

**NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC.
(DBA WELLFLORIDA COUNCIL)**

FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2024

**NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC.
(DBA WELLFLORIDA COUNCIL)**

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Powell and Jones CPA

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
North Central Florida Health Planning Council, Inc. DBA WellFlorida Council
Gainesville, Florida

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of North Central Florida Health Planning Council, Inc. DBA WellFlorida Council (the Council) 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 the Council 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 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 Council and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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 accepting auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess 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 Council'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 Council's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and Chapter 10.550, Rules of the Auditor General are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information includes management's response to findings and the combining schedule of activities items as identified in the table of contents but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2025, on our consideration of the Council'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 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 Council'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 Council's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited the Council's 2023 financial statements, and our report dated March 28, 2024, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.



POWELL AND JONES CPA

Lake City, Florida

March 26, 2025

BASIC FINANCIAL STATEMENTS

NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC. (DBA WELLFLORIDA COUNCIL)

STATEMENT OF FINANCIAL POSITION
June 30, 2024
(With Comparative Totals for June 30, 2023)

	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,148,979	\$ 3,840,241
Grant and contract receivables	2,776,393	2,197,058
Prepaid expenses	43,986	38,356
Total current assets	4,969,358	6,075,655
Restricted cash	100,653	100,058
Property and equipment		
Land	133,700	133,700
Building	1,500,341	1,500,341
Furniture and equipment	126,554	126,554
Accumulated depreciation	(801,668)	(762,510)
Net property and equipment	958,927	998,085
Total assets	\$ 6,028,938	\$ 7,173,798
LIABILITIES AND NET ASSETS		
Liabilities		
Current liabilities		
Accounts payable	\$ 1,726,274	\$ 2,750,059
Accrued liabilities	292,431	247,446
Accrued interest payable	1,461	1,562
Unearned revenue	199,974	482,786
Medicaid holdback - current portion	87,525	42,750
Note payable - current portion	70,996	70,991
Total current liabilities	2,378,661	3,595,594
Long-term liabilities		
Compensated absences	162,231	148,568
Medicaid holdback - noncurrent portion	307,049	318,016
Note payable - noncurrent portion	517,042	586,434
Total long-term liabilities	986,322	1,053,018
Total liabilities	3,364,983	4,648,612
Net assets		
Net assets without donor restrictions		
Net investment in capital assets	370,889	340,660
Undesignated	753,255	882,217
Net assets with donor restrictions	1,539,811	1,302,309
Total net assets	2,663,955	2,525,186
Total liabilities and net assets	\$ 6,028,938	\$ 7,173,798

See notes to financial statements.

NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC. (DBA WELLFLORIDA COUNCIL)

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Fiscal Year Ended June 30, 2024
(With Comparative Totals for the Fiscal Year Ended June 30, 2023)

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2024	2023
Support and revenues				
Federal awards	\$ 16,120	\$ 8,649,938	\$ 8,666,058	\$ 13,583,085
State financial assistance	-	3,796,320	3,796,320	2,600,371
Service contracts	453,998	619,332	1,073,330	1,385,592
Private contributions	16,650	57,552	74,202	35,462
Investment income	3,469	17,133	20,602	217
Other	18,583	91,488	110,071	258,001
Net assets released from donor restrictions	12,972,816	(12,972,816)	-	-
Total support and revenues	13,481,636	258,947	13,740,583	17,862,728
Expenses				
Program services				
Rural Health Partnership	130,699	-	130,699	82,038
Ryan White Title II	-	-	-	3,011,159
Housing Opportunities for People with AIDS	1,087,648	-	1,087,648	1,213,898
Central Healthy Start	3,217,552	-	3,217,552	3,886,620
Healthy Start of North Central Florida	5,738,609	-	5,738,609	5,630,529
Other Programs	2,798,308	-	2,798,308	2,917,163
Total program services	12,972,816	-	12,972,816	16,741,407
Supporting services				
General and administrative	628,998	-	628,998	795,823
Total expenses	13,601,814	-	13,601,814	17,537,230
Change in net assets	(120,178)	258,947	138,769	325,498
Net assets, beginning	1,244,322	1,280,864	2,525,186	2,199,688
Net assets, ending	\$ 1,124,144	\$ 1,539,811	\$ 2,663,955	\$ 2,525,186

See notes to financial statements.

NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC. (DBA WELLFLORIDA COUNCIL)
Statement of Functional Expenses
For the Fiscal Year Ended June 30, 2024
(With Comparative Totals for the Fiscal Year Ended June 30, 2023)

	Program Services					Total Program Services	Supporting Services	Totals	
	Rural Health Partnership	Central Healthy Start	Healthy Start of North Central Florida	Housing Opportunities for People with AIDS	Other Programs		General and Administrative	2024	2023
Personnel services	103,169	824,371	1,711,847	68,612	1,094,645	3,802,644	413,219	4,215,863	4,061,338
Contract services - case management	-	5,556	8,104	285,000	-	298,660	-	298,660	1,036,549
Contract services - clinical services	-	-	-	-	-	-	-	-	1,181,356
Emergency Financial Assistance	-	-	-	-	-	-	-	-	26,090
Dental	-	-	-	-	-	-	-	-	178,271
Drugs and prescriptions	-	-	-	-	-	-	-	-	198,034
Housing related assistance	-	-	-	686,766	-	686,766	-	686,766	817,464
Healthy start	-	693,438	1,394,764	-	-	2,088,202	-	2,088,202	1,492,771
Meals	-	-	-	-	-	-	-	-	86,716
Medicaid waiver	-	1,474,211	2,163,290	-	-	3,637,501	-	3,637,501	5,453,889
Other contractual services	17,900	-	750	39,000	1,338,248	1,395,898	31,949	1,427,847	1,672,524
Utilities/equipment rental/maintenance	647	17,319	37,632	763	26,680	83,041	5,728	88,769	86,825
Office expense and data processing	3,255	80,211	173,844	4,136	89,878	351,324	32,715	384,039	394,833
Accounting and professional services	942	18,492	40,196	1,027	18,196	78,853	10,081	88,934	58,138
Dues and training fees	2,262	48,447	108,440	491	90,496	250,136	12,697	262,833	284,843
Meetings and travel	1,189	18,416	25,285	-	47,469	92,359	32,713	125,072	128,990
Public awareness	-	11,058	17,815	-	41,159	70,032	4,247	74,279	97,219
Insurance and bonding	636	12,426	27,018	749	14,069	54,898	5,431	60,329	73,263
Interest	291	5,643	12,248	344	6,228	24,754	1,010	25,764	30,234
Depreciation	408	7,878	17,122	480	8,665	34,553	4,605	39,158	38,995
Other	-	86	254	280	22,575	23,195	74,603	97,798	138,888
Total expenses	130,699	3,217,552	5,738,609	1,087,648	2,798,308	12,972,816	628,998	13,601,814	17,537,230

See notes to financial statements.

NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC. (DBA WELLFLORIDA COUNCIL)

STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2024
(With Comparative Totals for the Fiscal Year Ended June 30, 2023)

	2024	2023
Cash flows from operating activities:		
Cash received from grants and others	\$ 12,912,244	\$ 16,347,801
Cash paid to vendors and others	(10,350,440)	(11,761,443)
Interest payments on note payable	(25,869)	(30,234)
Cash paid for compensation and related expenses	(4,157,215)	(4,220,527)
Net cash provided (used) by operating activities	(1,621,280)	335,597
Cash flow from financing activities:		
Principal payments on note payable	(69,387)	(67,952)
Net cash provided (used) by financing activities	(69,387)	(67,952)
Net increase (decrease) in cash	(1,690,667)	267,645
Cash and cash equivalent, including restricted cash, beginning of year	3,940,299	3,672,654
Cash and cash equivalent, including restricted cash, end of year	\$ 2,249,632	\$ 3,940,299
Reconciliation of change in net assets to net cash provided (used) by operating activities:		
Change in net assets	\$ 138,769	\$ 325,498
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	39,158	38,995
(Increase) decrease in current assets:		
Grant and contract receivable	(579,335)	501,104
Prepaid expenses	(5,630)	18,610
Increase (decrease) in current liabilities:		
Accounts payable	(1,023,785)	1,626,610
Accrued liabilities	44,985	(144,664)
Accrued interest payable	(101)	(164)
Unearned revenue	(282,812)	(2,085,121)
Compensated absences	13,663	(14,525)
Medicaid holdback	33,808	69,254
Total adjustments	(1,760,049)	10,099
Net cash provided by operating activities	\$ (1,621,280)	\$ 335,597

See notes to financial statements.

NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC. (DBA WELLFLORIDA COUNCIL)

NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

North Central Florida Health Planning Council, Inc. DBA WellFlorida Council (the Council) is a nonprofit corporation organized under the Florida Not-for-Profit Corporation Act as North Central Florida Health Planning Council, Inc., and doing business as WellFlorida Council Inc. The Council was established to assist certain north Florida counties in implementing and complying with the public health provisions of Section 408.033, *Florida Statutes*.

Financial Statements - The Council has contracts with the Rural Health Partnership of North Central Florida, Inc. (Rural Health Partnership), Central Healthy Start, Inc. (Central Healthy Start), and Healthy Start of North Central Florida, Inc., collectively referred to as Affiliates, to provide lead agency services. Lead agency services include all administrative, fiscal and programmatic activities. As such, these financial statements include the accounts and transactions of the Council and its affiliates. All material intercompany accounts have been eliminated.

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the Guide).

Income Taxes - The Council and its affiliates are exempt from income taxes according to provisions of Section 501(c)(3) of the Internal Revenue Code. The Council and its affiliates have not earned any unrelated business taxable income; therefore, no provision for federal income taxes is reported. In addition, the Council and each of its affiliates have been classified by the Internal Revenue Service as organizations that are not private foundations and they each qualify for the charitable contribution deduction. The Council and its affiliates are operated exclusively for charitable purposes. As required by Internal Revenue Service regulations, the Council and each of its affiliates annually file Forms 990, "Return of Organization Exempt from Income Tax" with the Internal Revenue Service. Those returns for fiscal years ending 2024, 2023, and 2022 are currently subject to review and adjustment by the Internal Revenue Service.

Basis of Accounting - The financial statements of the Council have been prepared on the accrual basis of accounting.

Cash and Cash Equivalents - For purposes of reporting cash flows, the Council considers its investments in money market funds to be cash equivalents.

The Council invests excess cash in money market funds. These investments are reported at fair value and are readily convertible to known amounts of cash.

Restricted Cash - A provision of the note payable executed with the United States Department of Agriculture requires 10% of the total year's payment to be held in a reserve account. With USDA approval, these funds are held in an investment account. Amounts held in reserve were \$100,653 at June 30, 2024.

Revenue Recognition - The Council recognizes revenue from its grantors as contractual work is performed. Receivables are recorded when revenue is recognized before cash is received. Conversely, an advance is recorded when cash is received before revenue is recognized. There is no valuation allowance required for grants receivable since all amounts are considered collectible.

Property and Equipment – Property and equipment over \$5,000 are valued at cost if purchased, or estimated fair value at the date of donation. Property and equipment are depreciated using the straight-line method over estimated useful lives of thirty years for the building and three to five years for furniture and equipment. Management reviews fixed assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment is measured by comparing the carrying amount of the assets to the sum of expected future cash flows (undiscounted and without interest charges) resulting from use of the asset and its eventual disposition. The Council has not recognized any impairment on its fixed assets.

Net Assets – The provisions of the American Institute of Certified Public Accountants (AICPA) “Audit and Accounting Guide for Not-for-Profit Organizations” (the Guide), require assets and revenues, and gains and losses to be classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Council and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Council. The Council’s board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Council or the by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained on perpetuity. The Council held \$1,539,811 with donor-imposed restrictions at year end.

Contributions to net assets with donor restrictions: The Council historically does not receive contributions from donors. Primarily all of its funding is through grants, which must be expended on specified programs or activities. Grant funds earned but not spent are the primary source of net assets with donor restrictions.

Measure of Operations - The statements of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Council’s ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature. There were no non-operating activities for the year ended June 30, 2024.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires the Council to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could vary from these estimates.

Reclassifications of Net Assets - Due to the nature of the Councils operations sometimes reclassifications of program services net assets to administration net assets are required to close out grants or contracts. This may occur for several reasons. First, when a program service grant or contract has remaining funds that are no longer restricted for use due to the termination of the agreement, this allows its net assets to become usable for administration purposes. The second occurs when a grant or contract becomes overspent, which requires administration net assets to cover the deficit at the close of the contract. During

the fiscal year net assets for the Ryan White Program were reclassified to unrestricted as this grant had closed in the prior year.

Unearned Revenues – The Council records unearned revenue on its statement of financial position. Unearned revenues arise when resources are received by the Council before it has fully earned them. As when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, or when the Council has fully earned the revenues, the liability for unearned revenue is removed from the statement of financial position and revenue is recognized.

Fair Value of Financial Instruments – The following methods and assumptions were used to estimate fair value of each class of financial instruments for which it is feasible to estimate that value:

- **Cash, Accounts Receivable and Accounts Payable** – Carrying amount approximates fair value due to the short maturity of these financial instruments.
- At June 30, 2024, the Council had no assets or liabilities subject to disclosure of fair value measurements as to valuation levels hierarchy per Financial Accounting Standards Board Statement No. 157.

Advertising Costs – The Council’s general policy is to expense advertising costs as incurred. Advertising costs expensed in the fiscal year ended June 30, 2024 totaled 74,279.

NOTE 2. LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available within one year of the statement of financial position date of June 30, 2024, for general expenditures are as follows:

Cash and cash equivalents	\$2,148,979
Restricted cash	43,986
Grants and contracts receivable	<u>2,776,393</u>
Total financial assets	<u>4,969,358</u>
Less amounts not available to be used within one year	
Restricted cash	(43,986)
Donor restricted net assets	(1,539,811)
Total financial assets available to be used within one year	<u><u>\$ 3,385,561</u></u>

The Council manages its liquid assets in accordance with regular budgeting processes developed through the coordinated efforts of management and the Board of Directors. Reporting by management to those charged with governance ensures the results from operating activities are monitored closely.

NOTE 3. COST ALLOCATIONS

The Council records costs that can be directly identified as benefiting a specific funding stream as direct expenses of the related program. Certain costs which are directly shared, have been allocated to programs based upon the relative benefit received. The Council allocates general and administrative costs that cannot be identified as benefiting a specific program. These costs are also allocated based upon the relative benefit received. The following is a table of cost allocation methodologies for expenditures which are allocated:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and benefits	Directly charged by time and effort to programs or allocated based upon relative full time employees working in the programs.
Travel	Directly charged to programs by the purpose for the travel or allocated based upon relative full time employees working in the programs.
Facilities costs	Allocated based upon the full time employees dedicated to each program.
Professional services, office expenses equipment and insurance communications and other expenses	Directly charged to the program benefited or allocated based upon relative full time employees working in the programs.

NOTE 4. CONCENTRATIONS

Cash - The amount of deposits in excess of the amount insured by the Federal Deposit Insurance Corporation will vary during the year. At June 30, 2024, the Council had deposits of approximately \$2,151,478 in excess of insured amounts.

Receivables -Receivables at year end consisted of grant and contract revenues due from governmental agencies that were considered to be fully collectible.

Revenues - The Council receives substantial support from the State of Florida under contracts with the Department of Health. These contracts must be renegotiated at the end of each contract term. During the fiscal year ended June 30, 2024, support recognized under these agreements amounted to \$7,713,130. At June 30, 2024, approximately \$983,455 was due from the State related to these contracts.

NOTE 5. PROPERTY AND EQUIPMENT

A schedule of property and equipment on June 30, 2024 follows:

	Balance			Balance
	July 1, 2023	Additions	Dispositions	June 30, 2024
Land	\$ 133,700	\$ -	\$ -	\$ 133,700
Building	1,500,341	-	-	1,500,341
Furniture and Equipment	126,554	-	-	126,554
Less: Accumulated depreciation	(762,510)	(39,158)	-	(801,668)
Net property and equipment	<u>\$ 998,085</u>	<u>\$ (39,158)</u>	<u>\$ -</u>	<u>\$ 958,927</u>

Depreciation for the year ended June 30, 2024 was \$39,158.

NOTE 6. UNEARNED REVENUE

Unearned revenue represents grant advances, payments and other funds which have been received, but for which the prescribed services have not yet been completed. These revenues will be recognized as income when these services are completed. At year end, unearned revenue is as follows:

Funding Source	Contract #	Funding Agency	Amount
Central Healthy Start	GFA089-05	Healthy Start MomCare Network, Inc.	\$ 604
MIECHV	1MIECHV-2223NCF	Florida Association of Healthy Start Coalitions	37,109
MIECHV-NFP	1MIECHV-2223WEL		112,500
North Central Healthy Start	LJ255	Florida Development of Childern and Families	28,320
Local Health Councils	CORGN		15,418
Other			6,023
			<u>\$ 199,974</u>

NOTE 7. LONG TERM DEBT

1. USDA Note

During 2007, the Council executed a note with the U.S.Department of Agriculture in the amount of \$1,477,000 payable in 25 years, at an interest rate of 4.375% per annum. The proceeds of the loan were used to finance the purchase and renovation of a new facility, land and building. These assets serve as collateral for the note.

At year end, the scheduled debt service requirements are as follows:

	Principal	Interest	Total
2025	\$ 74,160	\$ 24,180	\$ 98,340
2026	77,470	20,870	98,340
2027	80,928	17,412	98,340
2028	84,541	13,799	98,340
2029	88,314	10,026	98,340
Thereafter	182,625	8,376	191,002
Totals	<u>\$ 588,038</u>	<u>\$ 94,663</u>	<u>\$ 682,702</u>

Interest expense for the year ended June 30, 2024 was \$25,764.

NOTE 8. EMPLOYEE RETIREMENT PLAN

Employees of the Council may voluntarily participate in a defined contribution retirement plan. Benefits are based on the vested amounts of employer and employee contributions. The Council contributes 200% of employee contributions up to a maximum of 4% of their compensation. Retirement plan expense of the Council for the year ended June 30, 2024 was \$150,747.

NOTE 9. INVENTORIES

It has consistently been the policy of the Council to record acquisition of goods and supplies as expenditures at the time of purchase. The amount of such inventory on hand at any one time would be a nominal amount and considered to be immaterial.

NOTE 10. DONATED SERVICES

The Council received a significant amount of donated services from unpaid volunteers who serve as officers and board members and assist in special programs. No amounts have been recognized in the statement of activities because the criteria for recognition under Financial Accounting Standards Board Codification ASC 958 "Not-for-Profit Entities" have not been satisfied.

NOTE 11. RISK MANAGEMENT

The Council is exposed to various risk of loss related to torts, theft, damage to and destruction of assets, errors and omissions, and natural disasters for which the Council carries insurance. Insurance against losses is provided through various commercial insurers for the following types of risk:

- Workers' Compensation and Employer's Liability
- General and Professional Liability
- Personal Property Damage
- Automobile Physical Damage and Liability
- Director's and Officers' Liability

The Council's coverage for workers' compensation is under a retrospectively rated policy. Premiums are accrued based on the ultimate cost-to-date of the Council's experience with this type of risk.

NOTE 12. FUNCTIONAL EXPENSES

The Council incurred expenses during 2024 in the following functions:

The Council functions as the lead agency for the Rural Health Partnership. Their primary objectives are to meet the health care needs of rural residents and to ensure viability of rural health care providers.

\$ 130,699

The Council functions as the Lead agency for two health coalitions: Central Healthy Start and Healthy Start of North Central Florida. Their primary objective is to address the prenatal and infant care needs of all pregnant women and infants, as well as provide home visiting services to at risk families.

Central Healthy Start

3,217,552

Healthy Start of North Central Florida

5,738,609

The Council is the local project sponsor for the Florida Department of Health's Housing Opportunities for Persons with AIDS (HOPWA) grant. The source of these funds is the federal Department of Housing and Urban Development (HUD). The grant objective is to provide stable housing and housing support services to persons with HIV with the concept that stable housing helps to promote stability in a person's disease state.

1,087,648

The Council manages a Parents as Teachers program which builds strong communities, thriving families and children that are healthy, safe and ready to learn by matching parents and caregivers with trained professionals who make regular personal home visits during a child's earliest years in life, from prenatal through kindergarten.

1,431,018

The Council provides HIV prevention and care adherence and linkage services through a grant from the Florida Department of Health through a CDC-sourced HIV High Impact Prevention (HIP) grant. The grant objective is to serve those populations facing the highest risk factors for HIV transmission. HIP also serves as linkage for newly diagnosed HIV positive clients or clients that have fallen out of care.

422,402

The Council manages the Nurse-Family Partnership program, a national model for keeping children healthy and safe, and improving the lives of moms and babies.

776,440

The Council serves as one of the State's eleven local health councils. The local health councils provide leadership in their community to address healthcare issues and needs.

156,714

The Council operates a Regional Trauma Agency

11,734

Other functions of the Council include general administration and other health planning services.

628,998

\$ 13,601,814

Expenses by function have been allocated among program and supporting services classifications on the basis of time records and on estimates made by the Council's management.

NOTE 13. COMPARATIVE DATA

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Council's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

NOTE 14. COMMITMENTS AND CONTINGENCIES

Contingencies - There is a contingent liability due to the fact that all possible regulatory audits of the Council have not been fully completed for the year ended June 30, 2024. Under provisions of the funding agreements, any eventual expenditures determined to be not in compliance with grant regulations could be subject to repayment by the Council. The Council's administration believes that all expenditures were significantly in compliance with appropriate grant regulations.

NOTE 15. SUBSEQUENT EVENTS

The Council has evaluated events and transactions for potential recognition or disclosure in the financial statements through March 26, 2025, the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

OTHER INFORMATION

NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC. (DBA WELLFLORIDA COUNCIL)

**COMBINING SCHEDULE OF ACTIVITIES
For the Fiscal Year Ended June 30, 2024
(With Comparative Totals for the Fiscal Year Ended June 30, 2023)**

	Central Healthy Start		Healthy Start of North Central Florida				
	Central Healthy Start DOH	Central Healthy Start Mom-Care Network	Program Services				
			Nurse Family Partnership	Healthy Start of North Central Florida DOH	North Central Florida Mom-Care Network	NewboRN Visiting Program	CTAC - Family Partner
Support and revenues							
Federal awards	\$ 153,504	\$ 1,869,062	\$ 78,332	\$ 279,082	\$ 2,922,352	\$ -	\$ -
State financial assistance	1,201,495	-	-	2,050,457	-	-	-
Service contracts	-	-	-	-	-	415,648	64,735
Private contributions	25,220	-	-	32,332	-	-	-
Investment income	2,471	1,492	415	3,598	2,866	1,565	243
Other	5,400	-	-	78,013	-	-	-
Total support and revenues	1,388,090	1,870,554	78,747	2,443,482	2,925,218	417,213	64,978
Expenses							
Personnel services	535,358	289,013	37,921	794,682	482,263	346,647	50,334
Contract services - case management	-	5,556	-	-	8,104	-	-
Contract services - clinical services	-	-	-	-	-	-	-
Emergency Financial Assistance	-	-	-	-	-	-	-
Dental	-	-	-	-	-	-	-
Drugs and prescriptions	-	-	-	-	-	-	-
Housing related assistance	-	-	-	-	-	-	-
Healthy start	693,438	-	-	1,394,764	-	-	-
Meals	-	-	-	-	-	-	-
Medicaid waiver	-	1,474,211	-	-	2,163,290	-	-
Other contractual services	-	-	-	-	-	750	-
Utilities/equipment rental/maintenance	10,754	6,565	1,438	16,096	14,124	5,082	892
Office expense and data processing	51,676	28,535	15,239	74,515	53,416	26,411	4,263
Accounting and professional services	11,359	7,133	1,655	16,249	12,989	8,210	1,093
Dues and training fees	38,722	9,725	16,280	56,379	18,566	10,656	6,559
Meetings and travel	14,962	3,454	4,245	13,370	3,336	4,334	-
Public awareness	7,654	3,404	-	8,867	4,453	4,495	-
Insurance and bonding	7,716	4,710	962	11,049	9,002	5,132	873
Interest	3,476	2,167	410	4,993	4,146	2,295	404
Depreciation	4,856	3,022	597	6,985	5,779	3,201	560
Other	35	51	-	62	192	-	-
Total expenses	1,380,006	1,837,546	78,747	2,398,011	2,779,660	417,213	64,978
Change in net assets	8,084	33,008	-	45,471	145,558	-	-
Net assets, beginning	26,051	463,002	-	56,622	623,594	-	-
Net assets, ending	\$ 34,135	\$ 496,010	\$ -	\$ 102,093	\$ 769,152	\$ -	\$ -

See notes to financial statements.

NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC. (DBA WELLFLORIDA COUNCIL)

**COMBINING SCHEDULE OF ACTIVITIES
For the Fiscal Year Ended June 30, 2024
(With Comparative Totals for the Fiscal Year Ended June 30, 2023)**

	Rural Health Partnership		Wellflorida Council				
			Program Services				
	Rural Health Partnership of North Central Florida	LHC Contract	Ryan White Title II	Housing Opportunities for People with AIDS	High Impact Prevention	Regional Trauma Agency	FDDC Contract
Support and revenues							
Federal awards	\$ 8,000	\$ -	\$ -	\$ 1,087,412	\$ 421,102	\$ -	\$ 30,485
State financial assistance	55,555	156,313	-	-	-	-	-
Service contracts	66,946	-	-	-	-	-	-
Private contributions	-	-	-	-	-	-	-
Investment income	198	401	-	236	1,300	-	-
Other	-	-	-	-	-	8,075	-
Total support and revenues	130,699	156,714	-	1,087,648	422,402	8,075	30,485
Expenses							
Personnel services	103,169	137,249	-	68,612	316,198	-	-
Contract services - case management	-	-	-	285,000	-	-	-
Contract services - clinical services	-	-	-	-	-	-	-
Emergency Financial Assistance	-	-	-	-	-	-	-
Dental	-	-	-	-	-	-	-
Drugs and prescriptions	-	-	-	-	-	-	-
Housing related assistance	-	-	-	686,766	-	-	-
Healthy start	-	-	-	-	-	-	-
Meals	-	-	-	-	-	-	-
Medicaid waiver	-	-	-	-	-	-	-
Other contractual services	17,900	5,000	-	39,000	3,260	11,000	-
Utilities/equipment rental/maintenance	647	1,313	-	763	7,111	-	-
Office expense and data processing	3,255	6,246	-	4,136	31,955	-	-
Accounting and professional services	942	1,762	-	1,027	5,824	-	-
Dues and training fees	2,262	424	-	491	2,812	734	-
Meetings and travel	1,189	2,010	-	-	6,008	-	-
Public awareness	-	-	-	-	38,734	-	-
Insurance and bonding	636	1,290	-	749	4,349	-	-
Interest	291	593	-	344	1,937	-	-
Depreciation	408	827	-	480	2,699	-	-
Other	-	-	-	280	1,515	-	-
Total expenses	130,699	156,714	-	1,087,648	422,402	11,734	-
Change in net assets	-	-	-	-	-	(3,659)	30,485
Net assets, beginning	88,122	-	-	-	-	23,473	-
Net assets, ending	\$ 88,122	\$ -	\$ -	\$ -	\$ -	\$ 19,814	\$ 30,485

See notes to financial statements.

NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC. (DBA WELLFLORIDA COUNCIL)

**COMBINING SCHEDULE OF ACTIVITIES
For the Fiscal Year Ended June 30, 2024
(With Comparative Totals for the Fiscal Year Ended June 30, 2023)**

	Wellflorida Council			Totals	
	Program Services		Supporting Services	2024	2023
	MIECHV North Central Florida	Nurse Family Partnership	General Administration		
Support and revenues					
Federal awards	\$ 1,430,779	\$ 369,828	\$ 16,120	\$ 8,666,058	\$ 13,583,085
State financial assistance	-	332,500	-	3,796,320	2,600,371
Service contracts	-	72,003	453,998	1,073,330	1,385,592
Private contributions	-	-	16,650	74,202	35,462
Investment income	239	2,109	3,469	20,602	217
Other	-	-	18,583	110,071	258,001
Total support and revenues	1,431,018	776,440	508,820	13,740,583	17,862,728
Expenses					
Personnel services	78,214	562,984	413,219	4,215,863	4,061,338
Contract services - case management	-	-	-	298,660	1,036,549
Contract services - clinical services	-	-	-	-	1,181,356
Emergency Financial Assistance	-	-	-	-	26,090
Dental	-	-	-	-	178,271
Drugs and prescriptions	-	-	-	-	198,034
Housing related assistance	-	-	-	686,766	817,464
Healthy start	-	-	-	2,088,202	1,492,771
Meals	-	-	-	-	86,716
Medicaid waiver	-	-	-	3,637,501	5,453,889
Other contractual services	1,313,905	5,083	31,949	1,427,847	1,672,524
Utilities/equipment rental/maintenance	5,086	13,170	5,728	88,769	86,825
Office expense and data processing	3,268	48,409	32,715	384,039	394,833
Accounting and professional services	1,089	9,521	10,081	88,934	58,138
Dues and training fees	25,286	61,240	12,697	262,833	284,843
Meetings and travel	2,547	36,904	32,713	125,072	128,990
Public awareness	-	2,425	4,247	74,279	97,219
Insurance and bonding	772	7,658	5,431	60,329	73,263
Interest	356	3,342	1,010	25,764	30,234
Depreciation	495	4,644	4,605	39,158	38,995
Other	-	21,060	74,603	97,798	138,888
Total expenses	1,431,018	776,440	628,998	13,601,814	17,537,230
Change in net assets	-	-	(120,178)	138,769	325,498
Net assets, beginning	-	-	1,244,322	2,525,186	2,199,688
Net assets, ending	\$ -	\$ -	\$ 1,124,144	\$ 2,663,955	\$ 2,525,186

See notes to financial statements.

SUPPLEMENTAL INFORMATION

NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC. (DBA WELLFLORIDA COUNCIL)

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended June 30, 2024**

<u>Federal Grantor/Pass Through Program Title</u>	<u>ALN / CSFA#</u>	<u>Contract # / Grant ID #</u>	<u>Award Period</u>	<u>Major Program/Project</u>	<u>Award Amount</u>	<u>Expenditures</u>
FEDERAL AWARDS						
US Department of Health and Human Services						
Health Resources and Services Administration						
Passed through the Florida Association of Healthy Start Coalitions						
Visiting Grant Program	93.870	1MIECHV-2223WEL	10/10/2022 - 9/29/2023	*	\$ 371,332	\$ 122,286
Visiting Grant Program	93.870	1MIECHV-2324WEL	9/30/2023 - 09/29/2024	*	396,000	242,460
American Rescue Plan Act Funding for Home Visiting	93.870	1ARP-2324WEL	12/01/2023 - 03/31/2024	*	5,083	5,083
Visiting Grant Program	93.870	1MIECHV-2223NCF	9/30/2021 - 9/29/2023	*	1,183,000	283,004
Visiting Grant Program	93.870	1MIECHV-2324NCF	9/30/2023 - 9/29/2024	*	1,147,861	1,118,122
American Rescue Plan Act Funding for Home Visiting	93.870	1ARP-2223NCF	12/1/2023 - 3/31/2024	*	29,653	29,653
					<u>3,132,929</u>	<u>1,800,608</u>
Passed through Healthy Start MomCare Network, Inc.						
Central Healthy Start - Medicaid Assistance Payments	93.778	GFA089-05	7/1/2022 - 6/30/2027		12,983,731	1,869,062
Healthy Start of North Central Florida - Medicaid Assistance Payments	93.778	GFA089-21	7/1/2022 - 6/30/2027		16,815,358	2,922,352
					<u>29,799,089</u>	<u>4,791,414</u>
Passed through the Florida Department of Health:						
Central Healthy Start - Title V	93.994	COSHG - 23/24	7/1/2023 - 6/30/2024	*	153,503	153,503
Healthy Start of North Central Florida - Title V	93.994	COSGM - 23/24	7/1/2023 - 6/30/2024	*	279,082	279,082
					<u>432,585</u>	<u>432,585</u>
HIV Prevention Services						
HIV Prevention Services	93.940	CODOQ R2	1/1/2023-12/31/2023	*	390,000	225,457
HIV Prevention Services	93.940	CODOQ R3	1/1/2024-12/31/2024	*	390,000	195,645
					<u>780,000</u>	<u>421,102</u>
State Office of Rural Health						
	93.913	CORHH R3	7/1/2023-6/30/2024		8,000	8,000
					<u>8,000</u>	<u>8,000</u>
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations						
	93.898	COTIA	7/1/2018-6/30/2023		80,600	16,120
					<u>80,600</u>	<u>16,120</u>

See notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.

(Continued)

NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC. (DBA WELLFLORIDA COUNCIL)

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended June 30, 2024**

Federal Grantor/Pass Through Program Title	ALN / CSFA#	Contract # / Grant ID #	Award Period	Major Program/Project	Award Amount	Expenditures
FEDERAL AWARDS						
US Department of Health and Human Services						
Health Resources and Services Administration						
Passed through Florida Developmental Disabilities Council, Inc.						
Paramedicine Pilot for Individuals with I/DD	93.630	1058COV21	11/19/2021-9/29/2023		248,713	30,485
					<u>248,713</u>	<u>30,485</u>
Passed through Florida Department of Children and families						
Child abuse and Neglect grant	93.669	LJ255	04/01/2024-03/31/2025		500,000	78,332
					<u>500,000</u>	<u>78,332</u>
US Department of Housing and Urban Development						
Passed through the Florida Department of Health						
Housing Opportunities for Persons With Aids	14.241	CODUG	7/1/2023-6/30/2024	*	1,087,415	1,087,412
					<u>1,087,415</u>	<u>1,087,412</u>
Total federal awards					<u>36,069,331</u>	<u>8,666,058</u>
STATE FINANCIAL ASSISTANCE						
Florida Department of Health						
Perinatal Mental Health - CHS	64.160	COSHG - 23/24	7/1/2023 - 6/30/2024		65,372	65,372
Perinatal Mental Health - FIMR - HSNCF	64.160	COSGM - 23/24	7/1/2023 - 6/30/2024		86,867	86,867
Perinatal Mental Health - Fatherhood - CHS	64.160	COSHG - 23/24			124,665	124,665
Perinatal Mental Health - Fatherhood - HSNCF	64.160	COSGM - 23/24	7/1/2023 - 6/30/2024		124,665	124,665
					<u>401,569</u>	<u>401,569</u>
Healthy Start Coalitions - CHS	64.131	COSHG - 23/24	7/1/2023 - 6/30/2024	*	1,011,458	1,011,458
Healthy Start Coalitions - HSNCF	64.131	COSGM - 23/24	7/1/2023 - 6/30/2024	*	1,838,926	1,838,925
Healthy Start Coalitions - WFC	64.131	1DOHNFP-2324WEL	7/1/2023-6/30/2024	*	332,500	332,500
					<u>3,182,884</u>	<u>3,182,883</u>
Rural Health Networks	64.085	CORHH R3	7/1/2023-6/30/2024		55,555	55,555
					<u>55,555</u>	<u>55,555</u>
Local Health Councils	64.032	CORGN	7/1/2023-6/30/2024		173,466	156,313
					<u>173,466</u>	<u>156,313</u>
Total State Financial Assistance					<u>3,813,474</u>	<u>3,796,320</u>
Total Federal Awards and State Financial Assistance					<u>\$ 39,882,805</u>	<u>\$ 12,462,378</u>

See notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.

**NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC.
(DBA WELLFLORIDA COUNCIL)**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended June 30, 2024**

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the Federal Awards and State Financial Assistance activity of North Central Florida Health Planning Council, Inc. DBA Wellflorida Council and Affiliates (the Council) for the year ended June 30, 2024 in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) ; and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General. Because the Schedule presents only a selected portion of the operations of the Council it is not intended to and does not present the financial position, change in net assets, or cash flows of the Council.

Note 2. Summary of Significant Accounting Policies

The Schedule of Expenditures of Federal Awards and State Financial Assistance is presented on the accrual basis of accounting. Expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowed or are limited to reimbursement.

Note 3. Subrecipients

Included in the above schedule are amounts provided to subrecipients for the following federal and state programs:

ALN	Expenditures	CSFA#	Expenditures
14.241	\$ 324,000	63.131	\$ 2,088,202
93.778	3,637,501	Total State	\$ 2,088,202
93.870	1,318,988		
Total Federal	\$ 5,280,489		

Note 4. De Minimis Indirect Cost Rate Election

The Council did not elect to use the de minimis indirect cost rate the fiscal year ended June 30, 2024.

OTHER REPORTS AND LETTERS



Powell and Jones CPA

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Phone 386.755.4200

**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**

Board of Directors
North Central Florida Health Planning Council, Inc. DBA WellFlorida Council
Gainesville, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of North Central Florida Health Planning Council, Inc. DBA WellFlorida Council (the Council), which comprise the statement of financial position as of June 30, 2024 and the statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 26, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council's internal control over financial reporting (internal control) to determine the 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 Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2024-1 to be material weaknesses.

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. We consider the deficiencies described in the accompanying schedule of findings and costs as items 2024-2 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free of 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 determination of financial statement amounts. 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*.

Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Council's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Council's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Council'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 Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



POWELL & JONES
Certified Public Accountants
March 26, 2025



Powell and Jones CPA

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Phone 386.755.4200

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 10.550, RULES OF THE AUDITOR GENERAL

To The Board of Directors of
North Central Florida Health Planning Council, Inc. DBA WellFlorida Council
Gainesville, Florida

Opinion on Each Major Federal Program and State Project

We have audited North Central Florida Health Planning Council, Inc. DBA WellFlorida Council's (the Council) compliance with the types of compliance requirements identified as subject to an audit in the *OMB Compliance Supplement* and the Department of Financial Services' State Projects *Compliance Supplement* that could have a direct and material effect on each of the Council's major federal programs and state projects for the year ended June 30, 2024. The Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Council 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; 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 10.550, *Rules of the Auditor General*. Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General* 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 Council 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 Council'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 Council'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 Council'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 10.550, *Rules of the Auditor General* 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 Council'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*, and the Uniform Guidance and Chapter 10.550 Rules of the Auditor General, 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 Council'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 Council'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 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of the Council'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. We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state project. However, our audit does not provide a legal determination of the Council's compliance.

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 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. A significant deficiency in internal control over compliance 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. We identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency, as described in the accompanying schedule of findings and questioned costs as item 2024-01.

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 *Uniform Guidance* and Chapter 10.550 Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.



Powell and Jones CPA
Lake City, Florida
March 26, 2025



Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200

MANAGEMENT LETTER

To the Board of Directors
North Central Florida Health Planning Council, Inc. DBA WellFlorida Council
Gainesville, Florida

Report on Financial Statements

We have audited the financial statements of North Central Florida Health Planning Council, Inc. DBA WellFlorida Council (the Council) as of and for the year ended June 30, 2024, and have issued our report thereon dated March 26, 2025.

Auditor's Responsibility

We conducted our audit 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, *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.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated March 26, 2025, should be considered in conjunction with this management letter.

Additional Matters

In planning and performing our audit of the financial statements of the Council for the fiscal year ended June 30, 2024, we considered the Council's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

Section 10.654(1)(e), Rules of the Auditor General and *Government Auditing Standards* require us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements or State project amounts that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

There are no other matters that are immaterial to our audit which we believe merit your attention.

We have reviewed our findings and recommendations with Management and have provided any relevant supporting documentation. These items will be reviewed with management in the following year to ensure they are adequately addressed.

Purpose of this Letter

This communication is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Directors and applicable management of the Council, and is not intended to be and should not be used by anyone other than these specified parties.

Conclusion

We very much enjoyed the challenges and experiences associated with our audit of the Council. We appreciate the helpful assistance and courtesy afforded us by all employees and look forward to working with you in the future.

A handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES
Certified Public Accountants
March 26, 2025



Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200

Communication with Those Charged with Governance

To the Board of Directors
North Central Florida Health Planning Council, Inc. DBA WellFlorida Council

We have audited the financial statements of North Central Florida Health Planning Council, Inc. (DBA WellFlorida Council) (the Council) for the years ended June 30, 2024 and 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Council are described Note 1 to the financial statements. There were no changes in accounting policies and the application of existing policies was not changed during 2023. We noted no transactions entered into by the Council during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There are no sensitive estimates affecting the Council's financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There are no sensitive disclosures affecting the financial statements.

Difficulties Encountered in Performing the Audit

During our audit we initially found that the asset and liability balances related to grants and contracts did not have adequate supporting information to substantiate their balances. In order to gain assurance as to the accuracy of these balances we were required to analyze the receivable and deferral balances for each program and make adjustments to correct them as necessary. This caused our firm to spend substantially more time than budgeted to complete the audit and delayed the audits completion.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. All misstatements identified were corrected. These are discussed in Note 16.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, which could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 26, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Council's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Council's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of the Council and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



POWELL & JONES
Certified Public Accountants
March 26, 2025

**NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC. DBA WELLFLORIDA COUNCIL
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 For the Fiscal Year Ended June 30, 2024**

Section 1. Summary of Auditor's Results

Financial statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

* Material weakness identified? Yes

* Significant deficiencies identified that are not considered to be material weaknesses? Yes

Noncompliance material to financial statements noted? No

Federal Awards and State Projects

Internal control over major Federal programs and State projects:

* Material weakness identified? No

* Significant deficiencies identified that are not considered to be material weaknesses? Yes

Type of auditor's report issued on compliance for major programs Federal programs and State projects: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 200.516(a) of the *Uniform Guidance* No

NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC. (DBA WELLFLORIDA COUNCIL)

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
For the Fiscal Year Ended June 30, 2024**

Identification of major programs:

<u>Federal Programs</u>	<u>Assistance Listing No.</u>
<i>U.S. Department of Health and Human Services:</i>	
<i>Passed through the Florida Association of Healthy Start Coalitions:</i>	
Visiting Grant Program	93.870
 <i>Passed through the Florida Department of Health:</i>	
HIV Prevention Services	93.940
Healthy Start of North Central Florida - Title V	93.994
 <i>U.S. Department of Housing and Urban Development:</i>	
<i>Passed through the Florida Department of Health:</i>	
Housing Opportunities for Persons With Aids	14.241
 <hr/>	
<u>State Projects</u>	<u>CSFA No.</u>
<i>Florida Department of Health</i>	
Healthy Start Coalitions	64.131
 Dollar threshold used to distinguish between Type A and Type B programs:	
Federal	\$750,000
State	\$750,000
 Auditee qualified as low-risk auditee?	 No

NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC. (DBA WELLFLORIDA COUNCIL)

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
For the Fiscal Year Ended June 30, 2024**

Section 2. Financial Statement Findings

2024-01 Grant and Contract Balances

Criteria: The Council should have accurate grant-related balances with supporting documentation that substantiates their valuation.

Condition: During our audit we found that the asset and liability balances related to grants and contracts were not being regularly reconciled to supporting documentation. In order to gain assurance as to the accuracy of these balances we were required to complete a detailed analysis of every one of the funds of the Council. We discovered numerous misstatements of grant related balances, three of which were over \$200,000 and therefore material to the financial statements. We found that month end journal entries were entered and not reversed, reversed in incorrect amounts, and even posted backwards. We also found multiple instances where year end accruals and deferrals were not made.

Cause: These misstatements were caused by human error and the lack of a properly designed review process to catch such errors. There was no effective review of month end journal entries and reversals to ensure they were entered and reversed correctly. Additionally, there was not a regular process to reconcile grant and contract balances to the accounting software.

Effect: The Healthy Start North Central Florida Medicaid Waiver Fund's revenues were understated by approximately \$237,000 and expenses overstated by approximately \$162,000. These material misstatements were corrected with audit adjustments netting approximately \$399,000. This fund experienced the greatest impact of these errors, but numerous other funds experienced posting errors of smaller magnitude. These errors caused our firm to spend substantially more time than projected to complete the audit, delaying the audit's completion.

Recommendation: We recommend the following actions

1. A strategic assessment of the finance department's staff including an evaluation of competencies, accounting structures, and whether adjustments in staffing may be necessary to restore confidence in financial reporting.
2. Implementation of a regular process to reconcile grant and contract balances to the accounting software.
3. Document year end grant expenses which were not billed in the fiscal year but will be billed and reimbursed in the next period and therefore require a revenue accrual.
4. Create a process to review reimbursement grant funds that show income or loss and complete adjustments to write off non-reimbursable expenses and defer unspent funds accordingly.
5. Changing the month end accrual process to something less error prone. The current method of posting monthly entries and reversals clutters up the accounting records with 24 unnecessary transactions in each accrual account, making it difficult to analyze.

NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC. (DBA WELLFLORIDA COUNCIL)

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (concluded)
For the Fiscal Year Ended June 30, 2024**

2024-2 Unposted audit journal entries

Criteria: Auditor-recommended adjustments should be reviewed and appropriately recorded to ensure the accuracy and reliability of financial statements.

Condition: During our audit we found that the auditor recommended journal entries had not been made.

Cause: This was caused by insufficient review of audit recommendations and a lack of urgency in addressing financial reporting corrections.

Effect: Beginning balances were incorrect and many of the entries made by the finance staff to reverse prior year's entries were incorrect as they were based on unadjusted balances.

Recommendation: We recommend that the finance department establish a formalized process for reviewing and implementing auditor-recommended journal entries within a specified timeframe.

Section 3. Findings and Questioned Costs – Federal Programs and State Projects

See 2024-01.

NORTH CENTRAL FLORIDA HEALTH PLANNING COUNCIL, INC. (DBA WELLFLORIDA COUNCIL)

**Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2024**

2023-01 Grant and Contract Balances

Condition: During our audit we found that the asset and liability balances related to grants and contracts were not being regularly reconciled to supporting documentation. In order to gain assurance as to the accuracy of these balances we were required to complete a detailed analysis. We discovered numerous variances during our analysis. These variances were primarily related to errors in prior years that had not been corrected.

Current Status: This finding was not corrected and was repeated as finding 2024-01.

The Council made efforts to provide more oversight of the accounting department, by hiring an outside consulting CPA service. These services were limited in nature and therefore were not expansive enough to remediate the problem.



March 26, 2025

Caleb Perla, CPA
Powell and Jones CPA

RE: Response to Audit Findings

Dear Mr. Perla:

This letter is to acknowledge the following findings in the FY2023-2024 fiscal audit:

1. 2024-1 During the audit it was found that the asset and liability balances related to grants and contracts were not being regularly reconciled to supporting documentation. This situation resulted in additional detailed analysis by Powell and Jones which protracted the timing of the audit process as variances were identified and Powell and Jones worked extensively with the WellFlorida Management Team to correct those variances.
2. 2024-2 During the audit it was found that recommended journal entries from the prior year audit were not made in a timely fashion or made incorrectly. This resulted in beginning balances being incorrect and many of the entries made by the finance staff to reverse prior year’s entries were incorrect as they were based on unadjusted balances.

Management agrees to all findings and addresses each as follows:

1. Regarding 2024-1, we recognize that our current finance department is not adequately staffed with the caliber of accountants needed to support an organization of our size and complexity. Management and the Board are currently assessing our needs and weighing options regarding restructuring our finance department. Regardless of structure and staffing, moving forward, Management will develop and implement more efficient and effective processes for proper posting and regular reconciliation of grant-related balances to the accounting software and ongoing scrutiny of those processes.
2. Regarding 2024-2, we agree that audit entries should be posted timely, and we recognize that failure to do so this prior year was due to human error by our internal accountant. Please see response to 2024-01 regarding restructuring of finance team. In addition, regardless of the structure and staffing of the finance team, we will immediately create an internal policy that all recommended journal entries from annual audit reviews will be made within thirty (30) days of completion of the audit.

Management thanks you for your observations and insights and working with us to highlight and address these findings during the FY2023-2024 audit process.

Sincerely,

Jeff Feller, MSISE
Chief Executive Officer

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