



Directions for Living  
LIFE GETS BETTER HERE.™

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORTS

DIRECTIONS FOR MENTAL HEALTH, INC.

d/b/a DIRECTIONS FOR LIVING

June 30, 2025

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INDEPENDENT AUDITORS' REPORT

The Board of Directors  
Directions for Mental Health, Inc.  
d/b/a Directions for Living

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statements of Directions for Mental Health, Inc. d/b/a Directions for Living (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Directions for Mental Health, Inc. d/b/a Directions for Living ("Directions for Living") as of June 30, 2025, and the changes in 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 Directions for Living and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Responsibilities of Management for the Financial Statements***

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



In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Directions for Living's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.650, Rules of the Auditor General, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is also not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on it.

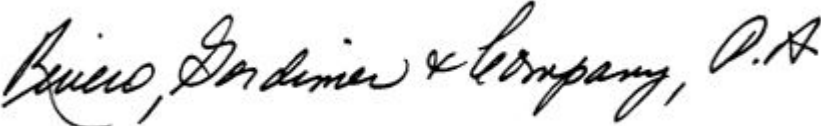
**Report on Summarized Comparative Information**

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2025 on our consideration of Directions for Living’s internal control over financial reporting and 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 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 Directions for Living’s internal control over financial reporting and compliance.

Tampa, Florida  
December 31, 2025



Directions for Living

STATEMENT OF FINANCIAL POSITION

June 30, 2025

(With comparative totals for June 30, 2024)

	2025		Total	2024
	Without Donor Restrictions	With Donor Restrictions		
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ 551,495	\$ -	\$ 551,495	\$ 1,391,307
Receivables				
Program service fees	675,720	-	675,720	378,376
Grants	7,232,475	-	7,232,475	7,799,484
Assets held in trust	-	41,770,000	41,770,000	-
Medication inventory	45,625	-	45,625	36,897
Prepaid expenses	269,382	-	269,382	332,833
Total current assets	<u>8,774,697</u>	<u>41,770,000</u>	<u>50,544,697</u>	<u>9,938,897</u>
Investments	<u>63,739</u>	<u>151,580</u>	<u>215,319</u>	<u>181,616</u>
Property and equipment, net of accumulated depreciation	<u>3,443,656</u>	<u>-</u>	<u>3,443,656</u>	<u>3,226,712</u>
Other assets	<u>10,126</u>	<u>-</u>	<u>10,126</u>	<u>10,126</u>
Total assets	<u>\$ 12,292,218</u>	<u>\$ 41,921,580</u>	<u>\$ 54,213,798</u>	<u>\$ 13,357,351</u>
<b>LIABILITIES AND NET ASSETS</b>				
Current liabilities				
Accounts payable	\$ 368,262	\$ -	\$ 368,262	\$ 165,126
Accrued expenses	602,925	-	602,925	635,933
Total current liabilities	<u>971,187</u>	<u>-</u>	<u>971,187</u>	<u>801,059</u>
Deferred revenue	305,145	-	305,145	-
Total liabilities	<u>1,276,332</u>	<u>-</u>	<u>1,276,332</u>	<u>801,059</u>
Net assets				
Without donor restrictions	11,015,886	-	11,015,886	12,412,676
With donor restrictions	<u>-</u>	<u>41,921,580</u>	<u>41,921,580</u>	<u>143,616</u>
Total net assets	<u>11,015,886</u>	<u>41,921,580</u>	<u>52,937,466</u>	<u>12,556,292</u>
Total liabilities and net assets	<u>\$ 12,292,218</u>	<u>\$ 41,921,580</u>	<u>\$ 54,213,798</u>	<u>\$ 13,357,351</u>

The accompanying notes are an integral part of these statements.

Directions for Living

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended June 30, 2025  
(With summarized comparative totals for year ended June 30, 2024)

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Total	
<b>OPERATING REVENUE</b>				
Governmental revenue	\$ 15,008,744	\$ -	\$ 15,008,744	\$ 13,500,800
Program service fees	3,749,037	-	3,749,037	5,237,048
Donations and bequests	1,411,146	41,770,000	43,181,146	2,067,948
In-kind contributions	956,780	-	956,780	686,371
Other income	23,114	-	23,114	17,506
	<u>21,148,821</u>	<u>41,770,000</u>	<u>62,918,821</u>	<u>21,509,673</u>
Net assets released from restrictions	-	-	-	-
Total operating revenue	<u>21,148,821</u>	<u>41,770,000</u>	<u>62,918,821</u>	<u>21,509,673</u>
<b>OPERATING EXPENSES</b>				
Program services	18,456,149	-	18,456,149	15,215,216
Supporting services				
General and administrative	3,999,263	-	3,999,263	4,152,344
Fundraising	82,085	-	82,085	70,450
Total operating expenses	<u>22,537,497</u>	<u>-</u>	<u>22,537,497</u>	<u>19,438,010</u>
Operating income	<u>(1,388,676)</u>	<u>41,770,000</u>	<u>40,381,324</u>	<u>2,071,663</u>
<b>NON-OPERATING REVENUE (EXPENSE)</b>				
Net investment income	25,739	7,964	33,703	7,993
Interest income	20,635	-	20,635	29,927
Interest expense	(54,488)	-	(54,488)	(131,266)
Total non-operating revenue (expense)	<u>(8,114)</u>	<u>7,964</u>	<u>(150)</u>	<u>(93,346)</u>
CHANGES IN NET ASSETS	(1,396,790)	41,777,964	40,381,174	1,978,317
NET ASSETS AT BEGINNING OF YEAR	<u>12,412,676</u>	<u>143,616</u>	<u>12,556,292</u>	<u>10,577,975</u>
NET ASSETS AT END OF YEAR	<u>\$ 11,015,886</u>	<u>\$ 41,921,580</u>	<u>\$ 52,937,466</u>	<u>\$ 12,556,292</u>

The accompanying notes are an integral part of these statements.

Directions for Living

STATEMENTS OF CASH FLOWS

For the year ended June 30, 2025  
(With summarized comparative totals for year ended June 30, 2024)

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities		
Change in net assets	\$ 40,381,174	\$ 1,978,317
Adjustments to reconcile change in net assets to net cash used by operating activities		
Depreciation	354,382	320,725
Change in value of beneficial interests held by others	(7,964)	(7,993)
Unrealized gain on investments	(25,739)	-
Decrease (increase) in receivables	269,665	(614,570)
Increase in receivables - assets held in trust	(41,770,000)	-
Increase in inventory	(8,728)	-
Decrease (increase) in prepaid expenses	63,451	(126,764)
Increase (decrease) in accounts payable and accrued expenses	170,128	(177,987)
Increase in deferred revenue	305,145	-
Total adjustments	<u>(40,649,660)</u>	<u>(606,589)</u>
Net cash provided (used) by operating activities	<u>(268,486)</u>	<u>1,371,728</u>
Cash flows from investing activities		
Capital outlay	<u>(571,326)</u>	<u>(694,566)</u>
Net cash used by investing activities	<u>(571,326)</u>	<u>(694,566)</u>
Cash flows from financing activities		
Net payments on long-term debt	-	(477,463)
Net payments on line of credit	-	(1,702,289)
Net cash used by financing activities	<u>-</u>	<u>(2,179,752)</u>
Net change in cash and cash equivalents	(839,812)	(1,502,590)
Cash and cash equivalents at beginning of the year	<u>1,391,307</u>	<u>2,893,897</u>
Cash and cash equivalents at end of year	<u>\$ 551,495</u>	<u>\$ 1,391,307</u>
Supplemental disclosures of cash flow information		
Cash paid during the year		
Interest	<u>\$ 54,488</u>	<u>\$ 131,266</u>
Taxes	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

Directions for Living

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended June 30, 2025  
(With summarized comparative totals for year ended June 30, 2024)

	Program Services				Support Services			Total Expenses	2024 Total Expenses
	Case Management Services	Outpatient Services	Homeless Services	Total Program Services	General and Administration	Fundraising	Total Support Services		
Personnel expense	\$ 2,831,461	\$ 7,695,326	\$ 1,008,369	\$ 11,535,156	\$ 2,721,517	\$ -	\$ 2,721,517	\$ 14,256,673	\$ 13,068,795
Benefits	620,288	1,421,429	160,583	2,202,300	332,589	-	332,589	2,534,889	2,214,311
Building occupancy	3,235	19,609	2,166	25,010	20,435	-	20,435	45,445	48,677
Insurance	153,552	407,176	61,179	621,907	165,090	-	165,090	786,997	728,159
Professional services	1,923	101,930	-	103,853	117,155	-	117,155	221,008	143,080
Travel	79,331	117,372	12,731	209,434	56,273	-	56,273	265,707	206,111
Equipment	1,738	8,746	1,014	11,498	6,906	-	6,906	18,404	59,579
Medical and pharmacy	-	5,060	-	5,060	-	-	-	5,060	51,218
Operating expenses	336,899	734,173	96,878	1,167,950	320,534	82,085	402,619	1,570,569	1,472,552
Client support	812,057	3,271	665,107	1,480,435	41,147	-	41,147	1,521,582	438,432
In-kind	-	804,143	-	804,143	152,638	-	152,638	956,781	686,371
Total expenses before depreciation	4,840,484	11,318,235	2,008,027	18,166,746	3,934,284	82,085	4,016,369	22,183,115	19,117,285
Depreciation	77,111	180,303	31,989	289,403	64,979	-	64,979	354,382	320,725
Total expenses	<u>\$ 4,917,595</u>	<u>\$ 11,498,538</u>	<u>\$ 2,040,016</u>	<u>\$ 18,456,149</u>	<u>\$ 3,999,263</u>	<u>\$ 82,085</u>	<u>\$ 4,081,348</u>	<u>\$ 22,537,497</u>	<u>\$ 19,438,010</u>

The accompanying notes are an integral part of this statement.

Directions for Living

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A description of the organization and a summary of its significant accounting policies consistently applied in the preparation of the accompanying financial statements follow:

1. Organization and Activities

Directions for Mental Health Inc., d/b/a Directions for Living (“Directions”) is a nonprofit corporation providing integrated behavioral health services to adults, children and families. Directions’ focus is on preventing and healing from trauma - including children and families, homelessness, mental illness, and substance abuse. Directions’ program services provide mental health case management, homeless services case management, targeted case management and intensive case management. Through Directions’ Trauma-Informed Behavioral Health Care Program Directions’ utilizes evidenced-based practices to provide Adult and Children’s Therapy, Family/Couples Therapy, Group Therapy, Intensive In-Home Therapy and Adult and Children’s Psychiatry. Directions’ Wellness and Recovery program provides Homeless Outreach Services, Case Management Services, Early Childhood Consultation Services and Psychological Testing to provide resources and individualized care for those at-risk and in need of support. The majority of the clients served by Directions reside in Pinellas and Pasco County, Florida. Funding provided for these services is received primarily through governmental grants, contracts and program fees.

2. Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis and are prepared under the guidance of the Financial Accounting Standards Codification (FASB ASC). FASB ASC 958 requires the display of the financial statements based on the concept of net assets. Net assets are identified as without donor restrictions and with donor restrictions.

3. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Directions for Living

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. Cash and Cash Equivalents

Cash and cash equivalents include investments in highly liquid debt instruments with a maturity of three months or less, at the date of purchase. Highly liquid debt instruments with a maturity of three months or less that are included as part of the investment portfolio are excluded from cash and cash equivalents as they are commingled with longer-term investments.

5. Net Program Service Fees and Receivables

Net program service fees are reported at the estimated net realizable amounts from clients, third-party payors, and others for services rendered. Accordingly, Directions provides an allowance for accounts it deems to be uncollectible based on historical experience, third-party contracts, and other circumstances, which may affect the ability to meet their obligations.

Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is Directions' policy to charge-off uncollectible receivables once all collection efforts have been exhausted. An allowance of approximately \$226,000 is included in relation to the program service fees receivable at June 30, 2025, in the accompanying financial statements.

Directions has agreements with third-party payors that provide for payments at amounts different from established rates. The basis for payment to Directions under these agreements includes discounts from established rates.

6. Grant Revenue and Receivables

Grant revenue is received from federal, state and local sources. Grant revenue is recorded based upon the terms of the grantor allotment, which generally provides that revenues are earned when the allowable costs of the specific grant provisions have been incurred. Such revenues are subject to audit by the grantor, and if the examination results in a deficiency of allowable expenses, Directions would be required to refund any deficiencies.

7. Contributions

Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the absence or existence and nature of any donor restrictions. Contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as with donor restriction support that increases those net asset classes. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Directions for Living

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

During the year ended June 30, 2025, Directions received notification it was the sole beneficiary of certain assets held in trust valued at \$41,770,000. The assets remain held in trust as of June 30, 2025 and expect to be transferred into Directions name during the subsequent fiscal year.

8. Medication Inventory

Medication inventory consists of drug stock held by Directions for client use and is stated at the lower of cost or market. Cost is determined using the first-in, first-out method. Inventory levels fluctuate depending upon the timing of funding from the State of Florida.

9. Property and Equipment

Directions follows the practice of capitalizing all expenditures for property and equipment in excess of \$5,000. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets, ranging from 3 to 30 years.

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as increases in net assets with donor restrictions. It is Directions' policy to imply a time restriction, based on the assets' estimated useful lives, on donations of property and equipment that are not restricted as to their use by the donor. Accordingly, those donations are recorded as an increase in net assets with donor restrictions.

10. Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair value in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets.

11. Statement of Activities and Changes in Net Assets

Transactions deemed by management to be ongoing, major or central to the provision of health care services are classified as operating revenue and expenses. Peripheral or incidental transactions are reported as nonoperating gains and losses.

12. Functional Allocation of Expenses

The costs of providing the various programs and other activities are presented in the statement of functional expenses and have been summarized on a functional basis in the statement of activities and changes in net assets. Accordingly, certain expenses have been allocated among the programs and supporting services benefited.

Directions for Living

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Expenses that benefit multiple functional areas have been allocated across programs, general and administrative, and fundraising expenses based on the proportion of employee time involved or other reasonable allocable basis such as square footage of space used. These expenses include personnel expenses, travel, occupancy, operating expenses, and client support.

A description of the significant programs follows:

Case Management Services – This program provides recovery-based and individualized supports including assessment, linkage, advocacy, and monitoring for adults and children with a severe and persistent mental illness.

Outpatient Services – This program provides services to both adults and children by providing psychiatric care by licensed clinicians. Directions’ adult mental health services are centered on evidence-based practices and the latest research-supported interventions to restore and improve the quality of life for each individual served. Directions’ children’s mental health services are designed for children who have experienced trauma, including loss and grief, depression, anxiety, abuse histories and addictions. These services can be provided at our facilities or at a child’s home, which often allows them to feel most comfortable.

Homeless Services – This program helps adults and families living without homes, or at risk of homelessness, by linking them to a variety of resources and providing psychiatric care throughout the community, including at local shelters.

13. Income Taxes

Directions has been recognized as exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been presented in these financial statements. Directions has not reported any unrelated business income; however, such status is subject to final determination upon examination, if any, of the related income tax returns by the appropriate taxing authorities.

Directions is not aware of any tax positions it has taken that are subject to a significant degree of uncertainty. Tax years after 2021 remain subject to examination by federal and state taxing authorities.

Directions for Living

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

14. Donated Materials, Services and Building Space

Donations of materials and building space are recorded as support at their estimated fair value, based on current comparable market prices, at the date of donation. Donations of services are recorded as support at their estimated fair value if they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Directions also receives donated services from a variety of unpaid volunteers. No amounts have been recognized in the accompanying statement of activities and changes in net assets because the criteria for recognition of such volunteer effort under FASB ASC Topic 958 relating to *Not-For-Profit Entities* have not been satisfied.

15. Comparative Information

The financial statements include certain prior period 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 accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with Directions' financial statements for the year ended June 30, 2024, from where it was derived.

NOTE B - LIQUIDITY AND AVAILABILITY

Directions has approximately \$8,458,000 of financial assets available within one year of the statement of financial position date consisting of cash and cash equivalents of \$550,000, program service fees receivable of \$676,000, and grant receivables of \$7,232,000. Directions has a goal to maintain financial assets on hand to meet 60 days of normal operating expenses. As more fully described in Note E, Directions also has two committed lines of credit in the amount of \$1,700,000, which it could draw upon in the event of an unanticipated liquidity need.

NOTE C - INVESTMENTS

Investments are comprised of the following at June 30, 2025:

Beneficial interest in assets held by others	\$	151,580
Investment in common stock		<u>63,739</u>
	\$	<u><u>215,319</u></u>

Directions for Living

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE C - INVESTMENTS - Continued

The Community Foundation of Tampa Bay, Inc. maintains an investment account to benefit Directions. The account is not considered an asset of Directions, and therefore is not included in the financial statements. Directions can request a distribution from the investment account each year. The balance of this investment account available for distribution was \$22,993 at June 30, 2025.

NOTE D - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board ASC 820 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described below:

- Level 1    Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that Directions has the ability to access.
- Level 2    Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in inactive markets;
  - Inputs other than quoted prices that are observable for that asset or liability;
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means;
  - If the asset or liability has a specified (contractual) term, the input must be observable for substantially the full term of the asset or liability.
- Level 3    Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

An asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Directions for Living

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE D - FAIR VALUE MEASUREMENTS - Continued

Following is a description of the valuation methodologies used for assets measured at fair value at June 30, 2025:

*Investments:*

*Common Stock:* Valued at cost as there is no active market on which the individual securities are traded. Should the investments' fair value become impaired, the value will be reduced at the time such a determination is made.

*Beneficial interest in assets held by others:* Value for the beneficial interest held by Directions in the Community Foundation of Tampa Bay ("Community Foundation") and the Pinellas County Community Foundation ("Pinellas Foundation") are based on valuation information provided by the Community Foundation and the Pinellas Foundation which is primarily derived from or corroborated by observable market data.

The methods described above may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, while Directions believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The estimated fair values of Directions' financial instruments as of June 30, 2025 are as follows:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Beneficial interest in assets held by others	\$ 151,580	\$ -	\$ -	\$ 151,580
Investment in common stock	63,739	-	-	63,739
	<u>\$ 215,319</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 215,319</u>

NOTE E - LINES OF CREDIT

Directions has a line of credit with a commercial bank in the amount of \$1,200,000 at June 30, 2025. The line of credit is secured by property. Interest is due monthly at the greater of 4.00% or the bank's prime rate (8.0% at June 30, 2025) plus .5%, and principal is due on demand with a final maturity date of December 31, 2039. There were no amounts outstanding under this line of credit at June 30, 2025.

Directions has a second line of credit with a commercial bank in the amount of \$500,000 at June 30, 2025. The line of credit is secured by property. Interest is due monthly at 8.75% and principal is due on demand. There were no amounts outstanding under this line of credit at June 30, 2025.

Directions for Living

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE F - PROPERTY AND EQUIPMENT

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

Land	\$ 404,970
Building and improvements	5,422,661
Office furniture and equipment	<u>2,673,147</u>
	8,500,778
Less accumulated depreciation and amortization	<u>(5,057,122)</u>
	<u>\$ 3,443,656</u>

Depreciation expense was \$354,382 for the year ended June 30, 2025.

NOTE G - RETIREMENT PLAN

Directions sponsors a 403(b) defined contribution retirement plan covering all eligible employees. Directions may elect to make a matching contribution equal to one-half of employee contributions to a maximum match of \$1,000 per employee per plan year. The plan contains a vesting schedule for employer contributions. All forfeited nonvested contributions may be used to reduce future employer contributions. The retirement plan expense is reported net of forfeitures used in lieu of employer cash contributions. There were no employer matching contributions for the year ended June 30, 2025.

NOTE H - CONTINGENCIES

Directions routinely enters into grant agreements and contracts with governmental agencies that provide for reimbursement of the eligible direct and indirect cost of providing Directions' program services. The grants and contracts are subject to audit or review and retroactive adjustment based on a final determination by the grantor eligible reimbursable expenditures.

Directions bills Medicaid and Medicare for services provided to clients who are eligible for Medicaid and/or Medicare insurance reimbursement. All billings and the related documentation are subject to audit by Medicaid and Medicare and potential payback could be required if proper documentation is lacking.

NOTE I - DONATED MATERIALS AND SERVICES (IN-KIND CONTRIBUTIONS)

Donated materials and services for the year ended June 30, 2025, consisted of medication inventory at estimated cost of approximately \$804,000, and other support services valued at approximately \$105,000.

Directions for Living

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE J - FUNDING AND CREDIT CONCENTRATIONS

The Organization earns revenue from government contracts and grants in the form of performance, rate for service and expense reimbursement contracts. Support and revenue related to government and other grants is recognized when donor-imposed conditions are met. These revenues are subject to right of return if funds are not spent and also have other performance and/or control barriers that must be met to be entitled to the funds. For this reason, the Organization's grant revenues are considered to be conditional and revenue is recognized as funds are utilized for programmatic activities specified in the grant agreement. Funds received in advance and not yet earned are recorded as unearned revenue.

NOTE K - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at June 30, 2025:

Restricted for future periods:	
Beneficial interest in assets held by others	\$ 151,580
Assets held in trust	<u>41,770,000</u>
	<u>\$ 41,921,580</u>

There were no net assets released from donor restrictions during the year ended June 30, 2025.

NOTE L - MATCHING REQUIREMENTS

Directions has met the matching requirements of contract QG011 with the Central Florida Behavioral Health Network.

NOTE M - EMPLOYEE RETENTION CREDIT

During the year ended June 30, 2023, Directions applied for Employee Retention Credit (ERC) of \$3,718,028 that they deemed they were eligible for. The ERC is a refundable credit against certain payroll taxes allowed to an eligible employer for qualifying wages, that was established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and further amended by the Consolidated Appropriations Act, and the American Rescue Plan Act. Directions has recorded this amount as governmental revenues in the statement of activities for the year ended June 30, 2025. As of June 30, 2025, Directions has received \$1,978,734 in payments on the ERC and expects remaining payments to be received in subsequent periods.

Directions for Living

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE N - SUBSEQUENT EVENTS

Directions has evaluated events and transactions occurring subsequent to June 30, 2025, as of December 31, 2025 which is the date the financial statements were available to be issued.

## COMPLIANCE REPORTS

INDEPENDENT AUDITORS' 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*

DIRECTIONS FOR LIVING

June 30, 2025



Herman V. Lazzara	Michael E. Helton
Sam A. Lazzara	James K. O'Connor
Kevin R. Bass	David M. Bohnsack
Jonathan E. Stein	Julie A. Davis
Stephen G. Douglas	Karl N. Swan
Marc D. Sasser, of Counsel	
Cesar J. Rivero, in Memoriam (1942-2017)	

INDEPENDENT AUDITORS' 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  
Directions for Mental Health, Inc.  
d/b/a Directions for Living

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 Directions for Mental Health, Inc. d/b/a Directions for Living (a nonprofit organization) (“Directions for Living”), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 31, 2025.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Directions for Living’s internal control over financial reporting (internal control) as a basis for designing 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 our opinion on the effectiveness of Directions for Living’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Directions for Living ‘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 Directions for Living's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of 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 Directions for Living's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Directions for Living's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Tampa, Florida  
December 31, 2025

A handwritten signature in cursive script that reads "Buco, Gardner & Company, P.A." The signature is written in black ink and is positioned to the right of the typed text.

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

DIRECTIONS FOR LIVING

June 30, 2025



RIVERO, GORDIMER & COMPANY, P.A.

Member  
American Institute of Certified Public Accountants  
Florida Institute of Certified Public Accountants

Herman V. Lazzara  
Sam A. Lazzara  
Kevin R. Bass  
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM FEDERAL AND STATE  
PROJECT AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE  
AND CHAPTER 10.650, RULES OF THE AUDITOR GENERAL

Board of Directors  
Directions for Mental Health, Inc.  
d/b/a Directions for Living

**Report on Compliance for Each Major Federal Program and State Project**

***Opinion on Each Major Federal Program and State Project***

We have audited Directions for Mental Health, Inc. d/b/a Directions for Living's ("Directions for Living") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of Directions for Living's major federal programs and state projects for the year ended June 30, 2025. Directions for Living's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Directions for Living complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended June 30, 2025.

***Basis for Opinion on Each Major Federal Program and State Project***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.650, Rules of the Auditor General. Our responsibilities under those standards, the Uniform Guidance and Chapter 10.650, 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 Directions for Living 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 Directions for Living'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 Directions for Living'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 Directions for Mental Health, Inc. d/b/a Directions for Living's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.650, 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 Directions for Living's compliance with the requirements of each major federal program or state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.650, 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 Directions for Living'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 Directions for Living's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of Directions for Living'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 on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Tampa, Florida  
December 31, 2025



Directions for Living

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended June 30, 2025

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued on whether the financial statements 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 Awards**

Internal control over major federal programs:  
Material weakness(es) identified?        yes   X   no  
Significant deficiency(ies) identified?        yes   X   none reported

Type of auditors' report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) or Chapter 10.656?        yes   X   no

Identification of major programs:

**Federal**

<u>Assistance Listing Number</u>	<u>Name of Federal Program</u>
93.150	Projects for Assistance in Transition from Homelessness (PATH)

**State**

<u>CSFA Number</u>	<u>Name of State Project</u>
60.153	Substance Abuse and Mental Health-Community Services

Dollar threshold used to distinguish between type A and type B:  
Federal programs: \$ 750,000  
State projects: \$ 300,000

Auditee qualified as low-risk auditee?   X   yes        no

Directions for Living

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2025

**Section II - Financial Statement Findings**

No matters were reported for the year ended June 30, 2025.

**Section III - Federal Award**

No matters were reported for the year ended June 30, 2025.

**Other Issues**

- a) A management letter is not required because there were no findings required to be reported in the management letter (see AG Rule Section 10.656(3)(e)).
- b) A summary Schedule of Prior Audit Findings is not required because there were no prior year audit findings related to the financial statements, federal awards or state projects.

SUPPLEMENTARY INFORMATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

DIRECTIONS FOR LIVING

For the year ended June 30, 2025

Directions for Living

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

For the year ended June 30, 2025

Federal/State Grantor / Pass-through Grantor / Program or Cluster Title	Federal Assistance Listing # or State CSFA #	Pass-through Entity Identifying Number	Passed-Through to Subrecipients	Total Federal/State Expenditures
<b>Federal</b>				
<u>U.S. Department of Housing and Urban Development</u>				
Indirect Programs:				
CDBG - Entitlement Grants Cluster				
<i>Community Development Block Grants/ Entitlement Grants</i>				
Pass-through programs from:				
City of Clearwater, Florida - COVID	14.218	B20-MW-12-0002	\$ -	\$ 25,764
City of Clearwater, Florida	14.218	N/A	-	193,686
Pinellas County, Florida	14.218	N/A	-	20,000
Total Community Development Block Grants / Entitlement Grants			-	239,450
<i>Emergency Solutions Grant Program</i>				
Pass-through Programs from:				
Homeless Leadership Alliance of Pinellas - COVID	14.231	QPZ06-DFL2324	-	234,499
Homeless Leadership Alliance of Pinellas - RUSH	14.231	QPZ06-DFL2324	-	34,142
Total Emergency Solutions Grant Program			-	268,641
Total U.S. Department of Housing and Urban Development Programs - Indirect Programs			-	508,091
<u>U.S. Department of Treasury</u>				
Indirect Program:				
<i>Coronavirus Relief Fund</i>				
Passed-through programs from:				
City of St. Petersburg	21.027	N/A	-	137,460
Pinellas County Community Foundation - COVID	21.027	N/A	-	201,385
Total U.S. Department of Treasury - Indirect Programs			-	338,845
<u>U.S. Department of Health and Human Services</u>				
Direct Program:				
<i>Substance Abuse and Mental Health Services Projects of Regional and National Significance</i>				
	93.243	N/A	-	113,584
Total U.S. Department of Health and Human Services Programs - Direct Programs			-	113,584
Indirect Programs:				
<i>Projects for Assistance in Transition from Homelessness (PATH)</i>				
Passed-through Central Florida Behavioral Health Network, Inc.	93.150	QG011	-	459,087

Directions for Living

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE - CONTINUED

For the year ended June 30, 2025

Federal/State Grantor / Pass-through Grantor / Program or Cluster Title	Federal Assistance Listing # or State CSFA #	Pass-through Entity Identifying Number	Passed-Through to Subrecipients	Total Federal/State Expenditures
<i>Temporary Assistance for Needy Families (TANF)</i>				
Pass-through programs from:				
Homeless Leadership Alliance of Pinellas	93.558	QPZ06-DFL2324	-	80,368
Central Florida Behavioral Health Network, Inc.	93.558	QG011	-	261,646
Total Temporary Assistance for Needy Families			-	342,014
<i>Block Grants for Community Mental Health Services</i>				
Passed-through Central Florida Behavioral Health Network, Inc.	93.958	QG011	-	249,709
<i>Block Grants for Prevention and Treatment of Substance Abuse</i>				
Passed-through Central Florida Behavioral Health Network, Inc.	93.959	QG011	-	259
Total U.S. Department of Health and Human Services Programs - Indirect Programs			-	1,051,069
Total U.S. Department of Health and Human Services Programs			-	1,164,653
Total expenditures of federal awards			-	2,011,589
<b>State</b>				
<u>Florida Department of Children &amp; Families</u>				
Indirect Projects:				
<i>Homeless Challenge Grant</i>				
Passed through from Homeless Leadership Alliance of Pinellas	60.014	QPZ06-DFL2425	-	133,361
<i>Substance Abuse and Mental Health-Community Services</i>				
Passed-through Central Florida Behavioral Health Network, Inc.	60.153	QG011	-	663,300
Total Florida Department of Children & Families Projects			-	796,661
Total expenditures of state financial assistance			-	796,661
Total expenditures of federal awards and state financial assistance			\$ -	\$ 2,808,250

Directions for Living

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

June 30, 2025

NOTE A - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the "Schedule") includes the federal award and state financial assistance activity of Directions for Living under programs of the federal government and State of Florida for the year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, Rules of the Auditor General. Because the Schedule presents only a selected portion of the operations of Directions for Living, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Directions for Living. All federal awards and state financial assistance passed-through other governmental or non-profit agencies are included in the accompanying schedule.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Chapter 10.650, Rules of the Auditor General, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

NOTE B - INDIRECT COST RATE

Directions for Living negotiates the allowable indirect cost rate on direct and indirect funding received from state or local government and non-governmental sources with the awarding agencies. For direct federal awards received, Directions has elected to use the 10-percent de minimis indirect cost rate under the Uniform Guidance.

NOTE C - STATE MATCHING FUNDS FOR FEDERAL PROGRAMS

State funds awarded to Directions for Living as matching funds for federal programs consisted of the following:

Federal Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
Temporary Assistance for Needy Families Block Grant	93.558	QG011	\$ 1,193,704
Block Grants for Community Mental Health Services	93.958	QG011	1,679,632
Block Grants for Prevention and Treatment of Substance Abuse	93.959	QG011	273
			\$ 2,873,609
Total state funds awarded for matching			

Directions for Living  
 SCHEDULE OF STATE EARNINGS (UNAUDITED)  
 For the fiscal year ended June 30, 2025

<b>1</b>	<b>Total Expenditures</b>	<b>\$ 22,452,980</b>
<b>2</b>	<b>Less Other State and Federal Funds</b>	<b>\$ (16,610,038)</b>
<b>3</b>	<b>Less Non-Match SAMH Funds</b>	<b>\$ (663,300)</b>
<b>4</b>	<b>Less Unallowable Costs per 65E-14, F.A.C.</b>	<b>\$ (1,093,353)</b>
<b>5</b>	<b>Total Allowable Expenditures</b> (Sum of lines 1, 2, 3, and 4)	<b>\$ 4,086,289</b>
<b>6</b>	<b>Maximum Available Earnings</b> (Line 5 times 75%)	<b>\$ 3,064,717</b>
<b>7</b>	<b>Amount of State Funds Requiring Match</b>	<b>\$ 1,005,237</b>
<b>8</b>	<b>Amount Due to Department (if negative) *</b> (Subtract line 7 from line 6)	<b>\$ 2,059,480</b>

\* Directions for Living has met the State's matching requirements.  
 Accordingly, no funds are refundable to the Department of Children and Families.

Directions for Living

SCHEDULE OF RELATED PARTY TRANSACTION ADJUSTMENTS (UNAUDITED)

For the fiscal year ended June 30, 2025

This audit schedule is not applicable to Directions for Living for the fiscal year ended June 30, 2025.

Directions for Living

SCHEDULE OF BED-DAY AVAILABILITY PAYMENTS (UNAUDITED)

For the fiscal year ended June 30, 2025

This audit schedule is not applicable to Directions for Living for the fiscal year ended June 30, 2025.

Directions for Living

SUBSTANCE ABUSE & MENTAL HEALTH SERVICES PROGRAM/COST CENTER  
ACTUAL EXPENSES AND REVENUES SCHEDULE (UNAUDITED) - CONTINUED

For the fiscal year ended June 30, 2025

ACTUAL OPERATING REVENUE & EXPENSES

CONTRACT # QG011 9/30/2025

PART I: ACTUAL FUNDING SOURCES & REVENUES

Mental Health

FUNDING SOURCES & REVENUES	1 Assessment	2 Case Management	4 Crisis Support/ Emergency	12 Medical Services	14 Outpatient - Individual	15 Outreach	28 Incidental Expenses	35 Outpatient - Group	B6 Provider Proviso Projects	B8 FFPSA Training Projects	A2 FIT Team	Total for State Funded SAMH Cost Centers	Total Revenue
<b>IA. STATE SAMH FUNDING</b>													
(1) Central Florida Behavioral Health Network	711	1,323,310	60,630	266,938	761,179	286,619	33,321	2,920	663,300	597,113	596,591	4,592,632	4,592,632
MH000	711	667,505	46,825	261,420	695,363	20,567	-	2,920	-	-	-	1,695,311	1,695,311
MH009	711	667,505		261,420	695,363	20,567		2,920				1,648,486	1,648,486
MH018			46,825									46,825	46,825
MH009 CF (FY 23-24)		63,588		5,518	15,917							85,023	85,023
MH027									663,300			663,300	663,300
MH076							30,435					30,435	30,435
MH0CN		185,238					1,665					186,903	186,903
MH0PG		194,700					264,387					459,087	459,087
MH0TB		212,279			49,367							261,646	261,646
MHARP			13,805									13,805	13,805
MHEBP										597,113		597,113	597,113
MHTRV							2,886					2,886	2,886
MS000	-	-	-	-	532	-	-	-	-	-	-	532	532
MS011					532							532	532
MS091											596,591	596,591	596,591
<b>IB. OTHER GOVT. FUNDING</b>													
(1) Other State Agency Funding												-	-
(2) Medicaid		304,409		327,270	2,597,876							3,229,555	3,229,555
(3) Local Government				2,354,524	7,058,075	971,159						10,383,758	10,383,758
(4) Federal Grants and Contracts				113,584								113,584	113,584
(5) In-kind from local government only												-	-
<b>TOTAL GOVERNMENT FUNDING =</b>		304,409	-	2,795,378	9,655,951	971,159	-	-	-	-	-	13,726,897	13,726,897
<b>IC. ALL OTHER REVENUES</b>													
(1) 1st & 2nd Party Payments		127,997			37,031							165,028	165,028
(2) 3rd Party Payments (except Medicare)		22,481		92,741	26,794							142,016	142,016
(3) Medicare		80,385		132,052								212,437	212,437
(4) Contributions and Donations				1,411,146								1,411,146	1,411,146
(5) Other				43,749								43,749	43,749
(6) In-kind				906,839	1,926							908,765	908,765
<b>TOTAL ALL OTHER REVENUES =</b>		230,863	-	2,586,527	65,751	-	-	-	-	-	-	2,883,141	2,883,141
<b>TOTAL ACTUAL FUNDING =</b>	711	1,858,582	60,630	5,648,843	10,482,881	1,257,778	33,321	2,920	663,300	597,113	596,591	21,202,670	21,202,670

Directions for Living

SUBSTANCE ABUSE & MENTAL HEALTH SERVICES PROGRAM/COST CENTER  
ACTUAL EXPENSES AND REVENUES SCHEDULE (UNAUDITED) - CONTINUED

For the fiscal year ended June 30, 2025

PART II: ACTUAL EXPENSES																	
EXPENSE CATEGORIES		01	02	04	12	14	15	28	35	B6	B8	A2	Total for State Funded SAMH Cost Centers	Total SAMH Cost Centers		Administration	Total Expenses
		Assessment	Case Management	Crisis Support/ Emergency	Medical Services	Outpatient - Individual	Outreach	Incidental Expenses	Outpatient - Group	Provider Proviso Projects	FFPSA Training Projects	FIT Team					
<b>IIA. PERSONNEL EXPENSES</b>																	
(1) Salaries	-	4,745,585	1,030,834	1,730,056	1,108,683	421,564	-	40,507	532,075	781,569	410,254	10,801,127	10,801,127	=====		3,352,969	14,154,096
(2) Fringe Benefits	-	854,205	185,550	311,410	199,563	75,882	-	7,291	95,774	140,682	73,846	1,944,203	1,944,203	=====		603,534	2,547,737
<b>TOTAL PERSONNEL EXPENSES =</b>	-	5,599,790	1,216,384	2,041,466	1,308,246	497,446	-	47,798	627,849	922,251	484,100	12,745,330	12,745,330	=====		3,956,503	16,701,833
<b>IIIB. OTHER EXPENSES</b>																	
(1) Building Occupancy	-	2,933	-	1,905	16,319	-	-	-	673	415	623	22,868	22,868	=====		97,938	120,806
(2) Professional Services	-	-	-	-	-	-	-	-	-	-	-	-	-	=====		66,159	66,159
(3) Travel	-	79,331	-	331	77,257	-	-	-	12,734	13,644	13,405	196,702	196,702	=====		10,825	207,527
(4) Equipment	-	930	-	662	7,105	-	-	-	361	302	316	9,676	9,676	=====		6,906	16,582
(5) Food Services	-	-	-	-	-	-	-	-	-	-	-	-	-	=====		-	-
(6) Medical and Pharmacy	-	-	-	-	26,840	-	30,435	-	-	-	-	57,275	57,275	=====		-	57,275
(7) Subcontracted Services	-	-	-	39,440	-	-	-	-	-	-	-	39,440	39,440	=====		50,597	90,037
(8) Insurance	-	153,552	-	24,093	301,606	-	-	-	31,715	22,159	13,425	546,550	546,550	=====		165,090	711,640
(9) Interest Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	=====		53,859	53,859
(10) Operating Supplies & Expenses	-	440,253	-	67,008	714,460	1,679	-	-	86,843	71,486	102,235	1,483,964	1,483,964	=====		1,213,447	2,697,411
(11) Donated Items	-	261,850	-	52,820	150,618	56,715	6,593	578	131,250	118,154	118,050	896,628	896,628	=====		12,138	908,766
(11) Other Expense	711	812,057	-	-	2,892	-	2,886	-	190	-	2,349	821,085	821,085	=====		-	821,085
<b>TOTAL OTHER EXPENSES =</b>	711	1,750,906	-	186,259	1,297,097	58,394	39,914	578	263,766	226,160	250,403	4,074,188	4,074,188	=====		1,676,959	5,751,147
**Donated items are not allowable	-	-	-	-	-	-	-	-	-	-	-	-	-	=====		-	-
<b>PERSONNEL &amp; OTHER EXPENSES =</b>	711	7,350,696	1,216,384	2,227,725	2,605,343	555,840	39,914	48,376	891,615	1,148,411	734,503	16,819,518	16,819,518	=====		5,633,462	22,452,980
<b>IIIC. DISTRIBUTED INDIRECT COSTS</b>																	
(b) Administration	-	-	-	-	-	-	-	-	-	-	-	-	-	=====		-	-
<b>L DISTRIBUTED INDIRECT COSTS =</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	=====		-	-
<b>L ACTUAL OPERATING EXPENSES =</b>	711	7,350,696	1,216,384	2,227,725	2,605,343	555,840	39,914	48,376	891,615	1,148,411	734,503	16,819,518	16,819,518	=====		5,633,462	22,452,980
<b>IIID. UNALLOWABLE COSTS</b>																	
<b>IIIE. CAPITAL EXPENDITURES</b>																	
<b>LOWABLE OPERATING EXPENSES =</b>	711	7,350,696	1,216,384	2,227,725	2,605,343	555,840	39,914	48,376	891,615	1,148,411	734,503	16,819,518	16,819,518	=====		5,633,462	22,452,980
<b>IIIG. BUDGET NARRATIVE</b>																	
Attach separate set of workpapers																	
<b>PART III: CERTIFICATION</b>																	
I certify the above to be an accurate projection and in agreement with this agency's records and with the terms of this agency's contract.																	
April Lott	President and Chief Executive Officer		9/30/2025														
Signature	Title		Date														