

Early Learning Coalition of Broward County, Inc.

Financial Statements
and Additional Information
For the Year Ended June 30, 2024

Early Learning Coalition of Broward County, Inc.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Early Learning Coalition of Broward County, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Early Learning Coalition of Broward County, Inc. (the "Organization"), which comprise the statement of financial position as of June 30, 2024, 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 Early Learning Coalition of Broward County, Inc. as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Governmental 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 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.

"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 (MGNI). 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.

Responsibilities of Management for the Financial Statements (Continued)

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

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Prior Year Summarized Comparative Information

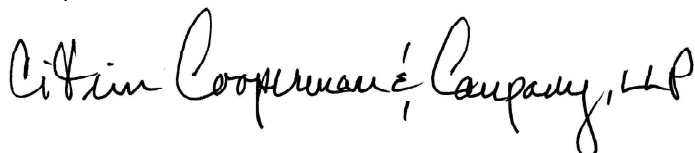
The financial statements of the Organization as of June 30, 2024, from which the 2023 summarized comparative information was derived, were audited by other auditors whose report, dated March 11, 2024, expressed an unmodified opinion on those financial statements.

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 the 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 Auditor General, Florida Single Audit Act*, 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 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 audit 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

March 19, 2025

Early Learning Coalition of Broward County, Inc.
Statement of Financial Position
June 30, 2024
(with comparative totals as of June 30, 2023)

	<u>2024</u>	<u>2023</u>
Assets:		
Cash	\$ 14,635,864	\$ 5,151,188
Grants and contracts receivable	4,418,271	16,009,206
Advances to providers	66,929	636,043
Prepaid expenses and other assets	1,267,203	231,615
Property and equipment, net	14,702	19,479
Operating lease right-of-use asset	<u>1,190,664</u>	<u>1,400,346</u>
Total assets	<u>\$ 21,593,633</u>	<u>\$ 23,447,877</u>
Liabilities:		
Accounts payable and accrued expenses	\$ 3,195,934	\$ 3,513,470
Refundable advances	585,719	2,598,109
Due to providers	15,260,823	15,321,931
Operating lease liability	<u>1,336,862</u>	<u>1,550,215</u>
Total liabilities	<u>20,379,338</u>	<u>22,983,725</u>
Net Assets:		
Without donor restrictions:		
Undesignated	489,824	464,152
Board designated	<u>724,471</u>	<u>-</u>
Total net assets	<u>1,214,295</u>	<u>464,152</u>
Total liabilities and net assets	<u>\$ 21,593,633</u>	<u>\$ 23,447,877</u>

See accompanying notes to financial statements.

Early Learning Coalition of Broward County, Inc.
Statement of Activities
For the Year Ended June 30, 2024
(with comparative totals as of June 30, 2023)

Net Assets Without Donor Restrictions:	<u>2024</u>	<u>2023</u>
Public Support and Revenues:		
Federal grants and contracts	\$ 137,576,018	\$ 245,759,543
State grants and contracts	38,182,223	38,233,157
Local grants and contracts	12,045,227	11,048,366
Other income	<u>32,203</u>	<u>56,187</u>
Total public support and revenues	<u>187,835,671</u>	<u>295,097,253</u>
Operating Expenses:		
Program services:		
Slots and pass through	164,962,503	272,270,285
Eligibility, provider relations and payments	9,764,624	8,701,668
Quality and education	<u>7,189,751</u>	<u>8,737,498</u>
Total program services	181,916,878	289,709,451
Supporting services:		
General and administrative expenses	<u>5,168,650</u>	<u>5,320,928</u>
Total operating expenses	<u>187,085,528</u>	<u>295,030,379</u>
Change in net assets without donor restrictions	750,143	66,874
Net Assets, Beginning of Year	<u>464,152</u>	<u>397,278</u>
Net Assets, End of Year	<u>\$ 1,214,295</u>	<u>\$ 464,152</u>

See accompanying notes to financial statements.

Early Learning Coalition of Broward County, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2024
(with comparative totals as of June 30, 2023)

	Program Services				Supporting Services		Total 2023
	Slots and Pass Through	Eligibility, Provider Relations, and Payments	Quality and Education	Total Program Services	General and Administration	Total 2024	
Childcare slots	\$ 145,297,954	\$ -	\$ -	\$ 145,297,954	\$ -	\$ 145,297,954	\$ 149,933,973
Other assistance to providers	19,664,549	-	-	19,664,549	-	19,664,549	122,336,312
Subrecipient payments	-	314,027	185,849	499,876	177,695	677,571	640,668
Salaries and benefits	-	8,953,939	4,939,086	13,893,025	4,067,990	17,961,015	15,876,027
Professional fees	-	18,594	614,265	632,859	245,494	878,353	910,091
Insurance	-	41,167	17,394	58,561	10,956	69,517	51,656
Printing and reproduction	-	-	-	-	14,534	14,534	9,565
Rent	-	288,324	116,664	404,988	113,550	518,538	493,082
Instructional materials	-	-	991,745	991,745	-	991,745	3,922,650
Staff travel and conferences	-	7,733	39,537	47,270	42,918	90,188	55,247
Office expenses	-	129,440	225,213	354,653	445,365	800,018	667,288
Other expenses	-	11,400	59,998	71,398	45,371	116,769	132,236
Depreciation	-	-	-	-	4,777	4,777	1,584
Total expenses	\$ 164,962,503	\$ 9,764,624	\$ 7,189,751	\$ 181,916,878	\$ 5,168,650	\$ 187,085,528	\$ 295,030,379

See accompanying notes to financial statements.

Early Learning Coalition of Broward County, Inc.
Statement of Cash Flows
For the Year Ended June 30, 2024
(with comparative totals as of June 30, 2023)

	<u>2024</u>	<u>2023</u>
Cash Flows From Operating Activities:		
Change in net assets without donor restrictions	\$ 750,143	\$ 66,874
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	4,777	1,584
Amortization of operating lease right-of-use asset	209,682	204,921
(Increase) decrease in assets:		
Grants and contracts receivable	11,590,935	(13,809,607)
Advances to providers	569,114	(110,426)
Prepaid expenses and other assets	(1,035,588)	128,807
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(317,536)	1,332,015
Refundable advances	(2,012,390)	1,250,363
Due to funders	-	(128,245)
Due to providers	(61,108)	6,363,331
Operating lease liability	(213,353)	(201,414)
	<u>9,484,676</u>	<u>(4,901,797)</u>
Net cash provided by (used in) operating activities		
Cash Flows From Financing Activities:		
Purchase of property and equipment	-	(9,579)
	<u>-</u>	<u>(9,579)</u>
Net cash used in financing activities		
	<u>9,484,676</u>	<u>(4,911,376)</u>
Net increase (decrease) in cash		
Cash, Beginning of Year	<u>5,151,188</u>	<u>10,062,564</u>
Cash, End of Year	\$ <u><u>14,635,864</u></u>	\$ <u><u>5,151,188</u></u>

See accompanying notes to financial statements.

Note 1 - Organization and Operations

The Early Learning Coalition of Broward County, Inc. (the "Organization") was incorporated on June 12, 2000, under the laws of the State of Florida, as a not-for-profit organization. The purpose of the Organization is to implement an integrated and quality seamless service delivery system for all publicly-funded early education and care programs in Broward County serving children from birth to thirteen years of age. The Organization provides childcare services to school-age children under statutory guidelines. Its mission is to provide the resources, advocacy, leadership, coordination and oversight for early care and education from birth to school-age and to support access to school-age care to ensure children's success in school.

Although the Organization has a variety of goals and objectives, all of its goals and objectives relate to the Organization's primary objective of school readiness for children. Program goals include preparation of children for kindergarten, provision of childcare to meet the needs of working parents with children aged birth to thirteen, and development and training of childcare centers and family childcare homes.

Note 2 - Summary of Significant Accounting Policies

Basis of accounting: The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis of presentation: The financial statement presentation follows U.S. GAAP which requires the Organization 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. The board has designated, from net assets without donor restrictions, net assets for software licenses purchased in advance to realize cost savings.
- *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. The Organization had no grantor or donor stipulations as of the end of the year that are reported as net assets without donor restrictions.

Note 2 - Summary of Significant Accounting Policies (continued)

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

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

Receivables and allowance for doubtful or uncollectible receivables: Grants and contracts receivable consist principally of claims not yet reimbursed by various grantor agencies. Receivable balances are unsecured. Management periodically reviews the receivable balances and provides an allowance for accounts which may be uncollectible based on historical experience, an assessment of economic conditions, and a review of subsequent collections. At June 30, 2024 and 2023, management considered all of its grants and contract receivable balances to be fully collectible, except for approximately \$ 0 and \$ 289,000, respectively, which is uncollectible from providers, but will be collectible from the grantor agency.

Advances to providers: Advances to providers consist of advances to various providers for child-care services, as required by law. Management determined no allowance for advances to providers is required for the year ended June 30, 2024. Management recorded an allowance for advances to providers of approximately \$ 495,000 for the year ended June 30, 2023, for amounts estimated to be unrecoverable, but will be collectible from the grantor agency.

Property and equipment: Property and equipment are carried at cost. The Organization's policy is to provide for depreciation, using the straight-line method over the estimated useful life of the asset. Estimated useful lives for assets are as follows:

Computers and software	3 years
Furniture and equipment	5-7 years
Leasehold improvements	10 years

Maintenance and repairs to property and equipment are charged to expense when incurred. Additions and major renewals are capitalized.

Due to providers: Due to providers represents pending reimbursements for childcare services to various providers for costs incurred prior to June 30, and not paid until after the fiscal year end.

Refundable advances: Revenues received in advance (nonexchange transaction) that are not recognized because the allowable costs as defined by the individual grant or contract have not been incurred, the unit of service has not been provided, and/or the conditions of release have not been substantially met or explicitly waived are considered refundable advances.

Note 2 - Summary of Significant Accounting Policies (continued)

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 are 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.

Grant and contract revenue derived from units of service contracts is recognized as revenue when the unit of service has been provided in compliance with the specific contract. Revenue derived from cost-reimbursement contracts, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses, is recognized when such expenditures are incurred in compliance with specific contract provisions.

Other revenues are recognized when the performance obligation of transferring the products or providing the service are met.

Leases: The Organization determines if an arrangement is or contains a lease at inception. Leases are included in operating lease right-of-use ("ROU") asset and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

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. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses allocated include personnel and occupancy costs, among other expenses; which are allocated on the basis of estimates of time and effort, square footage basis, as well as other methods as determined from time-to-time by management.

Concentrations of credit risk: Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash, receivables, and advances to providers. The concentration of credit risk with respect to receivables is primarily due to the economic dependency in federal, state, and other agencies and the ability to obtain authorization, process and collect balances timely. Advances to providers are dependent on the financial ability of the individual payor and/or the ability to provide services. The Organization does not require collateral or other security to support receivables and advances to provide services. At June 30, 2024, the Organization had cash balances of approximately \$ 14,386,000 that exceeded FDIC covered amounts. Although cash balances may exceed federally insured limits at times during the year, the Organization has not experienced and does not expect to incur any losses in such accounts. Cash is maintained, with what management believes to be high quality financial institutions, to limit the Organization's risk.

Note 2 - Summary of Significant Accounting Policies (continued)

Income taxes: The Organization qualifies as a tax-exempt organization under Section 501(c)(3) and as such is only subject to federal income tax on unrelated business income. Management has evaluated unrelated business income tax implications and believes that the effects, if any, are immaterial to the Organization’s financial statements for the year ended June 30, 2024. Accordingly, no provision for income taxes has been made to these financial statements.

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.

Summarized prior year information: The financial statements include summarized comparative information from the prior year, which is not presented by net asset type and functional expense classification and does not include sufficient detail to conform with U.S. GAAP. This information should be read in conjunction with the Organization’s audited financial statements for the year ended June 30, 2023, from which the comparative information was derived.

Date of management review: Subsequent events were evaluated by management through March 19, 2025, which is the date the financial statements were available for issuance.

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 ending June 30, 2024 are estimated and, comprise the following:

Financial assets:		
Cash	\$	14,635,864
Grants and contracts receivable		4,418,271
Advances to providers		<u>66,929</u>
Financial assets available to meet cash needs for general expenditures within one year and to satisfy certain liabilities as they become due	\$	<u><u>19,121,064</u></u>

As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the board has designated \$ 724,471 in net assets relating to software licenses purchased in advance to realize cost savings.

Early Learning Coalition of Broward County, Inc.
Notes to Financial Statements
June 30, 2024
(with comparative totals as of June 30, 2023)

Note 4 - Property and Equipment

Property and equipment consisted of the following as of June 30:

	<u>2024</u>	<u>2023</u>
Computers and software	\$ 235,336	\$ 235,336
Leasehold improvements	<u>54,039</u>	<u>54,039</u>
	289,375	289,375
Less: accumulated depreciation	<u>274,673</u>	<u>269,896</u>
Total	<u>\$ 14,702</u>	<u>\$ 19,479</u>

Note 5 - Operating Leases

The Organization previously entered into a one hundred twenty-five (125) month operating lease agreement for office space, commencing April 30, 2019. The lease provides for base lease payments of approximately \$18,000 per month, escalating annually by 3.0%, plus the Organization's share of common area maintenance charges through September 2029.

The Organization also entered into an operating lease agreement with the School Board of Broward County, Florida ("SBBC") to lease space to provide program support services and training to school readiness clients and providers. The Organization is required to pay a shared custodial cost for the leased space in the amount of approximately \$12,000 per year through September 2025.

The right-of-use asset and corresponding liability associated with future lease payments at June 30, 2024 and 2023 are approximately as follows:

	<u>2024</u>	<u>2023</u>
Right-of-use asset	\$ 1,190,664	\$ 1,400,346
Lease liability	1,336,862	1,550,215
Weighted Average:		
Discount rate	2.298%	2.298%
Remaining lease term (years)	5.25	6.25

The discount rate of 2.298% was determined using the Organization's estimated incremental borrowing rate. The lease has a weighted average remaining lease term of 5.25 years at June 30, 2024. The lease costs reported for the year ended June 30, 2024, was approximately \$242,600. The Organization has excluded the renewal options of the lease from the lease liability calculation as it is not reasonably certain that the options will be exercised. This determination is based on management's assessment of market, economic, and other contributing factors to renew the lease or exercise the renewal options.

Early Learning Coalition of Broward County, Inc.
Notes to Financial Statements
June 30, 2024
(with comparative totals as of June 30, 2023)

Note 5 - Operating Leases (continued)

Estimated future maturities of operating lease liabilities as of June 30, 2024 are as follows:

Year Ending June 30,	Amount
2025	\$ 253,668
2026	261,278
2027	269,117
2028	277,190
2029	285,506
Thereafter	<u>73,152</u>
	1,419,911
Less: Interest	<u>(83,049)</u>
	<u>\$ 1,336,862</u>

Note 6 - Commitments and Contingencies

Grants and contracts: The grant and contract revenue amounts received are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor/contract agencies becomes a liability of the Organization.

Note 7 - Concentrations

The Organization receives a substantial portion of its revenue from federal, state and local government agencies. If a significant reduction in this revenue should occur, it may have an effect on the Organization's programs and activities. For the years ended June 30, 2024 and 2023, approximately 94% and 97%, respectively, of the Organization's revenues and support were from the Division of Early Learning (DEL) and the Children's Services Council of Broward County. At June 30, 2024 and 2023, amounts owed to the Organization from these agencies were 91% and 99%, respectively.

Note 8 - Related Parties

The Organization's Board of Directors is mandated by Florida statutes to include individuals representing certain public and private organizations. Consequently, the Organization's Board of Directors includes representatives from funding organizations and organizations that receive funds directly and/or indirectly through the Organization.

Total payments to these related organizations during the years ended June 30, 2024 and 2023 were approximately \$ 5,040,000 and \$ 4,951,000, respectively. There were no accounts payable to related parties at June 30, 2024 and 2023, respectively.

Early Learning Coalition of Broward County, Inc.
Notes to Financial Statements
June 30, 2024
(with comparative totals as of June 30, 2023)

Note 9 - Defined Contribution Pension Plan

The Organization offers a 403(b) defined contribution retirement plan. Contributions to the plan by the Organization are discretionary. For the years ended June 30, 2024 and 2023, the Organization contributed approximately \$ 410,000 and \$ 324,000, respectively.

Note 10 - Local Grant and Contract Revenue

	<u>2024</u>	<u>2023</u>
Children's Services Council grants:		
Financially Assisted Child Care	\$ 3,140,760	\$ 5,587,687
Vulnerable Pop Child Care	<u>4,082,473</u>	<u>2,748,911</u>
Total Children's Services Council grants	<u>7,223,233</u>	<u>8,336,598</u>
Broward County grants:		
Subsidized Program	4,152,554	2,253,090
Special Needs	<u>7,757</u>	<u>-</u>
Total Broward County grants	<u>4,160,311</u>	<u>2,253,090</u>
Other local grants and contracts:		
School Readiness Local Match	536,964	354,508
Other	<u>124,719</u>	<u>104,170</u>
Total other local grants and contracts	<u>661,683</u>	<u>458,678</u>
Total local grant and contract revenue	\$ <u><u>12,045,227</u></u>	\$ <u><u>11,048,366</u></u>

ADDITIONAL INFORMATION

**Early Learning Coalition of Broward County, Inc.
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended June 30, 2024**

<u>Federal /State Agency Pass-through Grantor/Program or Cluster Title</u>	<u>Federal Assistance Listing/CSFA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Total Federal / State Expenditures</u>	<u>State Matching Expenditures (1)</u>	<u>Provided to Subrecipients</u>
Federal Agency Name:					
Indirect Programs:					
U.S. Department of Health and Human Services - Passed through State of Florida Division of Early Learning -					
Child Care and Development Fund Cluster - Child Care and Development Block Grant	93.575	EL094	\$ 29,551,632	\$ -	\$ 991,741
COVID-19 - Child Care and Development Block Grant	93.575	EL094	74,029,689	-	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	EL094	<u>11,393,221</u>	<u>3,482,557</u>	<u>305,328</u>
Total Child Care and Development Fund Cluster			<u>114,974,542</u>	<u>3,482,557</u>	<u>1,297,069</u>
Temporary Assistance for Needy Families	93.558	EL094	6,867,366	12,214,589	265,308
Social Services Block Grant	93.667	EL094	<u>36,964</u>	-	<u>700</u>
Total Expenditures of Federal Awards			<u>\$ 121,878,872</u>	<u>\$ 15,697,146</u>	<u>\$ 1,563,077</u>

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

Early Learning Coalition of Broward County, Inc.
Schedule of Expenditures of Federal Awards and State Financial Assistance
(continued)
For the Year Ended June 30, 2024

<u>Federal /State Agency Pass-through Grantor/Program or Cluster Title</u>	<u>Federal Assistance Listing/CSFA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Total Federal / State Expenditures</u>	<u>State Matching Expenditures (1)</u>	<u>Provided to Subrecipients</u>
State Agency Name:					
Indirect Programs:					
State of Florida Department of Education -					
Passed through State of Florida Division of Early					
Learning -					
Voluntary Pre-Kindergarten Services	48.108	EL093	\$ <u>38,157,194</u>	\$ <u>-</u>	\$ <u>-</u>
Total Expenditures of State Financial Assistance			\$ <u>38,157,194</u>	\$ <u>-</u>	\$ <u>-</u>

(1) State financial assistance not subject to Section 215.97, Florida Statutes.

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

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance (the "Schedule") includes the award activity of all federal awards and state financial assistance of Early Learning Coalition of Broward County, Inc. (the "Organization") for the year ended June 30, 2024. The information in the 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 Auditor General, Florida Single Audit Act*. Therefore, some amounts presented in the Schedule may differ from amounts presented in or used in the preparation of the financial statements. Because of the Schedule presenting only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, change in net assets, or cash flows of the Organization.

Note 2 - Summary of Significant Account 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 did not elect to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**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
Early Learning Coalition of Broward County, 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 the Early Learning Coalition of Broward County, Inc. (a nonprofit organization) (the "Organization"), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 19, 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 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 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.

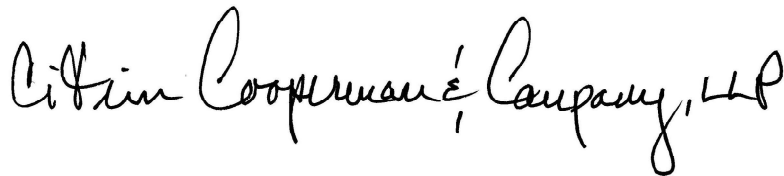
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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
March 19, 2025



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

To the Board of Directors
Early Learning Coalition of Broward County, Inc.

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited the Early Learning Coalition of Broward County, Inc.'s (the "Organization") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement and Florida Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs and state projects for the year ended June 30, 2024. 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, 2024.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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, Florida Single Audit Act. Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.650, Rules of the Auditor General, Florida Single Audit Act, 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.

"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 (MGNI). 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.

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.

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 GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, Rules of the Auditor General, Florida Single Audit Act, 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 or state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, Rules of the Auditor General, Florida Single Audit Act, 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, Rules of the Auditor General, Florida Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

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

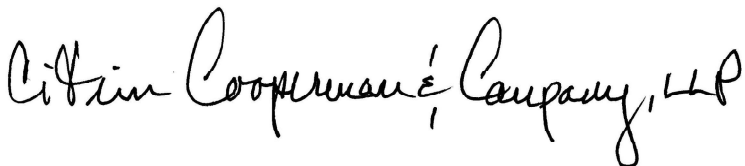
Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. 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, Rules of the Auditor General, Florida Single Audit Act. Accordingly, this report is not suitable for any other purpose.



Fort Lauderdale, Florida
March 19, 2025

**Early Learning Coalition of Broward County, Inc.
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2024**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: *Unmodified Opinion*

Internal control over financial reporting:

Material weaknesses (es) identified? yes X no
 Significant deficiency(ies) identified? yes X none reported
 Noncompliance material to financial statements noted? yes X no

Federal Programs and State Projects

Internal control over major federal programs and state projects:

Material weaknesses(es) identified? yes X no
 Significant deficiency(ies) identified? yes X none reported

Type of auditor's report issued on compliance for major federal programs and state projects? *Unmodified Opinion*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) or Chapter 10.650, *Rules of the Auditor General*? yes X no

Identification of major federal program(s) and state project(s):

<u>Assistance Listing No.</u>	<u>Federal Program or Cluster</u>
93.575; 93.596	Child Care and Development Fund Cluster

<u>CSFA No.</u>	<u>State Project</u>
48.108	State of Florida Department of Education - Voluntary Pre-Kindergarten Services

Dollar threshold used to distinguish between Type A and Type B Federal Programs: \$ 3,000,000

Early Learning Coalition of Broward County, Inc.
Schedule of Findings and Questioned Costs
(continued)
For the Year Ended June 30, 2024

Dollar threshold used to distinguish between Type A
and Type B State Projects:

\$ 1,144,716

Auditee qualified as low-risk auditee?

X yes no

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported.

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

None reported.

**SECTION IV - STATE OF FLORIDA DIVISION OF EARLY LEARNING (DEL) REPORTING
REQUIREMENTS FINANCIAL STATEMENT FINDINGS**

- | | |
|--|-----|
| 1. EFS Mod reconciled monthly | Yes |
| 2. Processes in place to identify and correct errors during
monthly reconciled to EFS Mod | Yes |
| 3. Organization financial records reconcile and agree to EFS
Mod as of program year ended June 30, 2024 | Yes |
| 4. Audit workpapers documenting verifications of
reconciliations available to DEL staff | Yes |

SECTION V - PRIOR YEAR AUDIT FINDINGS

None reported.

SECTION VI - OTHER

No management letter is required because there were no findings required to be reported in a separate management letter.

EARLY LEARNING COALITION OF BROWARD COUNTY, INC.
1475 W. CYPRESS CREEK ROAD, SUITE 301
FORT LAUDERDALE, FL 33309

March 19, 2025

Citrin Cooperman & Company, LLP
6550 North Federal Highway, 4th Floor
Fort Lauderdale, FL 33308

This representation letter is provided in connection with your audit of the financial statements of Early Learning Coalition of Broward County, Inc. (the "Organization"), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of your auditor's report, the following representations made to you during your audit:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated October 11, 2024, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
3. We acknowledge our responsibility 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
6. Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

8. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
9. Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
10. Guarantees, whether written or oral, under which the Organization is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.
11. We believe that the statement of functional expenses is prepared under reasonable assumptions for the allocation of expenses. In addition, we have properly allocated direct and indirect expenses in our accounting system.
12. We have implemented ASU 2016-13, Financial Instruments Credit Losses (Topic 326): Measurement of Credit Losses on Financial instruments during the audit period in accordance with the transition guidance prescribed in ASU 2016-13. We have sufficient and appropriate documentation supporting all estimates and judgments underlying the amounts recorded and disclosed in the financial statements. Overall, we determined that the new standard was not applicable to the Organization's assets or other items.

Information Provided

13. We have provided you with:
 - (a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside the general and subsidiary ledgers), documentation, and other matters.
 - (b) Additional information that you have requested from us for the purpose of the audit.
 - (c) Unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence.
 - (d) Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
14. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
15. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
16. We have no knowledge of any fraud or suspected fraud that affects the Organization and involves:
 - (a) Management,
 - (b) Employees who have significant roles in internal control, or
 - (c) Others where the fraud could have a material effect on the financial statements.
17. We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements communicated by employees, former employees, grantors, regulators, or others.
18. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing the financial statements.

19. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
20. We have disclosed to you the names of all of the Organization's related parties and all the related-party relationships and transactions, including any side agreements.
21. The Organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
22. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
23. Early Learning Coalition of Broward County, Inc. is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.
24. The Organization acknowledges that there are no grants/contracts related paybacks due to audits of federal, state, or local agencies, through June 30, 2024 and through the date of the auditor's report, except as disclosed to you.
25. The Organization has adequate insurance coverage as of the date of this letter.
26. We acknowledge our responsibility for presenting the schedule of expenditure of federal awards and state financial assistance and notes thereto in accordance with U.S. GAAP, and we believe the supplementary information, including its form and content, are fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
27. With respect to federal award programs and state financial assistance projects:
 - (a) We are responsible for understanding and complying with, and have complied with, the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), relating to preparation of the schedule of expenditures of federal awards and state financial assistance.
 - (b) We acknowledge our responsibility for preparing and presenting the schedule of expenditures of federal awards and state financial assistance (SEFA) and related notes in accordance with the requirements of the Uniform Guidance and Chapter 10,650, *Rules of the Auditor General, Florida Single Audit Act*, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance and Chapter 10,650, *Rules of the Auditor General, Florida Single Audit Act*. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period, and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
 - (c) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon

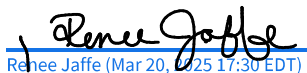
- (d) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit and all of our state projects and related activities subject to Chapter 10.650, *Rules of the Auditor General, Florida Single Audit Act* compliance audit. We have included in the SEFA, expenditures made during the audit period for all awards provided by federal and state agencies in the form of federal and state awards, federal and state cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- (e) We are responsible for understanding and complying with, and have complied with, the requirements of federal and state statutes, regulations, and the terms and conditions of federal and state awards related to each of our federal programs and state projects. We have identified and disclosed to you the requirements of federal and state statutes, regulations, and the terms and conditions of federal and state awards that are considered to have a direct and material effect on each major program and project.
- (f) We are responsible for establishing, designing, implementing, and maintaining, and have established, designed, implemented, and maintained, effective internal control over compliance for federal programs and state projects that provides reasonable assurance that we are managing our federal and state awards in compliance with federal and state statutes, regulations, and the terms and conditions of federal and state awards that could have a material effect on our federal programs and state projects. We believe the internal control system is adequate and is functioning as intended.
- (g) We have made available to you all federal and state awards (including amendments, if any) and any other correspondence with federal and state agencies or passthrough entities relevant to federal programs, state projects, and related activities.
- (h) We have received no requests from a federal or state agency to audit one or more specific programs or projects as a major program or project.
- (i) We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Compliance Supplement* and the *Florida Department of Financial Services' State Projects Compliance Supplement* relating to federal and state awards and confirm that there were no amounts questioned and no known noncompliance with the direct and material compliance requirements of federal and state awards.
- (j) We have disclosed any communications from federal and state awarding agencies and passthrough entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- (k) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.

- (l) Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E) or relevant state guidelines.
- (m) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- (n) We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program and state project financial reports and claims for advances and reimbursements.
- (o) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- (p) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- (q) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance subsequent to the period covered by the auditor's report.
- (r) Federal program and state project financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- (s) The copies of federal program and state project financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective federal or state agency or passthrough entity, as applicable.
- (t) We have monitored subrecipients, as necessary, to determine they have expended subawards in compliance with federal and state statutes, regulations, and the terms and conditions of the subaward and have met the other pass-through entity requirements of the Uniform Guidance.
- (u) We have issued management decisions for audit findings that relate to federal and state awards made to subrecipients and such management decisions have been issued within six months of the acceptance of the audit report by the Federal Audit Clearinghouse. Additionally, we have followed-up ensuring that the subrecipient has taken timely and appropriate action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal and state awards provided to the subrecipient.
- (v) We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.
- (w) We have charged costs to federal and state awards in accordance with applicable cost principles.

- (x) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General, Florida Single Audit Act*, and we have provided you with all information on the status of the follow-up on prior audit findings by federal and state awarding agencies and pass-through entities, including all management decisions, as applicable.
 - (y) We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
 - (z) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
 - (aa) If applicable, we are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General, Florida Single Audit Act*.
28. In regards to the financial statement preparation and schedule of expenditures of federal awards and state financial assistance preparation services performed by you, we have:
- (a) Assumed all management responsibilities.
 - (b) Designated an individual (within senior management) who has suitable skill, knowledge, or experience to oversee the services.
 - (c) Evaluated the adequacy and results of the services performed.
 - (d) Accepted responsibility for the results of the services.
 - (e) Ensured that the data and records are complete and we have sufficient information to oversee the services.
29. In regards to the accounting implementation assistance services associated with ASC 326 Financial Instruments Credit Losses services performed by you, we have:
- (a) Assumed all management responsibilities.
 - (b) Designated an individual (within senior management) who has suitable skill, knowledge, or experience to oversee the services.
 - (c) Evaluated the adequacy and results of the services performed.
 - (d) Accepted responsibility for the results of the services.
 - (e) Ensured that the data and records are complete and we have sufficient information to oversee the services.

30. In regards to the accounting implementation assistance services associated with ASC 326 Financial Instruments Credit Losses services performed by you, we have:
- (a) Assumed all management responsibilities.
 - (b) Designated an individual (within senior management) who has suitable skill, knowledge, or experience to oversee the services.
 - (c) Evaluated the adequacy and results of the services performed.
 - (d) Accepted responsibility for the results of the services.
 - (e) Ensured that the data and records are complete and we have sufficient information to oversee the services.
31. In regards to the tax preparation services performed by Citrin Cooperman Advisors, LLC, we have:
- (a) Assumed all management responsibilities.
 - (b) Designated an individual (within senior management) who has suitable skill, knowledge, or experience to oversee the services.
 - (c) Evaluated the adequacy and results of the services performed.
 - (d) Accepted responsibility for the results of the services.
 - (e) Ensured that the data and records are complete and we have sufficient information to oversee the services.
32. We believe the estimates of receivable balances, net of allowances for uncollectible accounts and other adjustments, included in the financial statements are fair and reasonable estimates. Balances have been reduced to their estimated net realizable value
33. We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the Organization's ability to record, process, summarize, and report financial data, other than the conditions reflected in your internal control letter to the Board, if applicable.

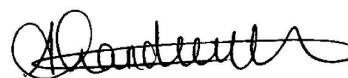
Very truly yours,


Renee Jaffe (Mar 20, 2025 17:30 EDT)

Renee Jaffe
Chief Executive Officer



Christine Klima
Chief Administrative Officer



Stephanie Landreville
Controller