

Southeast Florida Behavioral Health Network, Inc.

Financial Statements
and Additional Information
For the Year Ended June 30, 2025

Southeast Florida Behavioral Health Network, Inc.

Table of Contents

Independent Auditor's Report	1-3
Financial Statements	
Statement of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to Financial Statements	8-14
Supplementary Information	
Schedule of Expenditures of Federal Awards and State Financial Assistance	15-16
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance	17
Schedule of Program/Covered Services Actual Revenues and Expenditures (Unaudited)	18-20
Schedule of Bed Day Availability Payments (Unaudited)	21
Schedule of Transfers to Sub-Recipients and Vendors for Program Services (Unaudited)	22-24
Internal Controls and Compliance	
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>	25-26
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 Florida Auditor General</i>	27-29
Schedule of Findings and Questioned Costs	30-31



Citrin Cooperman & Company, LLP
Certified Public Accountants

6550 N Federal Hwy, 4th Floor
Fort Lauderdale, FL 33308
T 954.771.0896 F 954.938.9353
citrincooperman.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Southeast Florida Behavioral Health Network, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Southeast Florida Behavioral Health Network, Inc. (a nonprofit organization) (the "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 referred to above present fairly, in all material respects, the financial position of the Organization 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 opinion.

Responsibilities of Management's for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited the Organization's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 24, 2025. 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.

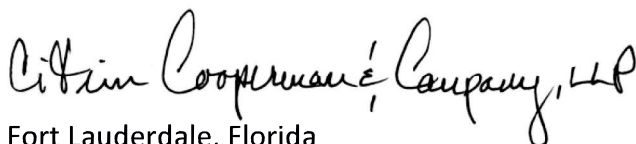
Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of Florida Chapter 10.650, *Rules of the Florida 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The supplemental information marked “unaudited”, which is the responsibility of management, is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2025, 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. 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 the Organization’s internal control over financial reporting and compliance.



Fort Lauderdale, Florida
December 23, 2025

FINANCIAL STATEMENTS

Southeast Florida Behavioral Health Network, Inc.
Statement of Financial Position
June 30, 2025
(with comparative totals for June 30, 2024)

	<u>2025</u>	<u>2024</u>
Assets:		
Current assets:		
Cash and cash equivalents	\$ 6,650,659	\$ 5,559,940
Grants and contracts receivable	22,350,376	20,057,084
Prepaid expenses and advances to providers	<u>-</u>	<u>870,278</u>
Total current assets	<u>29,001,035</u>	<u>26,487,302</u>
Noncurrent assets:		
Property and equipment, net	139,342	153,655
Deposits	7,845	10,823
Operating lease right-of-use asset, net	<u>138,744</u>	<u>-</u>
Total noncurrent assets	<u>285,931</u>	<u>164,478</u>
Total assets	\$ <u>29,286,966</u>	\$ <u>26,651,780</u>
Liabilities:		
Current liabilities:		
Due to providers (sub-recipients)	\$ 10,518,528	\$ 13,712,401
Accounts payable and accrued expenses	615,852	1,009,555
Refundable advances	17,797,832	11,602,352
Lease liability	<u>64,962</u>	<u>-</u>
Total current liabilities	28,997,174	26,324,308
Long-term liabilities		
Lease liability, net of current portion	<u>75,652</u>	<u>-</u>
Total liabilities	29,072,826	26,324,308
Net Assets Without Donor Restrictions	<u>214,140</u>	<u>327,472</u>
Total liabilities and net assets	\$ <u>29,286,966</u>	\$ <u>26,651,780</u>

See accompanying notes to financial statements.

Southeast Florida Behavioral Health Network, Inc.
Statement of Activities
For the Year Ended June 30, 2025
(with comparative totals for June 30, 2024)

	<u>2025</u>	<u>2024</u>
Change in Net Assets Without Donor Restrictions:		
Public support and revenues:		
Grants and contracts:		
Department of Children and Families	\$ 114,149,773	\$ 120,850,920
Other grants	266,983	991,916
Interest income	<u>787</u>	<u>885</u>
Total public support and revenues	<u>114,417,543</u>	<u>121,843,721</u>
Expenses:		
Program services	111,219,189	118,542,636
Management and general	<u>3,311,686</u>	<u>3,339,619</u>
Total expenses	<u>114,530,875</u>	<u>121,882,255</u>
Change in net assets	(113,332)	(38,534)
Net Assets, July 1	<u>327,472</u>	<u>366,006</u>
Net Assets, June 30	<u>\$ 214,140</u>	<u>\$ 327,472</u>

See accompanying notes to financial statements.

Southeast Florida Behavioral Health Network, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2025
(with comparative totals for June 30, 2024)

	Program Services						Management and General	Total 2025	Total 2024
	Adult Mental Health	Adult Substance Abuse	Children's Mental Health	Children's Substance Abuse	Other Program Services	Total Program Services			
Transfers to sub-recipient providers	\$ 55,462,089	\$ 34,821,781	\$ 10,497,894	\$ 9,018,281	\$ 374,330	\$ 110,174,375	\$ 19,112	\$ 110,193,487	\$ 116,957,354
Salaries and wages	386,545	85,714	68,724	13,328	89,281	643,592	1,755,593	2,399,185	2,650,104
Professional fees	116,711	25,880	20,750	4,024	-	167,365	668,159	835,524	1,019,313
Payroll taxes and fringe benefits	132,294	29,335	23,521	4,561	30,589	220,300	485,493	705,793	838,382
Dues and subscriptions	-	-	-	-	-	-	48,244	48,244	57,464
Rent	9,454	2,096	1,681	326	-	13,557	60,758	74,315	120,896
Insurance	-	-	-	-	-	-	45,963	45,963	37,865
Computer software	-	-	-	-	-	-	50,724	50,724	55,772
Computer equipment	-	-	-	-	-	-	21,363	21,363	30,112
Telephone	-	-	-	-	-	-	21,431	21,431	22,172
Depreciation	-	-	-	-	-	-	14,313	14,313	19,960
Meetings and conferences	-	-	-	-	-	-	10,280	10,280	14,284
Building maintenance and security	-	-	-	-	-	-	7,272	7,272	15,271
Travel	-	-	-	-	-	-	6,097	6,097	11,361
Staff development and system of care innovation	-	-	-	-	-	-	2,654	2,654	2,553
Utilities	-	-	-	-	-	-	2,288	2,288	4,346
Office supplies and other expenses	-	-	-	-	-	-	91,942	91,942	25,046
	<u>\$ 56,107,093</u>	<u>\$ 34,964,806</u>	<u>\$ 10,612,570</u>	<u>\$ 9,040,520</u>	<u>\$ 494,200</u>	<u>\$ 111,219,189</u>	<u>\$ 3,311,686</u>	<u>\$ 114,530,875</u>	<u>\$ 121,882,255</u>

See accompanying notes to financial statements.

Southeast Florida Behavioral Health Network, Inc.
Statement of Cash Flows
For the Year Ended June 30, 2025
(with comparative totals for June 30, 2024)

	<u>2025</u>	<u>2024</u>
Cash Flows from Operating Activities		
Change in net assets	\$ (113,332)	\$ (38,534)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	14,313	19,960
Amortization of operating lease right-of-use asset	57,538	-
Changes in operating assets and liabilities:		
Grants and contracts receivable	(2,293,292)	(4,039,678)
Prepaid expenses and advances to providers	870,278	2,630,388
Deposits	2,978	-
Due to providers (sub-recipients)	(3,193,873)	(1,705,959)
Accounts payable and accrued expenses	(393,703)	(946,303)
Refundable advances	6,195,480	4,417,594
Operating lease liability	<u>(55,668)</u>	<u>-</u>
Net cash provided by operating activities	<u>1,090,719</u>	<u>337,468</u>
Net increase in cash and cash equivalents	1,090,719	337,468
Cash and Cash Equivalents, July 1	<u>5,559,940</u>	<u>5,222,472</u>
Cash and Cash Equivalents, June 30	\$ <u><u>6,650,659</u></u>	\$ <u><u>5,559,940</u></u>

See accompanying notes to financial statements.

Southeast Florida Behavioral Health Network, Inc.
Notes to Financial Statements
June 30, 2025
(with comparative totals for June 30, 2024)

Note 1 - Organization and Operations

Southeast Florida Behavioral Health Network, Inc. (the “Organization”) is a not-for-profit corporation organized in the State of Florida in February 2010. The Organization commenced its operations officially on October 1, 2012. The Organization was formed by local area substance abuse and mental health service providers to coordinate the accessibility, availability, and quality of prevention, intervention, and treatment in the service areas of Palm Beach County (Circuit 15) and the Treasure Coast (Indian River, Martin, St. Lucie and Okeechobee Counties) (Circuit 19).

Effective October 1, 2012, the Organization was contracted to function as the Managing Entity (“ME”) for the State of Florida Department of Children and Families (“DCF”) to oversee the day-to-day operational delivery of behavioral services through an organized system of care under its qualified providers (sub-recipients). The Organization’s contract term with DCF is through June 30, 2025. The ME administrative costs shall not exceed 5% of the total contracted dollar amount for each fiscal year.

Note 2 - Summary of Significant Accounting Policies

Basis of accounting: The accompanying financial statements have been prepared using the accrual basis of accounting, which is in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). Using this method, revenues are recognized when earned and expenses are recognized when incurred.

Basis of presentation: The financial statement presentation follows U.S. GAAP, whereby, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets: Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- *Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- *Net Assets With Donor Restrictions* - Net assets subject to donor (or certain grantor) imposed restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor or grantor. Other restrictions are perpetual in nature, where the donor or grantor stipulates that resources be maintained in perpetuity. Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. For the years ended June 30, 2025 and 2024, there were no net assets with donor restrictions.

Note 2 - Summary of Significant Accounting Policies (continued)

All contributions are considered available for general use, unless specifically restricted by donor or subject to other legal restrictions.

Cash and cash equivalents: The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Receivables and allowance for uncollectible accounts: Grant and contract receivables consist principally of claims not yet reimbursed by various grantor/contract agencies. Management periodically reviews the receivable balances and provides an allowance for amounts which may be uncollectible. At June 30, 2025 and 2024, management considered all of its grant and contracts receivable balances to be collectible and no allowance was recorded.

Property and equipment: Property and equipment are carried at cost if purchased or, if donated, at estimated fair value on the date of donation, less accumulated depreciation. The Organization follows the policy of providing for depreciation using the straight-line method over estimated useful lives of the assets which are as follows:

Computer software and equipment	3 years
Buildings	39.5 years
Office furniture and equipment	3 years
Leasehold improvements	3 years

If donors stipulate the period of time during which the assets must be used, the contributions are recorded as support with donor restrictions, and released as restrictions expire. In the absence of such stipulations, contributions of property and equipment and gifts of cash restricted for the acquisition of property and equipment, are recorded as support without donor restrictions when the assets are placed in service.

Maintenance and repairs to property and equipment are charged to expense when incurred. Additions and major renewals are capitalized. When assets are retired or otherwise disposed of, the cost or donated value and the related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in nonoperating revenues (expenses) for the period.

Refundable advances: Grants and contracts revenue that is not recognized because the allowable costs as defined by the individual grant or contract have not been incurred and/or the units of service have not been rendered is considered refundable advances.

Revenue and revenue recognition: The Organization recognizes revenues from nonexchange transactions when cash, securities or other assets, an unconditional promise to give, or 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 or explicitly waived.

The Organization receives funding from federal, state and local governments and other agencies to develop, support and manage a behavioral health network. This revenue is predominantly deemed to be nonexchange revenue and not governed under the Accounting Standards Codification 606 guidance.

Note 2 - Summary of Significant Accounting Policies (continued)

Nonfinancial contributions: Contributed services, if any, are recognized as contributions, along with corresponding expenses, if the services: (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise have been purchased. Donated goods are recorded at their estimated fair market value when received.

During the years ended June 30, 2025 and 2024, the value of contributed services meeting requirements for recognition in the financial statements was not material, or subject to recognition, and is not recorded. The Organization pays for most services requiring specific expertise. Many individuals volunteer and perform a variety of tasks that assist with programs and various committee assignments. The Organization did not receive a material amount of donated goods during the years ended June 30, 2025 and 2024; therefore, it is not recorded.

Functional expenses: The costs of providing the various programs and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Program and supporting services are charged with their direct expenses. Adult mental health, adult substance abuse, children's mental health and children's substance abuse only report the funds that were passed through to sub-recipients. Other program services report the funds that were passed through to sub-recipients, as well as the direct expenses associated with providing those programs. All other expenses of the Organization are deemed management and general.

Leases: The Organization has an operating lease agreement for office space under terms through July 2027. The Organization determines if an arrangement is a lease at the inception of the contract. At lease commencement date, each lease is evaluated to determine whether it will be classified as an operating or finance lease. For leases with a lease term of 12 months or less (a "short-term" lease), any fixed lease payments are recognized on a straight-line basis over such term, and are not recognized in the statement of financial position.

Lease terms include the non-cancellable portion of the underlying leases along with any reasonably certain lease periods associated with available renewal periods, termination options and purchase options. The Organization uses the risk-free discount rate when the rate implicit in the lease is not readily determinable at the commencement date in determining the present value of lease payments.

Income taxes: The Organization is tax exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified as a nonprofit organization other than a private foundation. However, the Organization may be subject to income taxes on unrelated business income. No income tax provision is required since the Organization was deemed by management not to have unrelated business taxable income.

Concentration of credit risk: Financial instruments that potentially subject the Organization to concentration of credit risk consist primarily of receivables, cash and cash equivalents. The concentration of credit risk with respect to receivables is primarily due to the economic dependency in federal, state, and other local agencies and the ability to obtain authorization, process and collect balances timely. The Organization does not require collateral or other security to support receivables, or its advances to providers. The Organization has cash in financial institutions that is insured by the Federal Deposit Insurance Corporation. At various times throughout the year, the Organization may have cash balances at financial institutions that exceed the insured amount. The excess amount at June 30, 2025, was approximately \$ 6,437,000.

Note 2 - Summary of Significant Accounting Policies (continued)

Use of estimates: The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Date of management review: Subsequent events were evaluated by the Organization’s management through December 23, 2025, which is the date the financial statements were available for issuance.

Summarized comparative information: The accompanying financial statements include certain prior year summarized comparative information in total but not by net asset class and expenses are not presented by nature and function. Such information does not include all disclosures required by accounting principles generally accepted in the United States of America. Accordingly, this summarized comparative 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.

Note 3 - Liquidity and Availability

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date ended June 30, 2025, is estimated and comprise the following:

Financial assets:	
Cash and cash equivalents	\$ 6,650,659
Grants and contracts receivable	<u>22,350,376</u>
Financial assets available to meet cash needs for general operating expenditures within one year, and to satisfy certain current liabilities as they become due	\$ <u>29,001,035</u>

As part of its liquidity management plan, the Organization deposits cash in excess of daily requirements in its savings account.

Southeast Florida Behavioral Health Network, Inc.
Notes to Financial Statements
June 30, 2025
(with comparative totals for June 30, 2024)

Note 4 - Property and Equipment

Property and equipment consists of the following at June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Computer software and equipment	\$ 189,796	\$ 189,796
Buildings	99,700	99,700
Office furniture and equipment	27,780	27,780
Leasehold improvements	5,594	5,594
	<u>322,870</u>	<u>322,870</u>
Less: accumulated depreciation	<u>(245,028)</u>	<u>(230,715)</u>
	77,842	92,155
Land	<u>61,500</u>	<u>61,500</u>
Total	<u>\$ 139,342</u>	<u>\$ 153,655</u>

Note 5 - Due to/from Providers and Accounts Payable/Accrued Expenses

The Organization has accrued obligations for operating expenses necessary to carry out its responsibility as ME under the contract with DCF or other grantor agencies. As of June 30, 2025 and 2024, due to providers of \$ 10,518,528 and \$ 13,712,401, respectively, is comprised of amounts payable for behavioral services administered by the providers; and accounts payable and accrued expenses of \$ 615,852 and \$ 1,009,555, respectively, represents general and administrative expenses, including accrued wages and related benefits outstanding at year end. At June 30, 2025, and 2024, there are amounts due to DCF amounting to approximately \$ 497,000 and \$ 694,000, respectively, which are included in accounts payable and accrued expenses. These amounts represent unspent funding that was required to be returned.

In addition, it can be determined that certain providers might have funds that are required to be returned to the Organization. These paybacks will be recorded in the period that it is determined to be a liability of the provider. At June 30, 2025 and 2024, approximately \$ 4,000 and \$ 85,000, respectively, was recorded as amounts owed to the Organization by providers included in grants and contracts receivable in the statement of financial position.

Note 6 - Leases

In August 2024, the Organization entered into an operating lease for office space expiring July 2027. The lease includes two one-year renewal options not included in the determination of the right-of-use asset and lease liability balances below, as the Organization is not reasonably certain they will exercise these options. The right-of-use asset and corresponding liability with future lease payments at June 30, 2025, are approximately as follows:

Operating lease right-of-use asset	\$ 138,744
Operating lease liability	\$ 140,614

Lease costs related to this lease were approximately \$ 61,000 for the year ended June 30, 2025.

Southeast Florida Behavioral Health Network, Inc.
Notes to Financial Statements
June 30, 2025
(with comparative totals for June 30, 2024)

Note 6 - Leases (continued)

Future maturities of the operating lease liability as of June 30, 2025, are as follows:

Year ending June 30,		
2026	\$	69,134
2027		71,212
2028		<u>5,949</u>
Net minimum lease payments		146,295
Less: interest		<u>(5,681)</u>
Total lease liability		140,614
Less: current portion		<u>(64,962)</u>
Lease liability, net of current portion	\$	<u><u>75,652</u></u>

Weighted averages as of June 30, 2025:

Weighted-average remaining lease term in years	<u>2.08</u>
Weighted-average discount rate (%)	<u>3.96%</u>

Note 7 - Commitments and Contingencies

Grants and contracts: The Organization receives financial assistance, as a pass-through agency, from federal, state, and local governmental agencies in the form of grants and contracts. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and may be subject to audit by the grantor agencies. As a result of such audits, the grantor may require that amounts be returned.

Grants and contracts may require that funding received in excess of expenditures be remitted to the grantor agency within a specified time frame. Certain of these agreements require the Organization to identify such excess of expenditures and submit a spending plan where the grantor, at their sole discretion, may approve an additional period of time to extend and earn such excess funding. Such unexpended funds are reported as refundable advances in the accompanying statement of financial position.

Property and equipment: Under certain provisions of grants and contracts with governmental entities, property and equipment (Note 4) acquired with grant funding shall be vested back to the grantor upon completion or termination of the subject agreement.

Service agreement: The Organization entered into an agreement with Carisk Partners (“Carisk”), a for-profit corporation, through June 30, 2025. Carisk provides certain management, administrative support, and oversight of the providers of behavioral health services (sub-recipients) in the designated service area in connection with the Organization’s role as the ME (Note 1). Carisk’s compensation is based on a fixed monthly fee of approximately \$ 76,000 per month. The agreement contains provisions under which either party may terminate this arrangement. For the years ended June 30, 2025 and 2024, the Organization paid Carisk approximately \$ 761,000 \$ 913,000, respectively.

Southeast Florida Behavioral Health Network, Inc.
Notes to Financial Statements
June 30, 2025
(with comparative totals for June 30, 2024)

Note 8 - Concentration

For the years ended June 30, 2025 and 2024, the Organization received a significant amount of its support and revenues from contracts administered by the State of Florida, Department of Children and Families. At June 30, 2025 and 2024, approximately 99% and 97%, respectively, of the grants and contracts receivable were related to the same contracts. For the years ended June 30, 2025 and 2024, approximately 99% of the Organization's total revenues were derived from these contracts. Changes in governmental appropriations at the federal and/or state level could have a material adverse effect on the Organization's ability to continue to provide its services.

Note 9 - Employee Benefit Plan

Effective February 1, 2019, the Organization established an employee savings plan under the Internal Revenue Code §401(k). Generally, this plan covers all qualified employees who are age 21 or older and have six months of continuous service. The eligible participants are permitted to contribute to the plan via salary deferrals and are limited only by certain provisions of the Internal Revenue Code. The Organization provides matching contributions equal to 100% of the employees' elective deferrals not exceeding 3.00% of the individual's compensation plus 50% of elective deferrals that exceed 3.00% but do not exceed 5.00% of the individual's compensation. For the years ended June 30, 2025 and 2024, the Organization made contributions of approximately \$ 59,000 and \$ 68,000 to this plan, respectively.

Note 10 - Related Parties

Certain members of the Organization's Board of Directors are also employees of sub-recipient providers receiving funding allocations from the Organization. For the years ended June 30, 2025 and 2024, the Organization transferred to these providers approximately \$ 37,702,000 and \$ 15,952,000, respectively. Amounts owed to these sub-recipient providers at June 30, 2025 and 2024, were approximately \$ 3,408,000 and \$ 1,626,000, respectively.

SUPPLEMENTARY INFORMATION

Southeast Florida Behavioral Health Network, Inc.
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended June 30, 2025

<u>Federal/State Grantor/Pass-Through Grantor, Program or Cluster Title</u>	<u>Assistance Listing No./CSFA No.</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Expenditures</u>	<u>Provided to Sub-recipients</u>
Federal Agency Name:				
United States Department of Health and Human Services - Passed through the State of Florida				
Department of Children and Families (DCF):				
Medicaid Cluster				
Medical Assistance Program	93.778	IH611	\$ 10,100	\$ -
Other Programs				
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	93.104	IH611	1,320,622	1,156,218
Projects for Assistance in Transition from Homelessness (PATH)	93.150	IH611	488,241	488,241
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	IH611	659,590	659,590
Temporary Assistance for Needy Families (TANF)	93.558	IH611	1,396,725	1,374,900
Children's Health Insurance Program	93.767	IH611	434,189	434,189
Opioid STR	93.788	IH611	8,780,836	8,570,501
Block Grants for Community Mental Health Services	93.958	IH611	9,157,430	8,871,716
Block Grants for Prevention and Treatment of Substance Abuse	93.959	IH611	<u>13,315,290</u>	<u>13,315,290</u>
Total Department of Health and Human Services			35,563,023	34,870,645
United States Department of Homeland Security - Passed through the State of Florida				
Department of Children and Families (DCF):				
Crisis Counseling	97.032	IH611	<u>68,872</u>	<u>68,872</u>
Total Expenditures of Federal Awards			<u>35,631,895</u>	<u>34,939,517</u>

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

Southeast Florida Behavioral Health Network, Inc.
Schedule of Expenditures of Federal Awards and State Financial Assistance
(continued)
For the Year Ended June 30, 2025

<u>Federal/State Grantor/Pass-Through Grantor, Program or Cluster Title</u>	<u>Assistance Listing No./CSFA No.</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Expenditures</u>	<u>Provided to Sub-recipients</u>
State Agency Name:				
Direct Projects:				
State of Florida Department of Children and Families - Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program	60.115	LH825	\$ 228,743	\$ 189,477
Forensic Services and Competency Restoration Training	60.114	IH611	1,265,036	1,265,036
Substance Abuse and Mental Health Community Services	60.153	IH611	4,929,672	4,929,672
Substance Abuse and Mental Health Crisis Prevention and Stabilization Services	60.155	IH611	2,086,744	2,086,744
Centralized Receiving Systems	60.163	IH611	2,970,000	2,970,000
SAMH ME State Funded Federal Excluded Services	60.190	IH611	2,632,852	2,632,852
State Opioid Settlement Trust Fund Services	60.355	IH611	<u>6,148,956</u>	<u>6,148,956</u>
Total Expenditures of State Financial Assistance			<u>20,262,003</u>	<u>20,222,737</u>
Total Expenditures of Federal Awards and State Financial Assistance			<u>\$ 55,893,898</u>	<u>\$ 55,162,254</u>

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

Southeast Florida Behavioral Health Network, 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 accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance, (the "Schedule") includes the federal award and state financial assistance activity of Southeast Florida Behavioral Health Network, Inc. (the "Organization") under programs of the federal and state government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of the Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, (Uniform Guidance) and Chapter 10.650, *Rules of the Florida Auditor General*. 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, *Rules of the Florida Auditor General*, wherein certain types of expenditures are not allowable or are limited as to reimbursement, as applicable.

Note 3 - Indirect Cost Rate

The Organization elected not to use the de minimis indirect cost rate as allowed under the Uniform Guidance.

Southeast Florida Behavioral Health Network, Inc.
Schedule of Program/Covered Services Actual Revenues and Expenditures (Unaudited)
For the Year Ended June 30, 2025

Substance Abuse and Mental Health Covered Services	Program Services				Totals
	Adult Mental Health	Adult Substance Abuse	Children's Mental Health	Children's Substance Abuse	
Program Services:					
Aftercare - Individual	\$ -	\$ 61,598	\$ -	\$ -	\$ 61,598
Assessment	339,031	454,685	51,460	-	845,176
BNET	-	-	434,189	-	434,189
Care Coordination	3,081,522	683,312	547,867	106,248	4,418,949
Case Management	2,088,932	583,576	559,198	4,026	3,235,732
CAT Team	-	-	2,916,702	-	2,916,702
Central Receiving System	2,970,000	-	-	-	2,970,000
Comprehensive Community Service Team - Group	463,244	191,151	-	-	654,395
Comprehensive Community Service Team - Individual	844,617	191,213	42,050	-	1,077,880
Crisis Stabilization	9,959,776	-	808,562	-	10,768,338
Crisis Support/Emergency	5,406,064	156,649	226,941	-	5,789,654
Day Treatment	246,849	1,210,956	-	-	1,457,805
Drop-In/Self-Help Centers	456,553	-	-	-	456,553
FACT Team	2,276,015	-	-	-	2,276,015
Federal Project Grant	-	488,601	-	-	488,601
FEMA CCP Immediate Services	-	-	34,436	34,436	68,872
First Episode Team	1,649,450	-	450,000	-	2,099,450
FIT Team	-	2,400,000	-	-	2,400,000
Forensic Multidisciplinary Team	816,484	-	-	-	816,484
HIV Early Intervention Services	-	566,203	-	49,093	615,296
Incidental Expenses	2,241,254	1,192,889	13,407	1,690	3,449,240
Information and Referral	360,437	160,000	305,437	-	825,874
In-Home and On-Site	40,394	45,624	268,233	1,143,301	1,497,552
Intensive Case Management	761,736	-	217,502	-	979,238
Intervention - Individual	9,560	37,838	74,981	-	122,379
Medical Services	2,722,147	792,733	197,377	6,398	3,718,655
Medication Assisted Treatment	-	4,697,113	-	-	4,697,113

Southeast Florida Behavioral Health Network, Inc.
Schedule of Program/Covered Services Actual Revenues and Expenditures (Unaudited)
(continued)
For the Year Ended June 30, 2025

Substance Abuse and Mental Health Covered Services	Program Services				Totals
	Adult Mental Health	Adult Substance Abuse	Children's Mental Health	Children's Substance Abuse	
Program Services (continued):					
Mental Health Clubhouse Services	\$ 575,000	\$ -	\$ -	\$ -	\$ 575,000
Network Evaluation & Development	659,731	1,278,172	439,025	129,750	2,506,678
Outpatient - Group	448,346	1,056,832	340	8,683	1,514,201
Outpatient - Individual	1,397,309	1,363,063	1,008,173	359,415	4,127,960
Outreach	176,329	624,768	138,065	1,063,935	2,003,097
Prevention Indicated	-	65,625	-	386,659	452,284
Prevention Selective	-	-	-	652,936	652,936
Prevention Universal Direct	-	203,836	74,000	2,073,226	2,351,062
Prevention Universal Indirect	-	38,786	-	341,352	380,138
Provider Proviso Projects	3,900,000	-	742,700	-	4,642,700
Recovery Support - Group	46,993	258,000	104	270	305,367
Recovery Support - Individual	399,669	1,498,068	129,989	-	2,027,726
Residential Level I	1,500,282	335,600	148,596	-	1,984,478
Residential Level II	450,345	6,139,980	-	2,162,331	8,752,656
Residential Level III	1,317,050	905,450	-	-	2,222,500
Residential Level IV	1,393,033	498,739	-	-	1,891,772
Respite Services	77,981	78,616	450,323	-	606,920
Room and Board with Supervision Level II	1,155,978	116,562	261,152	-	1,533,692
Room and Board with Supervision Level III	-	602,276	-	-	602,276
Short-term Residential Treatment	4,047,356	-	-	-	4,047,356
Start-Up Cost Reimbursement	331,466	2,055,582	71,761	-	2,458,809
Substance Abuse Inpatient Detoxification	-	3,887,040	-	-	3,887,040
Supported Housing/Living	821,974	-	-	-	821,974
Supportive Employment	674,186	13,129	-	-	687,315
Treatment Alternative for Safer Community	-	30,541	-	516,771	547,312
Subtotal	56,107,093	34,964,806	10,612,570	9,040,520	110,724,989

Southeast Florida Behavioral Health Network, Inc.
Schedule of Program/Covered Services Actual Revenues and Expenditures (Unaudited)
(continued)
For the Year Ended June 30, 2025

Substance Abuse and Mental Health Covered Services	Program Services				Totals
	Adult Mental Health	Adult Substance Abuse	Children's Mental Health	Children's Substance Abuse	
Other Program Services:					
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ 30,523
Other Substance Abuse Services	-	-	-	-	154,330
Reinvestment Grant Services	-	-	-	-	189,477
Total Other Program Services	-	-	-	-	374,330
Total Program/Covered Services Actual Expenditures	56,107,093	34,964,806	10,612,570	9,040,520	111,099,319
Managing Entity Administrative Fee, Net	1,620,286	1,009,730	306,475	261,076	3,197,567
Other Services	-	-	-	-	119,870
Interest Income	-	-	-	-	787
Total Program/Covered Services Actual Revenues	\$ 57,727,379	\$ 35,974,536	\$ 10,919,045	\$ 9,301,596	\$ 114,417,543

Southeast Florida Behavioral Health Network, Inc.
Schedule of Bed Day Availability Payments (Unaudited)
For the Year Ended June 30, 2025

<u>Program</u>	<u>Cost Center</u>	<u>Contracted Rate</u>	<u>Total Units of Service Provided</u>	<u>Total Units of Services Paid by Third Party Contracts, Local Government or Other State Agencies</u>	<u>Maximum Number of Units Eligible For Payment by Department</u>	<u>Amount Paid For Services by the Department</u>	<u>Maximum Dollar Value of Units Eligible for Payment by the Department</u>	<u>Amount Owed to Department</u>
Mental Health	Crisis Stabilization Unit	\$344 - \$552	45,137	6,830	38,307	\$ 11,981,654	\$ 11,981,654	\$ -
Mental Health	Short-Term Residential	\$302 - \$360	12,775	652	12,123	\$ 4,047,356	\$ 4,047,356	-
Substance Abuse	Substance Abuse Inpatient	\$391 - \$425	15,722	2,662	13,060	\$ 3,887,040	\$ 3,887,040	-
Total Amount Owed to Department								<u>\$ -</u>

Southeast Florida Behavioral Health Network, Inc.
Schedule of Transfers to Sub-Recipients and Vendors
for Program Services (Unaudited)
For the Year Ended June 30, 2025

Provider (Sub-Recipient):	Contract Number	Total Expenditures
Substance Abuse and Mental Health Services:		
211 Palm Beach Treasure Coast	LTF09	\$ 1,917,641
Access Recovery Solutions, Llc.	PDA54	2,011,574
Alternatives In Treatment, Llc Mandal Healing Center	PDA61	3,032,972
Behavioral Basics	AGR77	4,008
Brighter Families	PNA37	2,401,453
Carrfour Supportive Housing, Inc.	PNA38	247,399
Cayuga Home For Children, Inc. D/B/A Cayuga Centers	ZNC26	157,094
Central Florida Substance Abuse Treatment	LDA07	1,996,864
Childnet	AGR90	94,811
Chrysalis Center	PNC26	1,832,673
Collectively - A Radlauer Venture	AGR54	118,750
Communities Connected For Kids, Inc.	AGR91	87,584
Counseling And Recovery	ZDA27	3,936,538
Daniel Memorial, Inc.	AGR52	111,759
Drug Abuse Foundation	PDA48	6,348,020
Drug Abuse Treatment Assoc.	LDC07	8,231,274
Ebb Tide Treatment Llc	PDA47	542,524
Father Flanagan'S	PNC25	322,193
Federation Of Families Of Florida	PNF25	210,000
Ferd And Gladys Alpert Jewish Family And Children	AGR76	1,975,000
Hanley Center Foundation	PDC19	598,608
Henderson Behavioral Health	PNA36	2,188,685
Henderson Behavioral Health	PDF04	1,200,000
Henderson Behavioral Health	LTF10	2,448,555
Housing Partnership, Inc.	PTF07	3,366,652
Hps Helping-People Succeed, Inc.	ZNC16	1,177,919
Hsp4, Llc	AGR43	19,500
Indian River County Board Of County Commissioners	AGR75	81,341
Jeff Industries, Inc.	PNA16	691,774
Jfk Medical Center North Campus	PNF23	539,460
Legacy Behavioral Health Center	ZNA36	35,777
Lifebuilders Of The Treasure Coast	AGR67	550,000
Martin County Board Of County Commissioners	AGR72	78,011
Mary Armstrong	AGR59	107,000
Md Flow Her, Llc	AGR60	96,000
Mental Health Assoc Of Irc	ZNA30	672,000
Mental Health Assoc Of Pbc	PNA32	825,000
Metro Treatment Of Florida	ZDA26	298,011
NAMI Palm Beach County	PNA17	30,000
NAMI Treasure Coast Fl, Inc.	ZNA37	25,000
Neurobehavioral Hospital Foundation, Inc.	LTA01	5,322,337
New Horizons Of The Treasure Coast	ZNA38	2,605,567
New Horizons Of The Treasure Coast	ZNC24	1,250,180
New Horizons Of The Treasure Coast	ZTF13	17,851,216
Okeechobee County Board Of County Commissioners	AGR80	120,672

Southeast Florida Behavioral Health Network, Inc.
Schedule of Transfers to Sub-Recipients and Vendors
for Program Services (Unaudited)
(continued)
For the Year Ended June 30, 2025

Provider (Sub-Recipient):	<u>Contract Number</u>	<u>Total Expenditures</u>
Substance Abuse and Mental Health Services:		
Okeechobee County Sheriff'S Office	AGR81	\$ 114,471
Our Village Okeechobee, Inc.	ZTF15	200,000
Palm Beach County Sac	PDC18	60,869
Pinnacle Wellness Group, Llc	ZDA23	1,001,410
Project L.I.F.T. Inc.	AGR65	742,700
Project Opioid Initiative, Inc.	AGR87	17,500
Public Defender'S Office	ZDA08	256,062
Rebel Recovery Florida, Inc.	PDA56	1,790,610
Ritelife Services, Inc.	ZDA24	1,568,082
Roundtable Of St Lucie County, Inc.	ZDF03	60,000
Ruth & Norman Rales Jewish Family Services, Inc.	AGR56	1,075,000
South County Mental Health Center	PNA31	13,333,389
St Augustine Youth Services, Inc.	AGR78	30,722
St Lucie County Fire District	AGR74	580,896
Sunset House, Inc.	PDA44	190,210
The Arc Of Palm Beach County, Inc.	PNA19	93,854
The Children's Place At Home Safe, Inc.	AGR57	84,871
The Inner Truth Project, Inc.	ZNA39	150,000
The Lord'S Place, Inc.	PNA22	850,909
The Lord'S Place, Inc.	PTA03	648,349
The Parent Academy Of St. Lucie County, Inc.	ZDF06	63,538
The Recovery Research Network Foundaiton	PDA57	690,302
The Recovery Research Network Foundaiton	PDA59	681,655
Thrive Irc, Inc.	ZDF05	1,196,993
Transpire Help	PDA63	639,291
Tykes & Teens, Inc.	ZNC25	197,822
Wayside House	PDA51	2,673,361
Wellpath, Llc	AGR61	24,531
		<hr/>
Total Substance Abuse and Mental Health Services		<u>106,776,793</u>

Southeast Florida Behavioral Health Network, Inc.
Schedule of Transfers to Sub-Recipients and Vendors
for Program Services (Unaudited)
(continued)
For the Year Ended June 30, 2025

	<u>Contract Number</u>	<u>Total Expenditures</u>
Carryforward Funded Services:		
Drug Abuse Treatment Association	LDC07	\$ 20,904
Henderson Behavioral Health	PNA36	260,000
HPS Helping People Succeed, Inc.	ZNC16	135,665
Mental Health Assoc of PBC	PNA32	225,000
Mental Health Collaborative of IRC	AGR82	27,765
Neurobehavioral Hospital Foundation, Inc.	LTA01	714,511
New Horizons of the Treasure Coast	ZNC24	200,000
New Horizons of the Treasure Coast	ZTF13	758,183
Okeechobee County Board of County Commissioners	AGR80	458,681
South County Mental Health Center	PNA31	100,001
Thrive IRC, Inc.	ZDF05	9,625
Wayside House	PDA51	112,917
		<u>3,023,252</u>
Total Carryforward Funded Services		
Provider (Sub-Recipient):		
Other Program Services:		
Drug Abuse Treatment Assoc.	LDC07	46,193
Legacy Behavioral Health Center	ZNA36	83,681
Miscellaneous Okeechobee Reinvestment Grant Providers	N/A	29,714
Miscellaneous Palm Beach County Grant Providers	N/A	62,207
Rebel Recovery Florida, Inc.	PDA56	30,523
Rebel Recovery Florida, Inc.	PDA62	92,124
Ritelife Services, Inc.	ZDA24	29,888
		<u>374,330</u>
Total Other Program Services		
Total Transfers to Sub-Recipients for Program Services		
		<u>110,174,375</u>
Operational Services:		
Managed Care Consultants of Florida, Inc.	AGR53	3,500
Miscellaneous noncontracted provider payments	N/A	15,612
		<u>19,112</u>
Total Operational Services		
Total Transfers to Sub-Recipients and Vendors		
		<u>\$ 110,193,487</u>

INTERNAL CONTROLS AND COMPLIANCE



Citrin Cooperman & Company, LLP
Certified Public Accountants

6550 N Federal Hwy, 4th Floor
Fort Lauderdale, FL 33308
T 954.771.0896 F 954.938.9353
citrincooperman.com

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

To the Board of Directors
Southeast Florida Behavioral Health Network, Inc.

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 Southeast Florida Behavioral Health Network, Inc. (the "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 December 23, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting ("internal control") as a basis of 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 the Organization'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.

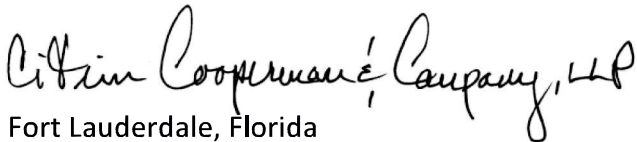
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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.



Fort Lauderdale, Florida
December 23, 2025

**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 FLORIDA AUDITOR GENERAL**

To the Board of Directors
Southeast Florida Behavioral Health Network, Inc.

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Southeast Florida Behavioral Health Network, Inc. (the "Organization") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement*, and the compliance requirements identified as subject to audit in the Florida Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of the Organization's major federal programs and state projects for the year ended June 30, 2025. The Organization'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, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state 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; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.650, *Rules of the Florida 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 the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs and state projects.

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

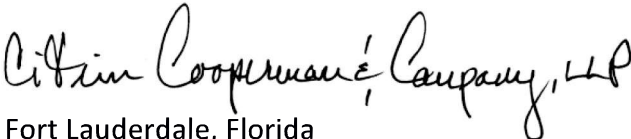
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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.

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

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.



Fort Lauderdale, Florida
December 23, 2025

Southeast Florida Behavioral Health Network, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:

Unmodified Opinion

Internal control over financial reporting:

Material weakness(es) identified?

_____ yes X no

Significant deficiency(ies) identified?

_____ yes X none reported

Noncompliance material to financial statements noted?

_____ yes X no

Federal Programs and State Projects

Internal control over major programs/projects:

Material weakness(es) identified?

_____ yes X no

Significant deficiency(ies) identified?

_____ yes X none reported

Type of auditor's report issued on compliance for major programs/projects:

Unmodified Opinion

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

_____ yes X no

Identification of major program(s)/project(s):

Federal Programs or Cluster
Assistance Listing No.

	United States Department of Health and Human Services -
93.558	Temporary Assistance for Needy Families
93.959	Block Grants for Prevention and Treatment of Substance Abuse

State Projects
CSFA No.

	State of Florida Department of Children and Families -
60.155	Substance Abuse and Mental Health Crisis Prevention and Stabilization Services
60.190	SAMH ME State Funded Federal Excluded Services
60.355	State Opioid Settlement Trust Fund Services

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

Federal	\$ 1,068,957
State	\$ 750,000

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance (Not Applicable for State Projects)?

 X yes _____ no

Southeast Florida Behavioral Health Network, Inc.
Schedule of Findings and Questioned Costs
(continued)
For the Year Ended June 30, 2025

SECTION II - FINANCIAL STATEMENTS FINDINGS

None Reported.

SECTION III - FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

None Reported.