of Children and Families:				
Marylee Allen Promoting Safe and Stable Families	93.556	CJ152	42,351	1,132,835
Social Services Block Grant	93.667	CJ152	173,004	1,544,496
Temporary Assistance for Needy Families	93.558	CJ152	1,891,863	3,545,434
Foster Care Title IV-E	93.658	CJ152	1,217,510	4,797,945
Stephanie Tubbs Jones Child Welfare Services Program	93.645	CJ152	242,490	444,521
Adoption Assistance	93.659	CJ152	166,885	9,449,422
Medical Assistance Program	93.778	CJ152	10,911	318,671
John H Chafee Care Program for Successful Transition to Adulthood	93.674	CJ152	58,150	186,223
Chafee Education and Training Vouchers Program	93.599	CJ152	-	24,197
Grants to States for Access and Visitation Programs	93.597	CJ152	-	31,164
Child Abuse and Neglect State Grants	93.669	CJ152	-	7,329
Guardian Assistance	93.090	CJ152	-	598,055
Adoption Incentive Payments	93.603	CJ152	-	19,125
Community Based Family Resource and Support Grants	93.590	CJ152	-	272,727
Total U.S Department of Health and Human Services			<u>3,803,164</u>	<u>22,372,144</u>
Total Expenditures of Federal Awards			<u>3,803,164</u>	<u>22,557,942</u>
State Financial Assistance				
State of Florida, Department of Children and Families:				
Out-of-Home Supports	60.074	CJ152	318,966	6,261,508
CBC - Adoption Services	60.076	CJ152	-	230,901
CBC - Purchase for Therapeutic Services for Children	60.183	CJ152	-	408,559
Extended Foster Care Program	60.141	CJ152	-	315,155
The Independent Living and Road-to-Independence	60.112	CJ152	-	4,732
CBC - Sexually Exploited Children	60.138	CJ152	-	24,844
Guardianship Assistance Program	60.210	CJ152	-	244,614
Fatherhood Engagement Specialist	60.211	CJ152	73,199	197,900
Early Childhood Court Case Management & Prevention	60.225	CJ152	79,228	87,170
State Funded Child Care Subsidy	60.244	CJ152	-	640,184
Kinship Navigator Program	60.207	CJ152	-	227,791
Total Expenditures of State Financial Assistance			<u>471,393</u>	<u>8,643,358</u>
Total Expenditures of Federal Awards and State Financial Assistance			<u>\$ 4,274,557</u>	<u>\$ 31,201,300</u>

The accompany notes are an integral part of this schedule.

PARTNERSHIP FOR STRONG FAMILIES INC.

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

FOR THE YEAR ENDED JUNE 30, 2025

Note 1 - Basis of Presentation

The accompany Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the federal awards and state financial assistance activity of Partnership for Strong Families, Inc. (the Organization) under programs of federal and state government for the year ended June 30, 2025, in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (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.

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

Only revenues earned in accordance with the contract terms are reported as expenditures on the Schedule.

The Organization has elected to not use the 10% de minimis indirect cost rate allowed under the Uniform Guidance and Chapter 10.650.

Note 3 - Sub-Recipients

The Organization provided funding to the following sub-recipients as follows:

Camelot Community Care, Inc.	\$	4,309,544
4 Sisters Solutions		912,397
One More Child		206,332
HomeSafe		24,804
Lutheran Services Florida		1,142,774
Twin Oaks Juvenile Department		707,070
Meridian Behavioral Healthcare		125,972
Jewish Family & Community Services		1,429,397
Total	\$	8,858,290
Passed Through Federal Awards	\$	3,803,164
Passed Through State Awards		471,393
Subtotal		4,274,557
Passed Through State Matching Funds Awarded for Matching		4,583,733
Total	\$	8,858,290

PARTNERSHIP FOR STRONG FAMILIES INC.

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

FOR THE YEAR ENDED JUNE 30, 2025

Note 4 - Matching Funds for Federal Programs

The following funds were provided by the State of Florida, through the Department of Children and Families as matching funds for the Federal Programs under Contract CJ152 as follows:

<u>Name of Program</u>	<u>ALN</u>	<u>Amount</u>
Chafee Education and Training Vouchers Program	93.599	\$ 6,049
Stephanie Tubbs Jones Child Welfare Services Program	93.645	148,174
Adoption Assistance	93.659	7,406,980
Chafee Foster Care Independent Living	93.674	46,556
Medical Assistance Program	93.778	318,671
MaryLee Allen Promoting Safe and Stable Families	93.556	18,722
Temporary Assistance for Needy Families	93.558	4,380,612
Foster Care Title IV-E	93.658	4,243,463
Guardian Assistance	93.090	448,044
Tested Pursuant to OCA Activity	93.XXX	5,009,537
Total State Funds Awarded for Matching		\$ 22,026,808



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Partners

W. Ed Moss, Jr.
Joe M. Krusick
Ric Perez
Cori G. Novinich
Renee C. Varga
Rich J. Cassidy
Justin R. Cabral

Winter Park, FL 32789
501 S. New York Ave.
Phone: 407-644-5811
www.mosskrusick.com

Clearwater, FL 33761
29605 US Hwy 19 North
Phone: 727-785-7460

St. Petersburg, FL 33710
5401 Central Avenue
Phone: 727-327-1999

N. Palm Beach, FL 33408
1201 US Highway One
Phone: 561-848-9300

Miami Lakes, FL 33016
7900 NW 155th Street
Phone: 305-445-7956

Miramar, FL 33025
11450 Interchange Circle
Phone: 954-435-4222

To the Board of Directors of
Partnership for Strong Families, Inc.
Gainesville, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Partnership for Strong Families, 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 February 24, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Partnership for Strong Families, 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 Partnership for Strong Families, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Partnership for Strong Families, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Moss, Krusick & Associates, LLC

Winter Park, Florida
February 24, 2026



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

Partners

W. Ed Moss, Jr.
Joe M. Krusick
Ric Perez
Cori G. Novinich
Renee C. Varga
Rich J. Cassidy
Justin R. Cabral

To the Board of Directors of
Partnership for Strong Families, Inc.
Gainesville, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Partnership for Strong Families, Inc.’s compliance with the types of compliance requirements identified as subject to audit described in the *OMB Compliance Supplement* and the requirements described in the *Department of Financial Services’ State Projects Compliance Supplement* that could have a direct and material effect on each of Partnership for Strong Families, Inc.’s major federal programs and state projects for the year ended June 30, 2025. Partnership for Strong Families, 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, Partnership for Strong Families, 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 and State Project

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

We are required to be independent of Partnership for Strong Families, 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 Partnership for Strong Families, 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 Partnership for Strong Families, 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 Partnership for Strong Families, Inc.’s compliance based on our

Winter Park, FL 32789
501 S. New York Ave.
Phone: 407-644-5811
www.mosskrusick.com

Clearwater, FL 33761
29605 US Hwy 19 North
Phone: 727-785-7460

St. Petersburg, FL 33710
5401 Central Avenue
Phone: 727-327-1999

N. Palm Beach, FL 33408
1201 US Highway One
Phone: 561-848-9300

Miami Lakes, FL 33016
7900 NW 155th Street
Phone: 305-445-7956

Miramar, FL 33025
11450 Interchange Circle
Phone: 954-435-4222

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

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 Partnership for Strong Families, 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 Partnership for Strong Families, 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 Partnership for Strong Families, 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 Partnership for Strong Families, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Moss, Krusick & Associates, LLC

Winter Park, Florida
February 24, 2026

**PARTNERSHIP FOR STRONG FAMILIES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL PROGRAMS AND STATE PROJECTS**

Summary of Auditor's Results

Financial Statements

Type of Auditor's Report Issued:	Unmodified
Internal Control Over Financial Reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that were not considered to be material weaknesses?	None reported
Noncompliance material to the financial statements noted?	No

Federal Awards and State Financial Assistance

Type of Auditor's Report Issued on Compliance for Major Federal Programs or State Projects:	Unmodified
Internal Control Over Major Federal Programs and State Projects:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that were not considered to be material weaknesses?	None reported
Any Audit Findings Disclosed that are Required to be Reported in Accordance With the Uniform Guidance or Chapter 10.656, <i>Rules of the Auditor General</i> ?	No
Identification of Major Federal Programs and State Projects:	

<u>Federal Award Programs</u>	<u>ALN</u>
Adoption Assistance	93.659
MaryLee Allen Promoting Safe and Stable Families	93.556
Stephanie Tubbs Jones Child Welfare Services Program	93.645
<u>State Financial Assistance Projects</u>	<u>CSFA</u>
Out-of-Home Supports	60.074

**PARTNERSHIP FOR STRONG FAMILIES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL PROGRAMS AND STATE PROJECTS**

Federal Awards and State Projects (continued)

Dollar Threshold Used to Distinguish Between Type A and Type B Federal Programs:	\$ 750,000
Dollar Threshold Used to Distinguish Between Type A and Type B State Projects:	\$ 750,000
Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?	Yes

Other Issues

- (a) No management letter is required because there were no findings required to be reported in the management letter (Section 10.656(3)(e), *Rules of the Auditor General*).
- (b) No summary schedule of prior audit findings is required because there were no prior audit findings related to Federal Programs or State Projects (Sections 10.557(3)(e)5. and 10.656(3)(d)5, *Rules of the Auditor General*).