

SINGLE AUDIT AND OTHER COMPLIANCE REPORTS

Orlando Health, Inc. and Subsidiaries  
Year Ended September 30, 2024  
With Report of Independent Auditors

Ernst & Young LLP



Orlando Health, Inc. and Subsidiaries  
Single Audit and Other Compliance Reports  
Year Ended September 30, 2024

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Orlando Health, Inc. and Subsidiaries

Schedule of Expenditures of Federal Awards  
and State Financial Assistance Projects

Year Ended September 30, 2024

Federal/State Agency Federal Program/State Project	Assistance Listing	Contract/Grant Number	Expenditures	Amount Provided to Subrecipients
<i>Federal financial assistance</i>				
<b>U.S. Department of Health and Human Services:</b>				
Direct:				
Maternal and Child Health Federal Consolidated Programs	93.110	1 H17MC48967-01-00 / 1 H17MC48967-02-00/H1748967	\$ 64,482	\$ —
Pass-through program from: Hemophilia of Georgia Inc. Maternal and Child Health Federal Consolidated Programs	93.110	2 H30MC24046-11-00 5 H30MC24046-12-00	11,000	—
Total Maternal and Child Health Federal Consolidated Programs			75,482	—
Pass-through program from: Hemophilia of Georgia Inc.: Blood Disorder Program: Prevention, Surveillance and Research	93.080	NU27DD000020-03-00	23,266	—
Florida Association of Healthy Start Coalitions, Inc.: Maternal, Infant and Early Childhood Home Visit Grant Program Visiting Program	93.870	1MIECHV-2324ORHLTH, Amendment #01 X10MC33573/X11MC41906	422,671	—
Ounce of Prevention Fund of Florida: MaryLee Allen Promoting Safe and Stable Families	93.556	HF# 20-25-03 Amendment #2/HFF ORANGE/OSCEOLA #20-25-03	178,402	—
Temporary Assistance for Needy Families	93.558	HF# 20-25-03 Amendment #2/HFF ORANGE/OSCEOLA #20-25-03	617,249	—
Central Florida Cares Health System: Block Grants for Community Mental Health Services	93.958	ORH23 – Amendment 2, Amendment 4 MH000	134,944	—
Orange County Government Florida Health Services Division: Ending the HIV Epidemic: A Plan for America – Ryan White HIV/AIDS Program Parts A and B	93.686	1 UT8HA339520100	73,624	—
State of Florida, Department of Health: Social Services Block Grant	93.667	CP17A R1A2 / CP10S #R1A1	415,284	—
Maternal and Child Health Services Block Grant to the States	93.994	COQWL #R1A4	110,151	—

Orlando Health, Inc. and Subsidiaries

Schedule of Expenditures of Federal Awards  
and State Financial Assistance Projects (continued)

Federal/State Agency Federal Program/State Project	Assistance Listing	Contract/Grant Number	Expenditures	Amount Provided to Subrecipients
<b><i>Federal financial assistance (continued)</i></b>				
Research and Development Cluster:				
Pass-through program from:				
U.S. Department of Health and Human Services:				
National Institutes of Health:				
Extramural Research Programs in the Neurosciences and Neurological Disorders				
	93.853	5R01NS057676-09	\$ 682,996	\$ 121,447
Pass-through from other agencies:				
University of Utah:				
Extramural Research Programs in the Neurosciences and Neurological Disorders				
	93.853	1U01NS107486-01A1	5,283	-
Virginia Commonwealth University:				
Extramural Research Programs in the Neurosciences and Neurological Disorders				
	93.853	2U24NS100673-06	17,216	-
Total Extramural Research Programs in the Neurosciences and Neurological Disorders			705,495	121,447
Pass-through from other agencies:				
NRG Oncology Foundation (formerly NSABP):				
National Surgical Adjuvant Breast and Bowel Project Cancer Treatment Research				
	93.395	5U10CA180868-09 5U10CA180868-10	6,250	-
Department of Health and Human Services				
National Institute Of Nursing Research				
	93.361	1R01NR020003-01A1 5R01NR020003-02	6,417	-
The Regents of the University of California:				
Diabetes Digestive and Kidney Diseases Extramural Research				
	93.847	5U01DK122013-03	2,852	-
Total Research and Development Cluster			721,014	121,447
Total U.S. Department of Health and Human Services			2,772,086	121,447
<b>U.S. Department of Labor:</b>				
Pass-through program from:				
Career Source Central Florida				
	17.277	NFA 039433	33,980	-
Total U.S. Department of Labor			33,980	-

Orlando Health, Inc. and Subsidiaries

Schedule of Expenditures of Federal Awards  
and State Financial Assistance Projects (continued)

Federal/State Agency Federal Program/State Project	Assistance Listing	Contract/Grant Number	Expenditures	Amount Provided to Subrecipients
<i>Federal financial assistance (continued)</i>				
<b>U.S. Department of Justice:</b>				
Pass-through program from:				
State of Florida, Office of the Attorney General:				
Crime Victim Assistance	16.575	VOCA-C-2023-0003	\$ 910,987	\$ —
Total U.S. Department of Justice			<u>910,987</u>	<u>—</u>
<b>U.S. Department of Education:</b>				
Pass-through program from:				
State of Florida Department of Health:				
Special Education Grants for Infants and Families	84.181	COQZC Amendment R1A4, Amendment R1A5, Amendment R1A6 H181A170099	1,425,729	—
Total U.S. Department of Education			<u>1,425,729</u>	<u>—</u>
Total Federal Financial Assistance			<u>\$ 5,142,781</u>	<u>\$ 121,447</u>
<i>State financial assistance</i>				
<b>State of Florida, Department of Health:</b>				
Medical Services for Abused and Neglected Children	64.006	CP17A R1A2 / CP10S #R1A1 G-1901FLSOSR	\$ 2,641,239	\$ —
Trauma Center Financial Support	64.075	TRA14 / TRA03	997,023	—
Children’s Special Health Care – Development Evaluation	64.022	COQZC Amendment R1A4, Amendment R1A5, Amendment R1A6	4,505,322	—
Minority Health Initiatives	64.052	CMO65 / CM081 / CM085	1,217,363	—
Children’s Special Health Care	64.076	COQXP Amendment #1	101,095	—
Statewide Public Health Support Services – Contracted Services	64.156	COHEZ	45,799	—
Pass-through program from Florida Association of Free and Charitable Clinics:				
Florida Association of Free and Charitable Clinics	64.136	H181A170099 2023-42/2023-02-54	152,733	—
Total State of Florida, Department of Health			<u>9,660,575</u>	<u>—</u>

Orlando Health, Inc. and Subsidiaries

Schedule of Expenditures of Federal Awards  
and State Financial Assistance Projects (continued)

Federal/State Agency Federal Program/State Project	Assistance Listing	Contract/Grant Number	Expenditures	Amount Provided to Subrecipients
<b>Florida Department of Elder Affairs:</b>				
Alzheimer Interventions, Memory Disorder Clinics, Brain Banks and Alzheimer Special Projects	65.002	XZK23	\$ 722,801	\$ —
<b>Department of Legal Affairs &amp; Attorney General:</b>				
Florida Network of Children’s Advocacy Centers	41.031	23/24-GR-CAC14, 24/25-GR-CAC14 24/25-BTG-CAC14	223,562	—
Total State Financial Assistance			10,606,938	—
Total Federal and State Financial Assistance			<u>\$ 15,749,719</u>	<u>\$ 121,447</u>

*See accompanying notes.*

# Orlando Health, Inc. and Subsidiaries

## Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance Projects

September 30, 2024

### **1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards and state financial assistance projects (the Schedule) includes the federal awards programs and state financial assistance project activity of Orlando Health, Inc. and Subsidiaries (the System) and is presented on the accrual basis of accounting. The information in the Schedule is presented in accordance with the reporting and compliance 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), the Florida Single Audit Act (Section 215.97, *Florida Statutes*), and the State of Florida Department of Financial Services, Chapter 691-5, *Florida Administrative Code, State Financial Assistance*, and Chapter 10.650, *Rules of the Auditor General*.

### **2. Reporting Entity**

The Uniform Guidance, Section 215.97, *Florida Statutes*, and Chapter 10.650, *Rules of the Auditor General*, set forth the audit and reporting requirements for federal awards and state financial assistance. The accompanying Schedule includes all federal and state awards expended by the System during the year ended September 30, 2024.

### **3. Indirect Cost Rate**

The System did not use the 10% de minimis indirect cost rate allowed by the Uniform Guidance.

### **4. Contingency**

Grant and project expenditures are subject to audit and adjustment. If any expenditures were to be disallowed by the grantor agency as a result of such an audit, any claim for reimbursement to the grantor agency could become a liability of the System. In the opinion of management, all grant and project expenditures included in the Schedule are in compliance with the terms of the grant and project agreements and applicable federal and state laws and regulations.



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## Report of Independent Auditors 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*

Management and the Board of Directors  
Orlando Health, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the consolidated financial statements of Orlando Health, Inc. and Subsidiaries (the System), which comprise the consolidated balance sheet as of September 30, 2024, and the related consolidated statements of operations and changes in net assets and cash flows for the year then ended, and the related notes (collectively referred to as the “financial statements”), and have issued our report thereon dated December 16, 2024.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the System’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 System’s internal control. Accordingly, we do not express an opinion on the effectiveness of the System’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 System’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 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 entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Ernst + Young LLP*

December 16, 2024



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## Report of Independent Auditors on Compliance for Each Major Federal Program and State Financial Assistance Project; Report on Internal Control Over Compliance and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Projects Required by the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*

Management and the Board of Directors  
Orlando Health, Inc.

### **Report of Independent Auditors on Compliance for Each Major Federal Program and State Financial Assistance Project**

#### ***Opinion on Each Major Federal Program and State Financial Assistance Project***

We have audited Orlando Health, Inc. and Subsidiaries' (the System) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* and the Department of Financial Services State Compliance Supplement that could have a direct and material effect on each of the System's major federal programs and state financial assistance projects for the year ended September 30, 2024. The System's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the System complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state financial assistance projects for the year ended September 30, 2024.

#### ***Basis for Opinion on Each Major Federal Program and State Financial Assistance 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 (*Government Auditing Standards*); the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, *Rules of the Auditor General* (Chapter 10.650). Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.650 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the System 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 on compliance for each major federal program and state financial assistance project. Our audit does not provide a legal determination of the System'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 System's federal programs and state financial assistance 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 System'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 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 System's compliance with the requirements of each major federal program and state financial assistance project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the System'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 System’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, but not for the purpose of expressing an opinion on the effectiveness of the System’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 financial assistance project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state financial assistance 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 financial assistance project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

## **Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Projects Required by the Uniform Guidance and Chapter 10.650**

We have audited the consolidated financial statements (financial statements) of the System as of and for the year ended September 30, 2024, and have issued our report thereon dated December 16, 2024, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. We have not performed any procedures with respect to the System's audited consolidated financial statements subsequent to December 16, 2024. The accompanying schedule of expenditures of federal awards and state financial assistance projects is presented for purposes of additional analysis as required by the Uniform Guidance and Chapter 10.650 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance projects is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

*Ernst + Young LLP*

January 20, 2025

Orlando Health, Inc. and Subsidiaries

Schedule of Findings and Questioned Costs

Year Ended September 30, 2024

**Section I – Summary of Auditor’s Results**

**Consolidated Financial Statements**

Type of report the auditor issued on whether the consolidated financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_\_\_ Yes

  X   No

Significant deficiency(ies) identified?

\_\_\_\_\_ Yes

  X   None reported

Noncompliance material to financial statements noted?

\_\_\_\_\_ Yes

  X   No

**Federal and State Awards**

Internal control over major federal programs and state projects:

Material weakness(es) identified?

\_\_\_\_\_ Yes

  X   No

Significant deficiency(ies) identified?

\_\_\_\_\_ Yes

  X   None reported

Type of auditor’s report issued on compliance for major federal programs and state projects:

Unmodified

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

Orlando Health, Inc. and Subsidiaries

Schedule of Findings and Questioned Costs (continued)

**Section I – Summary of Auditor’s Results (continued)**

Identification of major federal programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
16.575	Crime Victim Assistance
84.181	Special Education Grants for Infants and Families

Identification of major state projects:

CSFA Number	Name of State Program
64.022	Children’s Special Health Care – Development Evaluation
64.052	Minority Health Initiatives

Dollar threshold used to distinguish between Type A and Type B programs:	Federal awards:	\$ 750,000
	State projects:	\$ 750,000

Auditee qualified as low-risk auditee for federal purposes?   X   Yes        No

**Section II – Financial Statement Findings**

No matters were identified.

**Section III – Federal Award and State Project Findings and Questioned Costs**

No matters were identified.

**Section IV – Management Letter and Summary Schedule of Prior Audit Findings**

No matters noted. A summary schedule of prior audit findings is not presented as there were no prior audit findings in either of the prior two years to be reported on.

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